

Oilseeds Domestic Fundamentals: Soybean Indore plant prices closed down despite tight supply as compared to previous day in Madhya Pradesh. However, In Jaipur, RM seed prices closed steady 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 30, July (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Madhya Pradesh	55.86	57.17	49.76	-13%	44%
Maharashtra	38.8	40.74	43.82	8%	39%
Rajasthan	10.39	10.21	9.73	-5%	9%
Karnataka	2.84	3.21	3.73	16%	3%
Gujrat	1.16	1.42	2.17	53%	2%
Telangana	1.98	1.56	1.39	-11%	1%
Others	1.85	1.82	1.55	-15%	1%
Total	112.88	116.13	112.15	-3%	100%

Groundnut sowing As On 30, July (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Gujrat	15.74	20.18	18.68	-7%	46%
Rajasthan	6.23	7.06	7.35	4%	18%
Karnataka	4.12	3.57	3.06	-14%	7%
Maharashtra	2.27	1.85	1.83	-1%	4%
Madhya Pradesh	2.28	2.54	3.26	28%	8%
Tamilnadu	2.02	1.36	1.05	-23%	3%
Andhra Pradesh	7.03	6.77	3.27	-52%	8%
Others	2.01	2.42	2.55	5%	6%
Total	41.7	45.75	41.05	-10%	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 – 10,100/mt. levels in the near-term.*

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	-0.71	9555	9850	9417	9528
Sept-21	-2.05	8799	8940	8509	8800
Oct-21	-1.22	6751	6751	6400	6580

Contract	Volume	Change	OI	Change
Aug-21	12765	-8,200	13755	-1430
Sept-21	17640	-6,540	14945	-1035
Oct-21	4280	190	7740	-465

Spread	Aug-21	Sept-21	Oct-21
Basis	9800		
Aug-21	272		
Sept-21		1000	
Oct-21			3220

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

Stocks	Demat	In-Process	Total	FED
	02-Aug-21	02-Aug-21	02-Aug-21	02-Aug-21
Akola	60	-	60	60
Indore	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	+1.59	7631	7750	7629	7619
Sept-21	+1.77	7615	7765	7615	7617
Oct-21	+1.85	7629	7789	7664	7629

Contract	Volume	Change	OI	Change
Aug-21	22390	-2,110	26580	-2540
Sept-21	23050	7,940	26650	2700
Oct-21	3300	1,810	11050	1320

Spread	Aug-21	Sept-21	Oct-21
Basis	7812		
Aug-21	99		
Sept-21		93	
Oct-21			72

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

Stocks	Demat	In-Process	Total	FED
	02-Aug-21	02-Aug-21	02-Aug-21	02-Aug-21
Sri Ganganagar	1262	121	1383	1262
Bharatpur	-	-	-	-
Bikaner	680	10	690	-
Kota	5107	489	5596	5107
Jaipur	10441	378	10819	10440
Alwar	229	49	278	230
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	03-Aug-21		02-Aug-21		
	Low	High	Low	High	
Indore –Plant	9600	10000	9950	10300	-300
Indore–Mandi	9500	9900	9800	10100	-200
Nagpur-Plant	9875	10150	9875	10150	Unch
Nagpur – Mandi	9400	10000	8575	10000	Unch
Latur – Mandi	8000	10070	8000	9900	170
Akola – Mandi	8400	9825	8600	9575	250
Kota-Plant	9900	10000	9950	10050	-50
Kota – Mandi	9600	9800	9650	9850	-50
Bundi-Plant	9600	9800	9650	9850	-50
Bundi-Mandi	9400	9700	9450	9750	-50
Baran-Plant	9850	9950	9920	10020	-70
Baran-Mandi	9250	9750	9320	9820	-70
Bhawani Mandi Jhalawar–Plant	9720	9970	9800	10050	-80
Jhalwar-Mandi	9320	9770	9400	9850	-80
Rapeseed/Mustard					
Jaipur-(Condition)	7800	7825	7800	7825	Unch
Alwar-(Condition)	7350	7450	7300	7400	50
Sri Ganganagar-(Non-Condition)	7250	7300	7050	7100	200
New Delhi–(Condition)	7425	7475	7425	7475	Unch
Kota-(Condition)	7150	7250	7100	7200	50
Agra-(Condition)	7762	7905	7762	7905	Unch
Neewai-(Condition)	7100	7200	7300	7400	-200
Hapur (UP)-(Condition)	7450	7500	7450	7500	Unch
Groundnut Seed					
Rajkot	1055	1055	1050	1050	5
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	7400	7500	7400	7500	Unch
Sholapur	7400	7500	7400	7500	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	03-Aug-21	02-Aug-21	
Madhya Pradesh	23000	30000	-7000
Maharashtra	15000	20000	-5000
kota	9950	10000	-50
Bundi (Raj)	100	100	Unch
Baran (Raj)	1200	1500	-300
Jhalawar (Raj)	100	300	-200
Rapeseed/Mustard			
Rajasthan	75000	75000	Unch
Alwar	2200	3500	-1300
Sri Ganganagar	800	700	100
Kota	300	400	-100
Groundnut Seed			
Rajkot (Gujarat)	250	310	-60
Sunflower Seed			
Sholapur (Maharashtra)	800	800	Unch

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

Oilseeds	3-Aug-21	2-Aug-21	Change
Groundnut Kernel	7425	7400	25
Gr. Bolds 60/70	8950	8950	Unch
Gr. Javas 60/70	9800	9800	Unch
Gr Javas 70/80	9500	9500	Unch
Gr.Javas 80/90	9200	9200	Unch
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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