

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 went down amid heavy supply.

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

The government has sent a proposal to the Centre to reduce the germination capacity of soybean seeds from 70 percent to 60 percent.

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.

Soybean sowing As On 06 Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Madhya Pradesh	55.86	57.81	51.67	-11%	45%
Maharashtra	38.8	41.8	44.48	6%	39%
Rajasthan	10.39	10.33	10.39	1%	9%
Karnataka	2.84	3.21	3.78	18%	3%
Gujrat	1.16	1.47	2.19	49%	2%
Telangana	1.98	1.59	1.39	-13%	1%
Others	1.85	1.866	1.24	-34%	1%
Total	112.88	118.076	115.14	-2%	100%

Groundnut sowing As On 06 Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Gujrat	15.74	20.37	18.93	-7%	43%
Rajasthan	6.23	7.06	7.49	6%	17%
Karnataka	4.12	3.57	3.66	3%	8%
Maharashtra	2.27	1.88	1.91	2%	4%
Madhya Pradesh	2.28	2.54	3.82	50%	9%
Tamilnadu	2.02	2.12	1.71	-19%	4%
Andhra Pradesh	7.03	6.93	4.082	-41%	9%
Others	2.01	2.6	2.788	7%	6%
Total	41.7	47.07	44.39	-6%	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 – 10,500/mt. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	-5.99	9489	9489	9005	9579
Sept-21	-6.00	8500	8500	8104	8621
Oct-21	-4.67	6445	6438	6121	6445

Contract	Volume	Change	OI	Change
Aug-21	12695	3,645	9080	-1340
Sept-21	16710	240	16755	-665
Oct-21	5405	1,560	8910	-885

Spread	Aug-21	Sept-21	Oct-21
Basis	9750		
Aug-21	171		
Sept-21		1129	
Oct-21			3305

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

Stocks	Demat	In-Process	Total	FED
	07-Aug-21	07-Aug-21	07-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	-1.88	7784	7784	7582	7784
Sept-21	-1.87	7755	7824	7624	7818
Oct-21	-1.81	7810	7850	7680	7850

Contract	Volume	Change	OI	Change
Aug-21	13280	1,360	19290	-3780
Sept-21	33210	5,430	29630	-340
Oct-21	1540	-2,200	11580	160

Spread	Aug-21	Sept-21	Oct-21
Basis	7837		
Aug-21	53		
Sept-21		19	
Oct-21			-13

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

Stocks	Demat	In-Process	Total	FED
	07-Aug-21	07-Aug-21	07-Aug-21	02-Aug-21
Sri Ganganagar	1444	132	1576	1262
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	5727	170	5897	5107
Jaipur	10829	370	11199	10440
Alwar	279	-	279	230
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	09-Aug-21		07-Aug-21		
	Low	High	Low	High	
Indore –Plant	9500	10000	9800	10200	-200
Indore–Mandi	9600	9800	9800	10000	-200
Nagpur-Plant	9700	10080	10000	10380	-300
Nagpur – Mandi	9200	10000	9500	10230	-230
Latur – Mandi	8500	10350	8500	10350	Unch
Akola – Mandi	9400	9880	8100	10100	-220
Kota-Plant	9600	9700	9900	10000	-300
Kota – Mandi	9300	9500	9600	9800	-300
Bundi-Plant	9300	9500	9650	9850	-350
Bundi-Mandi	9100	9400	9450	9750	-350
Baran-Plant	9200	9300	9650	9750	-450
Baran-Mandi	8600	9100	9050	9550	-450
Bhawani Mandi Jhalawar–Plant	9130	9380	9580	9830	-450
Jhalwar-Mandi	8900	9200	9180	9630	-430
Rapeseed/Mustard					
Jaipur-(Condition)	7825	7850	7850	7875	-25
Alwar-(Condition)	7425	7525	7450	7550	-25
Sri Ganganagar-(Non-Condition)	7200	7250	7300	7350	-100
New Delhi–(Condition)	7420	7450	7370	7400	50
Kota-(Condition)	7250	7350	7300	7400	-50
Agra-(Condition)	7714	7857	7905	8048	-190
Neewai-(Condition)	7300	7400	7350	7450	-50
Hapur (UP)-(Condition)	7500	7550	7550	7600	-50
Groundnut Seed					
Rajkot	1075	1075	1070	1070	5
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	7200	7300	7300	7400	-100
Sholapur	7200	7300	7300	7400	-100
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	09-Aug-21	07-Aug-21	
Madhya Pradesh	20000	10000	10000
Maharashtra	15000	10000	5000
kota	9650	9950	-300
Bundi (Raj)	120	40	80
Baran (Raj)	1100	800	300
Jhalawar (Raj)	900	700	200
Rapeseed/Mustard			
Rajasthan	85000	75000	10000
Alwar	3000	5000	-2000
Sri Ganganagar	600	900	-300
Kota	700	400	300
Groundnut Seed			
Rajkot (Gujarat)	160	170	-10
Sunflower Seed			
Sholapur (Maharashtra)	600	500	100

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

Oilseeds	9-Aug-21	7-Aug-21	Change
Groundnut Kernel	7300	7350	-50
Gr. Bolds 60/70	9100	9050	50
Gr. Javas 60/70	9950	9900	50
Gr Javas 70/80	9650	9600	50
Gr.Javas 80/90	9350	9200	150
KardiSeed 2% Exp Qly	5400	5200	200
Sesame White 98/2/1 FM	8400	8200	200
Whitish 95/5/FFA/1FM	8200	8000	200
Brown 48/2 FFA/4 FM	8100	7900	200
Brown 48/3 FFA/4 FM	8000	7800	200
Brown 48/4 FM/* No FFA Guarantee	7600	7400	200
Sunflower Seed	7100	6900	200
Niger Seed (4% FM)	8400	8200	200

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2021 Indian Agribusiness Systems Pvt Ltd.