

Oilseeds Domestic Fundamentals:

- Oilseeds cash markets remained firm in various market centers. Firm demand from oil millers and crushers led to higher prices.
- The area coverage under mustard, as on 7th November 2018, is reported up 0.03% at 59.596 lakh hectares compared to 59.36 lakh hectares at the same period last year. The area under groundnut is reported lower by 29.13% at 2.14 lakh hectares and that of sunflower is reported lower by 30.32% at 0.85 lakh hectares. The total sown area under rabi oilseeds, as on 7th November 2018, is lower compared to the previous year's level which is down by 2.21% at 65.45 lakh hectares compared to 67.34 lakh hectares during the corresponding period last year.
- According sources, the Chinese government this week asked the Indian government for a draft of protocol for Indian soybean meal, to be discussed during the GACC visit to India starting December 10. A Chinese trade delegation is coming to India on Dec. 10 to inspect soymeal plants. Earlier China has cleared few soybean plants.
- According to the Ministry of Commerce/Export Inspection Council of India stated that China will resume import of Rapeseed Meal from India. Five units have already approved by General Administration of Customs of the People's Republic of China, GACC (formerly AQSIQ) and will able to resume the export of Rapeseed Meal to China once their registration with Chinese Ministry of Agriculture (MoA) is done which is cumbersome process and takes a long time.
- The daily soybean arrivals at this point of time is nearly 1 to 1.5 lakh bags less than the usual pace with the production of 100 lakh tons. However the sudden surge in arrivals before Diwali and then the fall in arrivals has overall compensated the cumulative arrivals figures and thus ND arrivals is y-o-y high.
- Cumulative arrivals according to govt sources is 30 lakh tons which is higher by 6 lakh tons y-o-y till Nov (MY starting in Oct).
- SEA has revised the Oct soymeal exports to 1.5 lakh tons as against .38 lakh tons in its provisional estimates which seemed unrealistic. In Nov SEA has given provisional estimate of 2.17 lakh tons of soymeal exports which is slightly higher y-o-y. In the ND months the exports has been higher y-o-y but still not enough to eat away the surpluses soon. India needs to at least exports 8-10 lakh tons of meal by Dec end or Mid Jan to tighten the Indian situation.
- India was able to export 55 thd tons of rapemeal in Nov improving m-o-m but lesser as compared to last year exports considered in the same month. Overall India's rapemeal exports has improved significantly as the prices offered remained very stable and remained well cheap as compared to Soymeal. India this year has able to gain the lost market thus rapeseed crushing season.
- Bangladesh a key buyer of soymeal from India has not taken any quantity of soymeal on Nov which is may be due to unavailability of railway rakes and /or aggressive buying of US soybean and crushing at overcapacity domestically, given the discounts US soybean enjoyed after the US-China fiasco.
- Bangladesh used to import 2-2.5 lakh tons of soymeal annually in the Oct –Sep period. Iran however took just 55 thd tons of soymeal out of 2 lakh tons the country booked for immediate delivery. Hopefully the remaining will be get exported in Dec month which may result in Dec exports clocking 3.5 lakh tons or even more. Thus in such situation we might able to dispose nearly 50% of the surpluses if the production of bean is at 104-105 lakh tons.

Oilseeds International Fundamentals

- Chicago soybean traded firm at the Wednesday trading. Trump's quoting that China is expected to buy substantial amount of soybean from US weighed on prices.
- According to China's General Administration of Customs (CNGOIC), China's Nov soybean imports fell 22.2 percent to 5.38 MMT from 6.92 MMT in Oct. Imports in Nov is 38 percent lower than last Nov 2017 import of 8.68 MMT. Year to date soybean imports fell 4.3 percent to 82.31 MMT compared to corresponding period last year.
- In the G20 Summit held in Buenos Aires, Argentina a lot of positives is coming out of it from US and China over easing tensions between Beijing and Washington. Trump has agreed upon leaving tariffs on \$200 billion worth of product at the 10% rate, and not raise it to 25% at this time from Jan 1. On the other hand China will agree to purchase a not yet agreed upon, but very substantial, amount of agricultural, energy, industrial, and other product from the United States to reduce the trade imbalance between our two countries. Further China agreed to start purchasing agricultural product from our farmers immediately. No additional tariffs will be imposed after January 1 and negotiations between the two sides will continue.

- Both parties agree that they will endeavor to have this transaction completed within the next 90 days. If at the end of this period of time, the parties are unable to reach an agreement, the 10% tariffs will be raised to 25%.
- **Outlook:** Soybean (plant delivery) prices are likely feature loss in coming days. The Indore (Plant Delivery) prices are expected to start trading in the range of 3350 to 3475 in coming days. Mustard (42%) spot prices are expected to remain in between 4150 and 4300 per quintal in coming days.

Soybean									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-18	65	3330	3373	3330	3373	10,020	-21140	9800	-6650
Jan-19	38	3348	3383	3345	3381.00	43,780	-11120	223710	-3140
Feb-19	37	3398	3423	3387	3420.00	16,370	2310	61770	6210
Mustard									
Dec-18	48	4080	4115	4080	4110.00	250	-2060	9270	-1850
Jan-19	29	3992	4036	3981	4028.00	14170	11860	36210	-40
Feb-19	2	4005	4045	4004	4039.00	400	-10950	1190	160
Soybean					Mustard				
Basis	12				Basis	113			
Spread					Spread				
	Jan-19	Feb-19				Jan-19	Feb-19		
Dec-18	8	47			Dec-18	-82	-71		
Jan-19		39			Jan-19		11		

Soybean Stock Position & EDD:				
Stocks	Demat	In-Process	Total	EDD
	11-Dec-18	11-Dec-18	11-Dec-18	10-Dec-18
Akola	34094	263	34357	34064
Indore	21555	762	22317	21494
Kota	34467	221	34688	34467
Sagar	1229	0	1229	1229
Nagpur	452	0	452	452

Rapeseed Stock Position & EDD:				
Stocks	Demat	In-Process	Total	EDD
	11-Dec-18	11-Dec-18	11-Dec-18	10-Dec-18
Sri Ganganagar	-	-	-	-
Bharatpur	-	-	-	-
Bikaner	30	0	30	30
Kota	2842	0	2842	2842
Jaipur	602	0	602	602

Alwar	1936	0	1936	1936
Hapur	-	-	-	-

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qt)				Change
	12-Dec-18		11-Dec-18		
Soybean	Low	High	Low	High	
Indore –Plant	3350	3420	3350	3430	-10
Indore–Mandi	3200	3325	3200	3300	25
Nagpur-Plant	3400	3525	3380	3400	125
Nagpur – Mandi	3200	3325	3000	3260	65
Latur – Mandi	3350	3420	NR	NR	-
Akola – Mandi	2600	3270	3245	3245	25
Kota-Plant	3325	3375	3300	3350	25
Kota – Mandi	3200	3300	3220	3250	50
Bundi-Plant	3250	3300	3225	3275	25
Bundi-Mandi	3200	3250	3150	3200	50
Baran-Plant	3280	3390	3280	3390	Unch
Baran-Mandi	3000	3220	3160	3215	5
Bhawani Mandi Jhalawar–Plant	3325	3380	3300	3350	30
Jhalwar-Mandi	3225	3300	3200	3280	20
Rapeseed/Mustard					
Jaipur-(Condition)	4200	4205	4190	4195	10
Alwar-(Condition)	4000	4050	4050	4100	-50
Sri Ganganagar-(Non-Condition)	3800	3850	3850	3900	-50
New Delhi–(Condition)	4120	4150	4150	4200	-50
Kota-(Condition)	3850	3900	3820	3850	50
Agra-(Condition)	4452	4500	4429	4476	24
Neewai-(Condition)	3870	3920	3870	3920	Unch
Hapur (UP)-(Condition)	4000	4050	4000	4050	Unch
Groundnut Seed					
Rajkot	912	912	912	912	Unch
Sunflower Seed					
Gulbarga	3200	3500	3252	3512	-12
Latur	NA	NA	NA	NA	-
Sholapur	3900	3950	3950	4000	-50

Soybean Prices are in INR/qtt. (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
	12-Dec-18	11-Dec-18	
Soybean			
Madhya Pradesh	170000	150000	20000
Maharashtra	140000	130000	10000
Rajasthan	40000	40000	Unch
Bundi (Raj)	300	300	Unch
Baran (Raj)	3500	2000	1500
Jhalawar (Raj)	9000	13000	-4000
Rapeseed/Mustard			
Rajasthan	50000	50000	Unch
Alwar	2000	1500	500
Sri Ganganagar	50	150	-100
Kota	700	1500	-800
Groundnut Seed			
Rajkot (Gujarat)	4560	4560	Unch
Sunflower Seed			
Sholapur (Maharashtra)	1000	800	200

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

Oilseeds	12-Dec-18	11-Dec-18	Change
Groundnut Kernel	4925	4950	-25
Gr. Bolds 60/70	5750	5750	Unch
Gr. Javas 60/70	7200	7200	Unch
Gr Javas 70/80	6900	6900	Unch
Gr.Javas 80/90	6500	6500	Unch
KardiSeed 2% Exp Qly	4400	4400	Unch
Sesame White 98/2/1 FM	13000	13400	-400
Whitish 95/5/FFA/1FM	12800	13200	-400
Brown 48/2 FFA/4 FM	10800	10800	Unch
Brown 48/3 FFA/4 FM	10200	10200	Unch
Brown 48/4 FM/* No FFA Guarantee	9800	9800	Unch
Sunflower Seed	4200	4200	Unch
Niger Seed (4% FM)	5200	5200	Unch

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