

Oilseeds Domestic Fundamentals: Soybean Indore plant prices closed steady amid steady supply as compared to previous day in Madhya Pradesh. However, In Jaipur, mandi remain closed.

The government has sent a proposal to the Center to reduce the germination capacity of soybean seeds from 70 percent to 60 percent. The area under soybean planting is likely to increase by 5-7 Percent across the country this kharif season despite speculation in the market over the shortage of certified seeds. Farmers, however, are hoping for a revival of the monsoon to ensure a good crop, D N Pathak, executive director, Soybean Processors Association of India (SOPA) said. Pathak also said that the area under soybean cultivation will definitely increase in Maharashtra and Rajasthan but is likely to go down to some extent in Madhya Pradesh (MP).

Soybean sowing As On 9, July (In Lakh Hectare)			
State	2019-20	2020-21	% Change
Madhya Pradesh	42.22	36.83	-13%
Maharashtra	35.32	34.78	-2%
Rajasthan	8.14	4.11	-50%
Karnataka	3.02	3.43	14%
Gujrat	0.79	1.26	59%
Telangana	1.46	1.06	-27%
Others	1.41	0.67	-52%
Total	92.36	82.14	-11%

As on 9, July21, Soybean sowing 11% down and pegged at 82.14 lakh hectares against 92.36 lakh hectares, Ministry of agriculture data showed

Groundnut sowing As On 9 July (In Lakh Hectare)			
State	2019-20	2020-21	% Change
Gujrat	16.37	14.51	-11%
Rajasthan	5.89	6.33	7%
Karnataka	1.46	1.33	-9%
Maharashtra	1.52	1.2	-21%
Madhya Pradesh	0.82	1.19	45%
Others	0.99	1.05	6%
Andhra Pradesh	2.49	0.6	-76%
Tamilnadu	0.54	0.48	-11%
Total	30.08	26.69	-11%

As on 9, July21, Groundnut sowing 11% down and, pegged at 26.69 lakh hectares against 30.08 lakh hectares, Ministry of agriculture data showed.

International Oilseeds Fundamentals:

- ★ US Soybean 2020/21 production is projected at 119.88 mmt, unchanged from last month. Harvested area, forecast at 86.7 million acres in the June 30 Acreage report, is unchanged.
- ★ USDA pegged the 2020/2021 Brazilian soybean production at 137.0 mmt vs. the trade's expectation of 136.1 mmt and the USDA's estimate last month of 137.0 mmt.
- ★ For Argentina's soybean 2020/2021 output, the USDA pegged its crop at 46.5 mmt. vs. the trade's expectation of 48.8 mmt and the USDA's June estimate of 48.8 mmt.
- ★ For India Production Is projected at 11.20 mmt Unchanged from Last month.

China's June soybean imports jump 11.6% from May on surging demand.

- 10.7 mmt June (+11.6% mom) (-4% yoy)
- Jan-Jun totals 49 mmt (+9% yoy)
- Recovery from ASF boosting soy demand Pig herd to cross 440M heads in 2021 (+22% yoy)

July soybean shipments are expected to drop on declining Brazilian shipments since the bulk of the country's harvest has been collected. Soybeans out of the United States typically dominate the market in the fourth quarter of the year as they are harvested in September and October.

Global oilseed production is raised 2.5 million tons to 635.4 million, with higher sunflower seed, rapeseed, cottonseed, and peanuts partly offset by lower soybean output. Russian sunflower seed production is increased 2.0 million tons to 16.5 million, mainly on higher area shown in government planting progress reports

World 2021/22 soybean ending stocks came in at 94.49 million tonnes, above the average expectation of 92.60 million (range 91.20-93.50 million) and up from 92.55 million last month as higher stocks for Brazil and Argentina are partly offset by lower Chinese stocks. The USDA revised its estimates for China's soybean imports, with the current 2020-21 season easing 2 million metric tons to 98 million and the upcoming season by 1 million to 102 million metric tons.

Canadian canola production is lowered from 20.5 Mmt to 20.2 Mmt as early-season drought conditions impact yields and offset an increase to area, However Chinese Rapeseed production increased 13.8 Mmt to 14 Mmt.

Exports for Brazil and Argentina for 2020/21 are reduced as high prices lead to lower shipments to China. China's imports are reduced 2 million tons to 98 million and 1 million tons to 102 million for 2020/21 and 2021/22, respectively.

Officials in Argentina's have ordered obligatory talks amid protesting port workers and companies to try and end a ports obstruction that is preventing grain shipments, Workers represented by the UOCRA union claim that construction companies serving agro-export companies pay higher wages at the port facilities. Argentina is the world's top exporter of soybean meal and a major international soybean.

US soybean planting, is completed as of 4th July, the US soybean blooming stood at 29% steady from 29% same period last season however up from 5-year average of 24%. Further Soybean settling pods for week ending July 4 stood at 3% as compared to 2% same period last year, however 5-year average stood at 3%. Soybean condition for week ending 4 July stood at 14% Excellent, 57% good, 24% fair, 4% poor and 1% Very poor.

Canola futures soared recent week because of heatwave looked to affect harvest scenario for canola in Canada. High temperature forecast in coming weeks may cause the canola flowers to drop prematurely, lead to drop in yield. Canadian farmers planted an estimated 22.5 million acres of canola for the 2021-22 crop year, the highest since 2018. This is up from the April forecast of 21.5 million acres and up 8.2% from last year.

Outlook: Soybean (plant delivery, Indore) prices are likely to feature firm tone amid good demand by miller and crusher, however arrival has gone down at all trading markets. The prices are expected to be in the range of 7,300 – 7,900/mt. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
July-21	+3.80	7930	8150	8150	7852
Aug-21	+3.64	7480	7750	7750	7478
Sept-21	+2.82	7075	7290	7290	7090

Contract	Volume	Change	OI	Change
July-21	5	-1,000	1985	-365
Aug-21	30	-17,640	39590	1630
Sept-21	5	-2,370	4880	25

Spread	Jul-21	Aug-21	Sept-21
Basis	7700		
Jul-21	-81		
Aug-21		290	
Sept-21		622	

*Far Month Contract - Near Month Contract. Basis: Spot - Future (Indore).

Stocks	Demat 15-July-21	In-Process 15-July-21	Total 15-July-21	FED 12-July-21
Akola	40	20	60	40
Indore	20	-	20	20
Kota	91	-	91	60
Sagar	-	-	-	-
Nagpur	-	-	-	-

*SBN Fed Stocks Expiry on ----

*RM Seed Fed Stocks Expiry on ----

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
July-21	+0.79	7230	7260	7260	7203
Aug-21	+1.52	7182	7296	7296	7187
Sept-21	+1.46	7182	7289	7289	7184

Contract	Volume	Change	OI	Change
July-21	10	-1,490	6660	-1390
Aug-21	10	-22,300	49120	300
Sept-21	10	-3,540	17400	80

Spread	Jul-21	Aug-21	Sept-21
Basis	7362		
Jun-21	159		
Jul-21		175	
Aug-21			178

*Far Month Contract - Near Month Contract. Basis: Spot - Future (Jaipur).

Stocks	Demat 15-July-21	In-Process 15-July-21	Total 15-July-21	FED 12-July-21
Sri Ganganagar	847	61	908	806
Bharatpur	-	-	-	-
Bikaner	-	-	483	483
Kota	5948	101	6049	5707
Jaipur	10031	712	10743	9749
Alwar	379	71	450	389
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	17-Jul-21		16-Jul-21		
	Low	High	Low	High	
Indore –Plant	7600	7800	7600	7800	Unch
Indore–Mandi	7400	7600	Closed	Closed	-
Nagpur-Plant	7715	7815	7700	7800	15
Nagpur – Mandi	7100	7615	Closed	Closed	-
Latur – Mandi	7000	8000	Closed	Closed	-
Akola – Mandi	6800	7550	7000	8000	-450
Kota-Plant	7725	7825	7650	7750	75
Kota – Mandi	7550	7800	Closed	Closed	-
Bundi-Plant	7600	7800	7500	7700	100
Bundi-Mandi	7500	7750	Closed	Closed	-
Baran-Plant	7635	7885	7550	7800	85
Baran-Mandi	7185	7785	Closed	Closed	-
Bhawani Mandi Jhalawar–Plant	7800	7900	7750	7850	50
Jhalwar-Mandi	7400	7700	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	7450	7475	7350	7375	100
Alwar-(Condition)	7050	7100	Closed	Closed	-
Sri Ganganagar-(Non-Condition)	6700	6850	Closed	Closed	-
New Delhi–(Condition)	7245	7250	7220	7225	25
Kota-(Condition)	6850	6950	Closed	Closed	-
Agra-(Condition)	7429	7524	7405	7500	24
Neewai-(Condition)	6870	7070	Closed	Closed	-
Hapur (UP)-(Condition)	7200	7250	7150	7200	50
Groundnut Seed					
Rajkot	1011	1011	1010	1010	1
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6400	6500	Closed	Closed	-
Sholapur	6400	6500	Closed	Closed	-
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
Soybean	17-Jul-21	16-Jul-21	
Madhya Pradesh	55000	55000	Unch
Maharashtra	35000	35000	Unch
Rajasthan	5000	5000	Unch
Bundi (Raj)	200	Closed	-
Baran (Raj)	600	Closed	-
Jhalawar (Raj)	2200	Closed	-
Rapeseed/Mustard			
Rajasthan	70000	Closed	-
Alwar	2500	Closed	-
Sri Ganganagar	800	Closed	-
Kota	400	Closed	-
Groundnut Seed			
Rajkot (Gujarat)	310	160	150
Sunflower Seed			
Sholapur (Maharashtra)	1000	Closed	-

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

Oilseeds	17-Jul-21	16-Jul-21	Change
Groundnut Kernel	7050	7050	Unch
Gr. Bolds 60/70	8600	8600	Unch
Gr. Javas 60/70	9450	9450	Unch
Gr Javas 70/80	9150	9150	Unch
Gr.Javas 80/90	8850	8850	Unch
KardiSeed 2% Exp Qly	5000	5000	Unch
Sesame White 98/2/1 FM	8000	8000	Unch
Whitish 95/5/FFA/1FM	7800	7800	Unch
Brown 48/2 FFA/4 FM	7700	7700	Unch
Brown 48/3 FFA/4 FM	7600	7600	Unch
Brown 48/4 FM/* No FFA Guarantee	7200	7200	Unch
Sunflower Seed	6700	6700	Unch
Niger Seed (4% FM)	8000	8000	Unch

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2021 Indian Agribusiness Systems Pvt Ltd.