

**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 remained steady despite heavy supply.

The government has sent a proposal to the Centre 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).

As per sources about 60-65 percent of soybean oil plants have been closed due to shortage of soybean seeds.

## 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%
Maharashtra	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%
Maharashtra	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 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.**

**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.**

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**The Brazilian government raised the mandatory blend of biodiesel into diesel to 12% from 10%, below this year's target of 13% in a bid to rein in fuel inflation amid high soybean prices.**

**The heavy rains that pounded Henan province in central China will cause damage to some hog farms in the major pork-producing region and potentially trigger fresh cases of African swine fever.**

**As of 19<sup>th</sup> 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/mt. levels in the near-term.**

## NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+5.99	8178	8616	8160	8129
Sept-21	+6.00	7732	8148	7726	7687
Oct-21	+2.22	6320	6440	6320	6299

Contract	Volume	Change	OI	Change
Aug-21	38695	4,060	39245	-2755
Sept-21	11755	1,605	11165	845
Oct-21	1730	70	5130	655

Spread	Aug-21	Sept-21	Oct-21
Basis	8650		
Aug-21	521		
Sept-21		963	
Oct-21			2351

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

Stocks	Demat 21-July-21	In-Process 21-July-21	Total 21-July-21	FED 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
Aug-21	+2.20	7498	7629	7490	7464
Sept-21	+2.23	7494	7629	7487	7459
Oct-21	+2.43	7541	7667	7517	7484

Contract	Volume	Change	OI	Change
Aug-21	46990	12,780	44490	-690
Sept-21	15300	5,210	16430	-90
Oct-21	600	-420	8340	330

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 21-July-21	In-Process 21-July-21	Total 21-July-21	FED 19-July-21
Sri Ganganagar	989	71	1060	927
Bharatpur	-	-	-	-
Bikaner	260	101	361	-
Kota	6242	132	6374	6079
Jaipur	11554	261	11815	11184
Alwar	519	-		
Hapur	-	-	-	-

\*RMS Fed Stocks Expiry on ---

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	23-Jul-21		22-Jul-21		
	Low	High	Low	High	
Indore –Plant	8500	8800	8400	8575	225
Indore–Mandi	8200	8400	8200	8400	Unch
Nagpur-Plant	7850	8150	7800	8100	50
Nagpur – Mandi	7450	8000	7400	7950	50
Latur – Mandi	7500	8555	7600	8500	55
Akola – Mandi	6800	8000	6700	8000	Unch
Kota-Plant	8675	8775	8550	8650	125
Kota – Mandi	8500	8750	8375	8625	125
Bundi-Plant	8500	8700	8350	8550	150
Bundi-Mandi	8400	8650	8250	8500	150
Baran-Plant	8535	8775	8420	8660	115
Baran-Mandi	8085	8675	7970	8560	115
Bhawani Mandi Jhalawar–Plant	8600	8800	8500	8700	100
Jhalwar-Mandi	7900	8600	7800	8500	100
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	7600	7625	7600	7625	Unch
Alwar-(Condition)	7350	7400	7300	7350	50
Sri Ganganagar-(Non-Condition)	7000	7150	6870	7020	130
New Delhi–(Condition)	7445	7450	7345	7350	100
Kota-(Condition)	7300	7400	7200	7300	100
Agra-(Condition)	7571	7667	7524	7619	48
Neewai-(Condition)	7000	7100	6975	7075	25
Hapur (UP)-(Condition)	7450	7500	7400	7450	50
<b>Groundnut Seed</b>					
Rajkot	1011	1011	1000	1000	11
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	NA	NA	-
Latur	7000	7100	6700	6800	300
Sholapur	7000	7100	6700	6800	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
<b>Soybean</b>	<b>23-Jul-21</b>	<b>22-Jul-21</b>	
Madhya Pradesh	25000	40000	-15000
Maharashtra	20000	30000	-10000
Rajasthan	4000	7000	-3000
Bundi (Raj)	200	500	-300
Baran (Raj)	600	1000	-400
Jhalawar (Raj)	1000	2000	-1000
<b>Rapeseed/Mustard</b>			
Rajasthan	100000	90000	10000
Alwar	3000	2500	500
Sri Ganganagar	1300	700	600
Kota	1000	500	500
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	300	270	30
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	23-Jul-21	22-Jul-21	Change
Groundnut Kernel	7300	7400	-100
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

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