

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

NCDEX Soybean futures slumped as traders booked profits following recent surge. Indian government is set to launch an oil seeds mission owing to the recurring instances over decades of surging edible oil prices stoking food inflation and high imports of these items straining the country's current account. The mission will encompass investments of Rs 11000 crore in the cooking oil eco system.

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 weak tone amid profit booking by trader, however arrival has gone down at all trading markets. The prices are expected to be in the range of 8,000 – 9,000/qtl. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	-3.84	8646	8848	8466	9006
Sept-21	-6.00	7780	7780	7618	8104
Oct-21	-3.35	5926	6058	5802	6172

Contract	Volume	Change	OI	Change
Aug-21	10240	-2,455	8315	-765
Sept-21	9665	-7,045	17235	480
Oct-21	8235	2,830	9585	675

Spread	Aug-21	Sept-21	Oct-21
Basis	8600		
Aug-21	-406		
Sept-21		496	
Oct-21			2428

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

Stocks	Demat 09-Aug-21	In-Process 09-Aug-21	Total 09-Aug-21	FED 09-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	-2.19	7560	7575	7355	7660
Sept-21	-1.77	7576	7618	7393	7701
Oct-21	-1.91	7595	7676	7427	7736

Contract	Volume	Change	OI	Change
Aug-21	11890	-1,390	15370	-3920
Sept-21	50460	17,250	33120	3490
Oct-21	5790	4,250	13720	2140

Spread	Aug-21	Sept-21	Oct-21
Basis	7612		
Aug-21	-48		
Sept-21		-89	
Oct-21			-124

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

Stocks	Demat 09-Aug-21	In-Process 09-Aug-21	Total 09-Aug-21	FED 09-Aug-21
Sri Ganganagar	1575	20	1595	1576
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	5866	60	5926	5866
Jaipur	11130	150	11280	11128
Alwar	279	-	279	279
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	10-Aug-21		09-Aug-21		
	Low	High	Low	High	
Indore –Plant	8200	9000	9500	10000	-1000
Indore–Mandi	8200	8800	9600	9800	-1000
Nagpur-Plant	9300	9700	9700	10080	-380
Nagpur – Mandi	8500	9600	9200	10000	-400
Latur – Mandi	8300	10025	8300	10025	Unch
Akola – Mandi	8600	9700	9400	9880	-180
Kota-Plant	8400	8500	9600	9700	-1200
Kota – Mandi	8100	8300	9300	9500	-1200
Bundi-Plant	8100	8300	9300	9500	-1200
Bundi-Mandi	7900	8200	9100	9400	-1200
Baran-Plant	8100	8200	9200	9300	-1100
Baran-Mandi	7500	8000	8600	9100	-1100
Bhawani Mandi Jhalawar–Plant	7730	7980	9130	9380	-1400
Jhalwar-Mandi	7500	7800	8900	9200	-1400
Rapeseed/Mustard					
Jaipur-(Condition)	7600	7625	7825	7850	-225
Alwar-(Condition)	7300	7400	7425	7525	-125
Sri Ganganagar-(Non-Condition)	7100	7150	7200	7250	-100
New Delhi–(Condition)	7320	7350	7420	7450	-100
Kota-(Condition)	7100	7200	7250	7350	-150
Agra-(Condition)	7667	7810	7714	7857	-48
Neewai-(Condition)	7100	7200	7300	7400	-200
Hapur (UP)-(Condition)	7400	7450	7500	7550	-100
Groundnut Seed					
Rajkot	1100	1100	1075	1075	25
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	7200	7300	7200	7300	Unch
Sholapur	7200	7300	7200	7300	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	10-Aug-21	09-Aug-21	
Madhya Pradesh	20000	20000	Unch
Maharashtra	15000	15000	Unch
kota	8450	9650	-1200
Bundi (Raj)	110	120	-10
Baran (Raj)	1300	1100	200
Jhalawar (Raj)	1000	900	100
Rapeseed/Mustard			
Rajasthan	85000	85000	Unch
Alwar	2000	3000	-1000
Sri Ganganagar	400	600	-200
Kota	1000	700	300
Groundnut Seed			
Rajkot (Gujarat)	230	160	70
Sunflower Seed			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	10-Aug-21	9-Aug-21	Change
Groundnut Kernel	7350	7300	50
Gr. Bolds 60/70	9100	9100	Unch
Gr. Javas 60/70	9950	9950	Unch
Gr Javas 70/80	9650	9650	Unch
Gr.Javas 80/90	9350	9350	Unch
KardiSeed 2% Exp Qly	5600	5400	200
Sesame White 98/2/1 FM	8600	8400	200
Whitish 95/5/FFA/1FM	8400	8200	200
Brown 48/2 FFA/4 FM	8300	8100	200
Brown 48/3 FFA/4 FM	8200	8000	200
Brown 48/4 FM/* No FFA Guarantee	7800	7600	200
Sunflower Seed	7300	7100	200
Niger Seed (4% FM)	8600	8400	200

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