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

Soybean sowing As On 15, July (Area In lakh Ha)

	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%

Groundnut sowing As On 16 July (Area In lakh Ha)

	Normal Area	2019-20	2020-21	% Change
Gujrat	15.74	18.27	15.4	-16%
Rajasthan	6.23	6.37	6.45	1%
Karnataka	4.12	2.91	1.72	-41%
Maharastra	2.27	1.76	1.49	-15%
Madhya Pradesh	2.28	1.75	1.81	3%
Tamilnadu	2.02	0.67	0.74	10%
Andhra Pradesh	7.03	1.11	0.6	-46%
Others	2.01	4.43	2.12	-52%
Total	41.7	37.27	30.33	-19%

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 Rapseed 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.

The Argentina government approved a measure allowing a reduction in the amount of soy-based biofuel to be mixed into diesel. The new law will likely show a minimum use of biodiesel of 5%, and could drop to 3%, from a 10% blend previous. Lowering the blend rate is likely to spark a jump in soybean oil exports.

As of 19th July, the US soybean condition for week ending 19 July stood at 11% Excellent, 49% good, 29%fair, 8%poor and 3% 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/qtl. levels in the near-term.

Oilseed Daily Fundamental Report
21, June 2021

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
July-21	+1.79	8462	8490	8320	8277
Aug-21	+2.81	7850	8177	7805	7898
Sept-21	+3.04	7399	7738	7350	7441

Contract	Volume	Change	OI	Change
July-21	1435	650	170	-1430
Aug-21	24200	-7,005	42340	110
Sept-21	4425	-2,045	7980	1110

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
	19-July-21	19-July-21	19-July-21	19-July-21
Akola	60	0	60	60
Indore	20	-	20	20
Kota	210	50	260	210
Sagar	-	-	-	-
Nagpur	-	-	-	-

****SBN Fed Stocks Expiry on ----***
****RM Seed Fed Stocks Expiry on ----***

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
July-21	+0.75	7325	7390	7305	7325
Aug-21	+0.52	7341	7438	7311	7372
Sept-21	+0.61	7331	7429	7311	7360

Contract	Volume	Change	OI	Change
July-21	530	-780	1750	-3640
Aug-21	27390	-7,930	47660	590
Sept-21	4820	-1,940	16940	-650

Spread	Jul-21	Aug-21	Sept-21
Basis	7512		
Jun-21	187		
Jul-21		140	
Aug-21			152

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

Stocks	Demat	In-Process	Total	FED
	19-July-21	19-July-21	19-July-21	12-July-21
Sri Ganganagar	928	20	948	927
Bharatpur	-	-	-	-
Bikaner	-	-	-	-
Kota	6080	163	6243	6079
Jaipur	11184	350	11534	11184
Alwar	440	80	520	440
Hapur	-	-	-	-

****RMS Fed Stocks Expiry on ---***

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	**20-Jul-21**		**19-Jul-21**		
	Low	**High**	**Low**	**High**	
Indore –Plant	8050	8300	8000	8350	-50
Indore–Mandi	7900	8100	7900	8100	Unch
Nagpur-Plant	8200	8350	8300	8400	-50
Nagpur – Mandi	8100	8200	7685	8200	Unch
Latur – Mandi	Closed	Closed	7600	8200	-
Akola – Mandi	Closed	Closed	6900	7700	-
Kota-Plant	8075	8175	8125	8225	-50
Kota – Mandi	7900	8150	7950	8200	-50
Bundi-Plant	7850	8050	7950	8150	-100
Bundi-Mandi	7750	8000	7850	8100	-100
Baran-Plant	7820	8070	7900	8150	-80
Baran-Mandi	7370	7970	7450	8050	-80
Bhawani Mandi Jhalawar–Plant	7985	8085	8100	8200	-115
Jhalwar-Mandi	7585	7885	7700	8000	-115
Rapeseed/Mustard					
Jaipur-(Condition)	7500	7525	7525	7550	-25
Alwar-(Condition)	7125	7175	7200	7250	-75
Sri Ganganagar-(Non-Condition)	6850	7000	6900	7050	-50
New Delhi–(Condition)	7195	7200	7345	7350	-150
Kota-(Condition)	6950	7050	7000	7100	-50
Agra-(Condition)	7429	7524	7524	7619	-95
Neewai-(Condition)	6900	7000	7000	7100	-100
Hapur (UP)-(Condition)	7250	7300	7300	7350	-50
Groundnut Seed					
Rajkot	NA	NA	1050	1050	-
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6700	6800	6700	6800	Unch
Sholapur	6700	6800	6700	6800	Unch

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	**20-Jul-21**	**19-Jul-21**	
Madhya Pradesh	30000	40000	**-10000**
Maharashtra	25000	25000	**Unch**
Rajasthan	6000	6000	**Unch**
Bundi (Raj)	600	400	**200**
Baran (Raj)	1200	900	**300**
Jhalawar (Raj)	2800	2500	**300**
Rapeseed/Mustard			
Rajasthan	90000	100000	**-10000**
Alwar	4000	3000	**1000**
Sri Ganganagar	1400	1200	**200**
Kota	900	350	**550**
Groundnut Seed			
Rajkot (Gujarat)	NA	350	**-**
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	**Unch**

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

Oilseeds	20-Jul-21	19-Jul-21	Change
Groundnut Kernel	7450	7450	**Unch**
Gr. Bolds 60/70	8650	8650	**Unch**
Gr. Javas 60/70	9500	9500	**Unch**
Gr Javas 70/80	9200	9200	**Unch**
Gr.Javas 80/90	8900	8900	**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