

**Oilseeds Domestic Fundamentals:** Soybean Indore plant prices closed down amid heavy supply as compared to previous day in Madhya Pradesh. However, In Jaipur, RM seed prices closed down amid steady 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.**

**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 – 10,000/qrt. levels in the near-term.**

## NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+5.99	9150	9518	8750	8980
Sept-21	+6.00	8335	8835	8012	8335
Oct-21	+5.99	6305	6720	6186	6340

Contract	Volume	Change	OI	Change
Aug-21	22305	-15,990	20330	-2665
Sept-21	19150	-4,725	16550	65
Oct-21	4860	-280	7240	1300

Spread	Aug-21	Sept-21	Oct-21
Basis	9750		
Aug-21	197		
Sept-21		884	
Oct-21			3008

\*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 26-July-21
Akola	60	-	60	60
Indore	20	-	20	20
Kota	260	-	260	260
Sagar	-	-	-	-
Nagpur	-	-	-	-

\*SBN Fed Stocks Expiry on ----

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

## NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+1.70	7531	7732	7531	7538
Sept-21	+1.67	7532	7730	7532	7540
Oct-21	+1.79	7549	7726	7578	7549

Contract	Volume	Change	OI	Change
Aug-21	28010	-7,920	35100	-2350
Sept-21	11020	-3,210	19190	950
Oct-21	2700	-320	9310	750

Spread	Aug-21	Sept-21	Oct-21
Basis	7712		
Aug-21	95		
Sept-21		78	
Oct-21			55

\*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 26-July-21
Sri Ganganagar	1181	162	1343	988
Bharatpur	-	-	-	-
Bikaner	580	100	680	-
Kota	5354	150	5504	5303
Jaipur	12178	401	12579	11594
Alwar	449	-	449	450
Hapur	-	-	-	-

\*RMS Fed Stocks Expiry on ---

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	29-Jul-21		28-Jul-21		
	Low	High	Low	High	
Indore –Plant	9500	9700	9700	9800	-100
Indore–Mandi	9000	9500	9200	9600	-100
Nagpur-Plant	9100	9400	9200	9500	-100
Nagpur – Mandi	7400	9250	7500	9350	-100
Latur – Mandi	7700	9500	8500	9895	-395
Akola – Mandi	7500	9100	7400	9300	-200
Kota-Plant	9450	9550	9650	9750	-200
Kota – Mandi	9150	9350	9350	9550	-200
Bundi-Plant	9100	9200	9350	9450	-250
Bundi-Mandi	8800	9100	9050	9350	-250
Baran-Plant	9300	9400	9500	9600	-200
Baran-Mandi	8700	9200	8900	9400	-200
Bhawani Mandi Jhalawar–Plant	9300	9450	9500	9700	-250
Jhalwar-Mandi	8700	9250	9000	9500	-250
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	7750	7775	7700	7725	50
Alwar-(Condition)	7350	7450	7250	7350	100
Sri Ganganagar-(Non-Condition)	7100	7150	6900	6950	200
New Delhi–(Condition)	7300	7350	7325	7375	-25
Kota-(Condition)	6900	7000	6900	7000	Unch
Agra-(Condition)	7762	7905	7571	7714	190
Neewai-(Condition)	7000	7100	6900	7000	100
Hapur (UP)-(Condition)	7600	7650	7575	7625	25
<b>Groundnut Seed</b>					
Rajkot	1021	1021	1125	1125	-104
<b>Sunflower Seed</b>					
Gulbarga	NA	NA	NA	NA	-
Latur	7300	7400	7300	7400	Unch
Sholapur	7300	7400	7300	7400	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
<b>Soybean</b>	<b>29-Jul-21</b>	<b>28-Jul-21</b>	
Madhya Pradesh	35000	40000	-5000
Maharashtra	25000	25000	Unch
kota	9500	9700	-200
Bundi (Raj)	400	800	-400
Baran (Raj)	5000	6000	-1000
Jhalawar (Raj)	1000	3000	-2000
<b>Rapeseed/Mustard</b>			
Rajasthan	95000	100000	-5000
Alwar	3000	5000	-2000
Sri Ganganagar	600	600	Unch
Kota	1000	1200	-200
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	325	310	15
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	29-Jul-21	28-Jul-21	Change
Groundnut Kernel	7450	7450	Unch
Gr. Bolds 60/70	9050	8950	100
Gr. Javas 60/70	9900	9800	100
Gr Javas 70/80	9600	9500	100
Gr.Javas 80/90	9300	9200	100
KardiSeed 2% Exp Qly	5200	5200	Unch
Sesame White 98/2/1 FM	8200	8200	Unch
Whitish 95/5/FFA/1FM	8000	8000	Unch
Brown 48/2 FFA/4 FM	7900	7900	Unch
Brown 48/3 FFA/4 FM	7800	7800	Unch
Brown 48/4 FM/* No FFA Guarantee	7400	7400	Unch
Sunflower Seed	6900	6900	Unch
Niger Seed (4% FM)	8200	8200	Unch

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