

Oilseeds Domestic Fundamentals: Soybean Indore plant prices closed up amid tight supply as compared to previous day in Madhya Pradesh. However, In Jaipur, RM seed also went up despite heavy supply.

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).

Groundnut sowing As On 15 July (In Lakh Ha)			
State	2019-20	2020-21	% Change
Gujrat	18.27	15.4	-16%
Rajasthan	6.37	6.45	1%
Karnataka	2.91	1.72	-41%
Maharastra	1.76	1.49	-15%
Madhya Pradesh	1.75	1.81	3%
Tamilnadu	0.67	0.74	10%
Andhra Pradesh	1.118	0.6	-46%
Others	4.422	2.12	-52%
Total	37.27	30.33	-19%

Soybean sowing As On 15, July				
	Normal Area	2019-20	2020-21	% Change
Madhya Pradesh	55.86	51.17	41.86	-18%
Maharastra	38.8	38.17	38.36	0%
Rajasthan	10.39	9.22	5.55	-40%
Karnataka	2.84	3.15	3.6	14%
Gujrat	1.16	0.99	1.48	49%
Telangana	1.98	1.52	1.33	-13%
Others	1.85	1.62	1.04	-36%
Total	112.88	105.84	93.22	-12%

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 8,000 – 8,500/mt. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
July-21	+1.60	8137	8462	8201	8137
Aug-21	+1.97	7800	7960	7761	7728
Sept-21	+2.38	7277	7459	7287	7277

Contract	Volume	Change	OI	Change
July-21	785	780	1600	-385
Aug-21	31205	31,175	42230	2640
Sept-21	6470	6,465	6870	1990

Spread	Jul-21	Aug-21	Sept-21
Basis	8175		
Jul-21	38		
Aug-21		447	
Sept-21			898

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

Stocks	Demat	In-Process	Total	FED
	17-July-21	17-July-21	17-July-21	12-July-21
Akola	60	0	60	40
Indore	20	-	20	20
Kota	91	-	91	91
Sagar	-	-	-	-
Nagpur	-	-	-	-

*SBN Fed Stocks Expiry on ----

*RM Seed Fed Stocks Expiry on ----

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
July-21	+0.81	7258	7450	7317	7258
Aug-21	+1.12	7431	7480	7324	7292
Sept-21	+1.02	7422	7471	7250	7289

Contract	Volume	Change	OI	Change
July-21	1310	1,300	5390	-1270
Aug-21	35320	35,310	47070	-2050
Sept-21	6760	6,750	17590	190

Spread	Jul-21	Aug-21	Sept-21
Basis	7537		
Jun-21	279		
Jul-21		245	
Aug-21			248

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

Stocks	Demat	In-Process	Total	FED
	17-July-21	17-July-21	17-July-21	12-July-21
Sri Ganganagar	908	20	928	806
Bharatpur	-	-	-	-
Bikaner	-	-	483	483
Kota	5948	101	6049	5707
Jaipur	10753	611	11364	9749
Alwar	440	30	470	389
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	19-Jul-21		17-Jul-21		
	Low	High	Low	High	
Indore –Plant	8000	8350	7600	7800	550
Indore–Mandi	7900	8100	7400	7600	500
Nagpur-Plant	8300	8400	7715	7815	585
Nagpur – Mandi	7685	8200	7100	7615	585
Latur – Mandi	7600	8200	7000	8000	200
Akola – Mandi	6900	7700	6800	7550	150
Kota-Plant	8125	8225	7725	7825	400
Kota – Mandi	7950	8200	7550	7800	400
Bundi-Plant	7950	8150	7600	7800	350
Bundi-Mandi	7850	8100	7500	7750	350
Baran-Plant	7900	8150	7635	7885	265
Baran-Mandi	7450	8050	7185	7785	265
Bhawani Mandi Jhalawar–Plant	8100	8200	7800	7900	300
Jhalwar-Mandi	7700	8000	7400	7700	300
Rapeseed/Mustard					
Jaipur-(Condition)	7525	7550	7450	7475	75
Alwar-(Condition)	7200	7250	7050	7100	150
Sri Ganganagar-(Non-Condition)	6900	7050	6700	6850	200
New Delhi–(Condition)	7345	7350	7245	7250	100
Kota-(Condition)	7000	7100	6850	6950	150
Agra-(Condition)	7524	7619	7429	7524	95
Neewai-(Condition)	7000	7100	6870	7070	30
Hapur (UP)-(Condition)	7300	7350	7200	7250	100
Groundnut Seed					
Rajkot	1050	1050	1011	1011	39
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6700	6800	6400	6500	300
Sholapur	6700	6800	6400	6500	300
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/ctl.

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	19-Jul-21	17-Jul-21	
Madhya Pradesh	40000	55000	-15000
Maharashtra	25000	35000	-10000
Rajasthan	6000	5000	1000
Bundi (Raj)	400	200	200
Baran (Raj)	900	600	300
Jhalawar (Raj)	2500	2200	300
Rapeseed/Mustard			
Rajasthan	100000	70000	30000
Alwar	3000	2500	500
Sri Ganganagar	1200	800	400
Kota	350	400	-50
Groundnut Seed			
Rajkot (Gujarat)	350	310	40
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	19-Jul-21	17-Jul-21	Change
Groundnut Kernel	7450	7050	400
Gr. Bolds 60/70	8650	8600	50
Gr. Javas 60/70	9500	9450	50
Gr Javas 70/80	9200	9150	50
Gr.Javas 80/90	8900	8850	50
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.