

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 closed amid steady supply.

NCDEX Soybean slumped on meal import talk; drags Soy oil, Mustard. With the poultry industry hit badly due to rising feed meal prices, the Central government is all set to allow import of 1.2-1.5 million tonnes of genetically modified soymeal.

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/mt. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Aug-21	+5.99	8969	9250	8968	8727
Sept-21	+6.00	7618	8075	7410	7618
Oct-21	+5.63	5983	6341	6077	5983

Contract	Volume	Change	OI	Change
Aug-21	9420	-820	5650	-2665
Sept-21	21470	11,805	16835	-400
Oct-21	6890	-1,345	9700	115

Spread	Aug-21	Sept-21	Oct-21
Basis	8300		
Aug-21	-427		
Sept-21		682	
Oct-21			2317

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

Stocks	Demat	In-Process	Total	FED
	10-Aug-21	10-Aug-21	10-Aug-21	09-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
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	+2.16	7555	7698	7555	7494
Sept-21	+2.59	7620	7795	7610	7557
Oct-21	+2.92	7642	7835	7642	7580

Contract	Volume	Change	OI	Change
Aug-21	9610	-2,280	11240	-4130
Sept-21	40720	-9,740	36720	3600
Oct-21	4230	-1,560	15400	1680

Spread	Aug-21	Sept-21	Oct-21
Basis	7737		
Aug-21	243		
Sept-21		180	
Oct-21			157

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

Stocks	Demat	In-Process	Total	FED
	10-Aug-21	10-Aug-21	10-Aug-21	09-Aug-21
Sri Ganganagar	1575	40	1615	1576
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	5866	121	5987	5866
Jaipur	11129	160	11289	11128
Alwar	279	-	279	279
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	11-Aug-21		10-Aug-21		
	Low	High	Low	High	
Indore –Plant	8000	8700	8200	9000	-300
Indore–Mandi	7900	8500	8200	8800	-300
Nagpur-Plant	8600	9000	9300	9700	-700
Nagpur – Mandi	7800	8500	8500	9600	-1100
Latur – Mandi	8300	10025	8300	10025	Unch
Akola – Mandi	7200	8100	8600	9700	-1600
Kota-Plant	9000	9100	8400	8500	600
Kota – Mandi	8700	8900	8100	8300	600
Bundi-Plant	8600	8800	8100	8300	500
Bundi-Mandi	8400	8700	7900	8200	500
Baran-Plant	8400	8500	8100	8200	300
Baran-Mandi	7800	8300	7500	8000	300
Bhawani Mandi Jhalawar–Plant	8350	8600	7730	7980	620
Jhalwar-Mandi	8000	8400	7500	7800	600
Rapeseed/Mustard					
Jaipur-(Condition)	7725	7750	7600	7625	125
Alwar-(Condition)	7350	7450	7300	7400	50
Sri Ganganagar-(Non-Condition)	7150	7200	7100	7150	50
New Delhi–(Condition)	7370	7400	7320	7350	50
Kota-(Condition)	7100	7200	7100	7200	Unch
Agra-(Condition)	7667	7810	7667	7810	Unch
Neewai-(Condition)	7200	7300	7100	7200	100
Hapur (UP)-(Condition)	7450	7500	7400	7450	50
Groundnut Seed					
Rajkot	1105	1105	1100	1100	5
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	7000	7100	7200	7300	-200
Sholapur	7000	7100	7200	7300	-200

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	11-Aug-21	10-Aug-21	
Madhya Pradesh	20000	20000	Unch
Maharashtra	15000	15000	Unch
kota	9050	8450	600
Bundi (Raj)	250	110	140
Baran (Raj)	500	1300	-800
Jhalawar (Raj)	200	1000	-800
Rapeseed/Mustard			
Rajasthan	80000	85000	-5000
Alwar	1600	2000	-400
Sri Ganganagar	400	400	Unch
Kota	600	1000	-400
Groundnut Seed			
Rajkot (Gujarat)	300	230	70
Sunflower Seed			
Sholapur (Maharashtra)	1000	600	400

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

Oilseeds	11-Aug-21	10-Aug-21	Change
Groundnut Kernel	7425	7350	75
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	5600	Unch
Sesame White 98/2/1 FM	8600	8600	Unch
Whitish 95/5/FFA/1FM	8400	8400	Unch
Brown 48/2 FFA/4 FM	8300	8300	Unch
Brown 48/3 FFA/4 FM	8200	8200	Unch
Brown 48/4 FM/* No FFA Guarantee	7800	7800	Unch

Sunflower Seed	7300	7300	Unch
Niger Seed (4% FM)	8600	8600	Unch

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