Oilseeds Domestic Fundamentals: *Soybean Indore plant prices closed up despite heavy 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).

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 – 8,700/qtl. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
July-21	+0.16	8100	8295	8040	8127
Aug-21	+0.71	7670	7848	7571	7646
Sept-21	-0.60	6385	6440	6250	6343

Contract	Volume	Change	OI	Change
July-21	34635	33,200	42000	41830
Aug-21	10150	-14,050	10320	-32020
Sept-21	1660	-2,765	4475	-3505

Spread	Aug-21	Sept-21	Oct-21
Basis	8487		
Aug-21	360		
Sept-21		841	
Oct-21			2144

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

Stocks	Demat	In-Process	Total	FED
	21-July-21	21-July-21	21-July-21	19-July-21
Akola	60	-	60	60
Indore	20	-	20	20
Kota	260	0	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	+0.53	7400	7548	7386	7424
Aug-21	+0.50	7416	7550	7382	7418
Sept-21	+0.51	7452	7552	7452	7451

Contract	Volume	Change	OI	Change
July-21	34210	33,680	45180	43430
Aug-21	10090	-17,300	16520	-31140
Sept-21	1020	-3,800	8010	-8930

Spread	Aug-21	Sept-21	Oct-21
Basis	7612		
Aug-21	188		
Sept-21		194	
Oct-21			161

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

Stocks	Demat	In-Process	Total	FED
	21-July-21	21-July-21	21-July-21	19-July-21
Sri Ganganagar	949	40	989	927
Bharatpur	-	-	-	-
Bikaner	-	-	-	-
Kota	6242	51	6293	6079
Jaipur	11524	190	11714	11184
Alwar	520	-	520	440
Hapur	-	-	-	-

RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	**22-Jul-21**		**21-Jul-21**		
	Low	**High**	**Low**	**High**	
Indore –Plant	8400	8575	8050	8300	275
Indore–Mandi	8200	8400	7900	8100	300
Nagpur-Plant	7800	8100	8200	8350	-250
Nagpur – Mandi	7400	7950	8100	8200	-250
Latur – Mandi	7600	8500	7600	8200	300
Akola – Mandi	6700	8000	6900	7700	300
Kota-Plant	8550	8650	8225	8325	325
Kota – Mandi	8375	8625	8050	8300	325
Bundi-Plant	8350	8550	7975	8175	375
Bundi-Mandi	8250	8500	7875	8125	375
Baran-Plant	8420	8660	8000	8240	420
Baran-Mandi	7970	8560	7550	8140	420
Bhawani Mandi Jhalawar–Plant	8500	8700	8160	8260	440
Jhalwar-Mandi	7800	8500	7760	8060	440
Rapeseed/Mustard					
Jaipur-(Condition)	7600	7625	7550	7575	50
Alwar-(Condition)	7300	7350	7200	7250	100
Sri Ganganagar-(Non-Condition)	6870	7020	6950	7100	-80
New Delhi–(Condition)	7345	7350	7295	7300	50
Kota-(Condition)	7200	7300	7020	7120	180
Agra-(Condition)	7524	7619	7524	7619	Unch
Neewai-(Condition)	6975	7075	6950	7050	25
Hapur (UP)-(Condition)	7400	7450	7350	7400	50
Groundnut Seed					
Rajkot	1000	1000	1011	1011	-11
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6700	6800	7000	7100	-300
Sholapur	6700	6800	7000	7100	-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/qtl.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	**22-Jul-21**	**21-Jul-21**	
Madhya Pradesh	40000	30000	10000
Maharashtra	30000	25000	5000
Rajasthan	7000	6000	1000
Bundi (Raj)	500	800	-300
Baran (Raj)	1000	1500	-500
Jhalawar (Raj)	2000	3200	-1200
Rapeseed/Mustard			
Rajasthan	90000	65000	25000
Alwar	2500	2500	Unch
Sri Ganganagar	700	1000	-300
Kota	500	700	-200
Groundnut Seed			
Rajkot (Gujarat)	270	240	30
Sunflower Seed			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	22-Jul-21	21-Jul-21	Change
Groundnut Kernel	7400	7450	-50
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