

**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 prices closed up 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).

Floods cause crop losses on 1.5 lakh hectares in Maharashtra, the preliminary crop loss is pegged at 1.5 lakh hectares but may increase. As of now, crop damage has been reported in Pune, Kolhapur, Sangli, Raigad, Ratnagiri, Palghar, Thane, Parbhani, Nanded, Akola, Washim, Nagpur and Wardha. Agricultural land has been submerged in in Konkan, Kolhapur and Sangli.

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

Soybean sowing As On 22, July (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Madhya Pradesh	55.86	55.07	44.65	-19%	44%
Maharashtra	38.8	39.47	42.13	7%	41%
Rajasthan	10.39	9.96	7.3	-27%	7%
Karnataka	2.84	3.21	3.67	14%	4%
Gujrat	1.16	1.31	2.01	53%	2%
Telangana	1.98	1.56	1.37	-12%	1%
Others	1.85	1.76	1.39	-21%	1%
Total	112.88	112.34	102.52	-9%	100%

Groundnut sowing As On 22 July (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Gujrat	15.74	19.7	17.64	-10%	49%
Rajasthan	6.23	6.96	6.89	-1%	19%
Karnataka	4.12	3.05	2.51	-18%	7%
Maharashtra	2.27	1.8	1.69	-6%	5%
Madhya Pradesh	2.28	2.12	2.03	-4%	6%
Tamilnadu	2.02	0.95	0.78	-18%	2%
Andhra Pradesh	7.03	5.16	2.34	-55%	6%
Others	2.01	1.82	2.21	21%	6%
Total	41.7	41.56	36.09	-13%	100%

## **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 8,500 – 9,300/mt. levels in the near-term.*

## NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+5.99	8699	9106	8680	8591
Sept-21	+6.00	8300	8626	8240	8138
Oct-21	+5.78	6406	6788	6402	6406

Contract	Volume	Change	OI	Change
Aug-21	32590	-6,105	35085	-4160
Sept-21	17910	6,155	14480	3315
Oct-21	4095	2,365	5585	455

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 24-July-21	In-Process 24-July-21	Total 24-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	+1.83	7625	7770	7565	7595
Sept-21	+1.99	7676	7776	7590	7587
Oct-21	+1.68	7700	7790	7688	7632

Contract	Volume	Change	OI	Change
Aug-21	47260	270	43490	-1000
Sept-21	13510	-1,790	17030	600
Oct-21	2090	1,490	8350	10

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 24-July-21	In-Process 24-July-21	Total 24-July-21	FED 19-July-21
Sri Ganganagar	989	192	1181	927
Bharatpur	-	-	-	-
Bikaner	340	240	580	-
Kota	5304	20	5324	6079
Jaipur	11595	493	12088	11184
Alwar	519	-	519	-
Hapur	-	-	-	-

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

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	26-Jul-21		24-Jul-21		
	Low	High	Low	High	
Indore –Plant	9300	9700	8500	8800	900
Indore–Mandi	8800	9300	8200	8400	900
Nagpur-Plant	8750	9050	7850	8150	900
Nagpur – Mandi	8350	8900	7450	8000	900
Latur – Mandi	7800	9145	7500	8745	400
Akola – Mandi	7000	8400	7500	8000	400
Kota-Plant	9600	9700	8900	9000	700
Kota – Mandi	9300	9500	8600	8800	700
Bundi-Plant	9300	9400	8500	8600	800
Bundi-Mandi	9000	9300	8200	8500	800
Baran-Plant	9400	9500	8600	8700	800
Baran-Mandi	8800	9300	8000	8500	800
Bhawani Mandi Jhalawar–Plant	9350	9525	8700	8900	625
Jhalwar-Mandi	8900	9325	8000	8700	625
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	7850	7875	7700	7725	150
Alwar-(Condition)	7350	7450	7400	7500	-50
Sri Ganganagar-(Non-Condition)	7000	7100	7100	7200	-100
New Delhi–(Condition)	7450	7500	7450	7500	Unch
Kota-(Condition)	7100	7200	7200	7300	-100
Agra-(Condition)	7810	7952	7619	7762	190
Neewai-(Condition)	7000	7200	7100	7300	-100
Hapur (UP)-(Condition)	7600	7650	7400	7450	200
<b>Groundnut Seed</b>					
Rajkot	NA	NA	1005	1005	-
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	NA	NA	-
Latur	7300	7400	7000	7100	300
Sholapur	7300	7400	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
<b>Soybean</b>	<b>26-Jul-21</b>	<b>24-Jul-21</b>	
Madhya Pradesh	20000	25000	-5000
Maharashtra	15000	20000	-5000
Rajasthan	4000	4000	Unch
Bundi (Raj)	300	200	100
Baran (Raj)	4000	3000	1000
Jhalawar (Raj)	2500	1500	1000
<b>Rapeseed/Mustard</b>			
Rajasthan	115000	90000	25000
Alwar	6000	5000	1000
Sri Ganganagar	1000	800	200
Kota	500	700	-200
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	NA	225	-
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	26-Jul-21	24-Jul-21	Change
Groundnut Kernel	7450	7300	150
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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