

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 prices closed up 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. Record rise in soybean continues, SOPA writes to the exchange, fears of betting.

Soyabean has is witnessing upper circuit in recent trading session. supply of soybean is very tight, while there is still more than two months left for the crop to arrive, but despite this, the industry does not consider such a rise in futures to be justified.

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 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 8,500 – 10,000/qtl. levels in the near-term.*

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+6.00	9665	10089	9572	9518
Sept-21	+6.00	9044	9365	8920	8835
Oct-21	+3.99	6750	6987	6668	6719

Contract	Volume	Change	OI	Change
Aug-21	19705	-2,600	18215	-2115
Sept-21	26110	6,960	17030	480
Oct-21	6510	1,650	8210	970

Spread	Aug-21	Sept-21	Oct-21
Basis	10050		
Aug-21	532		
Sept-21		1215	
Oct-21			3331

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

Stocks	Demat	In-Process	Total	FED
	29-July-21	29-July-21	29-July-21	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	+0.59	7639	7772	7639	7673
Sept-21	+0.60	7685	7770	7666	7674
Oct-21	+0.65	7739	7778	7688	7692

Contract	Volume	Change	OI	Change
Aug-21	31770	3,760	31010	-4090
Sept-21	15390	4,370	21480	2290
Oct-21	3230	530	9240	-70

Spread	Aug-21	Sept-21	Oct-21
Basis	7837		
Aug-21	164		
Sept-21		163	
Oct-21			145

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

Stocks	Demat	In-Process	Total	FED
	29-July-21	29-July-21	29-July-21	26-July-21
Sri Ganganagar	1241	142	1383	988
Bharatpur	-	-	-	-
Bikaner	680	0	680	-
Kota	5445	199	5644	5303
Jaipur	12388	230	12618	11594
Alwar	449	-	449	450
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	30-Jul-21		29-Jul-21		
	Low	High	Low	High	
Indore –Plant	9900	10200	9500	9700	500
Indore–Mandi	9600	10000	9000	9500	500
Nagpur-Plant	9800	10100	9100	9400	700
Nagpur – Mandi	8100	9950	7400	9250	700
Latur – Mandi	8000	9855	7700	9500	355
Akola – Mandi	6850	9600	7500	9100	500
Kota-Plant	9800	9900	9450	9550	350
Kota – Mandi	9500	9700	9150	9350	350
Bundi-Plant	9500	9700	9100	9200	500
Bundi-Mandi	9300	9600	8800	9100	500
Baran-Plant	9700	9800	9300	9400	400
Baran-Mandi	9100	9600	8700	9200	400
Bhawani Mandi Jhalawar–Plant	9700	9950	9300	9450	500
Jhalwar-Mandi	9300	9750	8700	9250	500
Rapeseed/Mustard					
Jaipur-(Condition)	7825	7850	7750	7775	75
Alwar-(Condition)	7450	7550	7350	7450	100
Sri Ganganagar-(Non-Condition)	7200	7250	7100	7150	100
New Delhi–(Condition)	7450	7500	7300	7350	150
Kota-(Condition)	7050	7150	6900	7000	150
Agra-(Condition)	7810	7952	7762	7905	48
Neewai-(Condition)	7250	7350	7000	7100	250
Hapur (UP)-(Condition)	7600	7650	7600	7650	Unch
Groundnut Seed					
Rajkot	1021	1021	1021	1021	Unch
Sunflower Seed					
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
Soybean	30-Jul-21	29-Jul-21	
Madhya Pradesh	40000	35000	5000
Maharashtra	25000	25000	Unch
kota	9850	9500	350
Bundi (Raj)	500	400	100
Baran (Raj)	8000	5000	3000
Jhalawar (Raj)	2500	1000	1500
Rapeseed/Mustard			
Rajasthan	95000	95000	Unch
Alwar	2500	3000	-500
Sri Ganganagar	500	600	-100
Kota	600	1000	-400
Groundnut Seed			
Rajkot (Gujarat)	325	325	Unch
Sunflower Seed			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	30-Jul-21	29-Jul-21	Change
Groundnut Kernel	7450	7450	Unch
Gr. Bolds 60/70	8950	9050	-100
Gr. Javas 60/70	9800	9900	-100
Gr Javas 70/80	9500	9600	-100
Gr.Javas 80/90	9200	9300	-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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