

Oilseeds Domestic Fundamental

Mostly weak tone are featured in Oilseeds complex today on sluggish demand today. New crops of Mustard seed have started to arrive in mandies however in a slow pace and likely to report good quantity after mid of March 2020. Heavy rainfall in Jan month delayed harvesting pace of mustard seed of this season. Mustard seed prices in spot markets is likely to increase ahead of Holi Festival. Farmers and traders hold total 20 to 30 lakh tons of soybean seed and likely to release in March end or April 2020. NCDEX soybean future prices and RM seed increased on fresh buying activities today.

As per second advanced estimates of ministry, India is likely to grow 22.55% higher groundnut seed at 82.44 lakh tonnes in 2019-20 compared to 67.27 lakh tonnes in 2018-19. India may get 69.49 lakh tones of kharif crop of groundnut which is higher from 53.87 lakh tonnes however 3.3% lower Rabi season groundnut crop at 12.95 lakh tonnes in 2019-20 against last season. Mustard output of Rabi season is expected to stay at 91.13 lakh tonnes in 2019-20 which is 1.54% lower from 92.56 lakh tonnes in last year. Soybean crop size for kharif season is estimated at 136.28 lakh tonnes higher by 2.71% against 132.68 lakh tonnes in 2018-19. Total oilseeds crop size is placed at 341.88 lakh tonnes in 2019-20 higher against 315.22 in last year supported by higher kharif season crop size.

Farmers have started to bring new mustard early sown crop at few districts of Rajasthan, UP, MP and Gujarat. However, the new harvested mustard crops contained 48 to 52% moisture which is higher than 10 to 12% in normal condition. Traders expect 20% higher mustard crop of this season in Rajasthan belt. Farmers have covered total 6.9 million hac. Of mustard seed in 2019-20 season lower by 0.4% against last year record. However, good weather condition and ample water availability have supported to increase yield at major growing states which is likely to boost up mustard crop production in this year. Traders expect 8 million tonnes of mustard crop output in this year which is higher by 2.6% from 7.8 million tonnes in previous year record.

According to farm ministry recent data, India is likely to grow mustard crop at 9.34 million tonnes for 2019/20 season which is unchanged from last year record. Overall crop condition is good and likely to support mustard production to increase. However, hailstorm in early Jan month 2020 have affected standing mustard crops in some parts of northern and western part of India which may cause the stem rot disease and leave the plant wilted. In Rajasthan, western Uttar Pradesh and southern Haryana, white rust and stem rot diseases were reported which may curb any major rise in crop size. It pegged 6.2 million hectares of mustard sowing area for this season unchanged from last season. It expects total 2.7 million hectares of sowing area in Rajasthan. However, farmers may switch mustard area to wheat in MP, Haryana, Uttar Pradesh and West Bengal. Mustard yield for 2019-20 is likely to stay unchanged at 1.49 tonnes per hac. as compared to previous year. While, yield may increase to 1.9 tonnes per hac. in some parts of eastern UP.

Oilseeds International Fundamentals

CBOT futures prices declined after weak exports sales data of USDA for this week.

During (February 14 to 20, 2020) US sold 31% less soybean to 339,300 MT for 2019-20 from the previous week and 38% from the prior four week average. Increases primarily for Japan (108,200 MT, including 54,900 MT switched from unknown destinations and decreases of 2,000 MT), China (71,700 MT, including 66,000 MT switched from unknown destinations), Costa Rica (69,500 MT), Germany (66,000 MT), and South Korea (58,400 MT, including 55,000 MT switched from unknown destinations), were offset by reductions for unknown destinations (176,400 MT). For 2020/2021, net sales of 22,100 MT were for Mexico (21,000 MT) and Japan (1,100 MT). Exports of 597,900 MT were down 38 percent from the previous week and 42 percent from the prior 4-week average. The destinations were primarily to Mexico (102,900 MT), Egypt (94,000 MT), China (68,700 MT), Germany (66,000 MT), and South Korea (60,300 MT).

As per IGC (International Grain Council), Global soybean output for 2019-20 may decline by 5 million tonne to 345 million tonnes due to slight shortfall in U.S Soybean output. In 2020-21, U.S. may cover 4% higher soybean planting area.

Outlook: The Indore (Plant Delivery) prices are expected to trade in the range of 3870 to 3920 in coming day. Mustard (42%) spot prices are likely to trade in the range of 4250 and 4270 per quintal ahead of a day.

Soybean Futures Contract: NCDEX Price							Date:27.02.2020 at 5:00 PM			
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change	
Mar-20	+0.37	3746	3820	3732	3786	27235	-18,770	101240	-6950	
Apr-20	+0.59	3736	3774	3702	3754	24365	-11,655	111275	-385	
May-20	+0.59	3746	3772	3690	3756	12750	4,870	45175	4660	
Mustard Seed Futures Contract: NCDEX Price										
Mar-20	+0.02	3996	4019	3982	4008	11350	-1,200	17530	190	
Apr-20	+0.05	4015	4040	4009	4033	1200	160	4580	-110	
May-20	-0.64	4055	4055	4029	4029	10	0	10	0	
Soybean Basis – (114)					Mustard Basis-(267)					
Spread					Spread					
	Mar-20	Apr-20	May-20		Mar-20	Apr-20	May-20			
Mar-20	114			Mar-20	267					
Apr-20		146		Apr-20		242				
May-20			144	May-20			246			

Soybean Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	26-Feb-20	26-Feb-20	26-Feb-20	26-Feb-20
Akola	21724	75	21799	21544
Indore	297	-	297	297
Kota	2598	-	2598	2599
Sagar	3209	-	3209	3209
Nagpur	-	-	-	-

Rapeseed Stock Position & Fed:				
Stocks	Demat	In-Process	Total	FED
	26-Feb-20	26-Feb-20	26-Feb-20	26-Feb-20
Sri Ganganagar	-	-	-	-
Bharatpur	-	-	-	-
Bikaner	-	-	-	-
Kota	112	-	112	112
Jaipur	602	-	602	139
Alwar	502	-	502	632
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
	27-Feb-20		26-Feb-20		
Soybean	Low	High	Low	High	
Indore –Plant	3800	3900	3910	3960	-60
Indore–Mandi	3700	3800	3800	3950	-150
Nagpur-Plant	4050	4100	4050	4100	Unch
Nagpur – Mandi	3500	3860	3500	3860	Unch
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	2750	3750	NA	NA	-
Kota-Plant	3650	3700	3750	3800	-100
Kota – Mandi	3600	3650	3700	3750	-100
Bundi-Plant	3600	3650	3700	3750	-100
Bundi-Mandi	3500	3600	3550	3650	-50
Baran-Plant	3700	3800	3800	3870	-70
Baran-Mandi	3650	3750	3725	3840	-90
Bhawani Mandi Jhalawar–Plant	3800	3850	3850	3900	-50
Jhalwar-Mandi	3500	3800	3600	3900	-100
Rapeseed/Mustard					
Jaipur-(Condition)	4270	4275	4300	4305	-30
Alwar-(Condition)	4000	4100	4000	4100	Unch
Sri Ganganagar-(Non-Condition)	3700	3750	3700	3750	Unch
New Delhi–(Condition)	4175	4225	4160	4210	15
Kota-(Condition)	3800	3900	3900	4000	-100
Agra-(Condition)	4048	4238	4048	4238	Unch
Neewai-(Condition)	3900	3950	3930	4000	-50
Hapur (UP)-(Condition)	4050	4150	4050	4150	Unch
Groundnut Seed					
Rajkot	NA	NA	NA	NA	-
Sunflower Seed					
Gulbarga	2854	3552	3675	3925	-373
Latur	NA	NA	NA	NA	-
Sholapur	NA	NA	NA	NA	-
Soybean Prices are in INR/qtl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/qt (1 bag=85 kg) C – Condition (42%), *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/qtl.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
	27-Feb-20	26-Feb-20	
Soybean			
Madhya Pradesh	35000	35000	Unch
Maharashtra	25000	30000	-5000
Rajasthan	10000	12000	-2000
Bundi (Raj)	9	9	Unch
Baran (Raj)	1400	1200	200
Jhalawar (Raj)	4000	2000	2000
Rapeseed/Mustard			
Rajasthan	50000	50000	Unch
Alwar	5000	5000	Unch
Sri Ganganagar	300	300	Unch
Kota	500	800	-300
Groundnut Seed			
Rajkot (Gujarat)	NA	NA	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

Other Oilseed Prices at Mumbai (INR/100 Kg):

Oilseeds	27-Feb-20	26-Feb-20	Change
Groundnut Kernel	6000	6000	Unch
Gr. Bolds 60/70	7500	Unq	-
Gr. Javas 60/70	9050	Unq	-
Gr Javas 70/80	8900	Unq	-
Gr.Javas 80/90	8450	Unq	-
KardiSeed 2% Exp Qly	4200	Unq	-
Sesame White 98/2/1 FM	10700	10700	Unch
Whitish 95/5/FFA/1FM	10500	10500	Unch
Brown 48/2 FFA/4 FM	10300	10300	Unch
Brown 48/3 FFA/4 FM	9800	9800	Unch
Brown 48/4 FM/* No FFA Guarantee	9500	9500	Unch
Sunflower Seed	4500	4500	Unch
Niger Seed (4% FM)	5300	5300	Unch

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