

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

As per sources crop condition remained good in Madhya Pradesh and other key growing areas.

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:**

China's July soybean imports fall on year on weak crushing margins.

The world's top buyer of the oilseed brought in 8.67 million tonnes of soybeans in July, down 14.1% from 10.09 million tonnes the previous year.

Brazilian soybean exports reached 11.1 mmt in Jun 2021, 13% down from Jun 2020. Accum Jan-Jun 2021 at 59.4 mmt vs 58.8 mmt a year ago.

In recent USDA Aug report, USDA slashed 2-million-ton in U.S. 2021-22 soybean production to 118 million MT, However Argentina and Brazil soybean 2021-22 production figures remain unchanged to 52 and 144 million metric tons respectively.

### **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.*

*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 7,500 – 10,000/qtl. levels in the near-term.

**NCDEX Soybean Futures:**

Contract	+/-	Open	High	Low	Close
Aug-21	+2.43	9470	9470	9212	9177
Sept-21	-0.25	7475	7680	7267	7569
Oct-21	-0.49	6101	6190	5955	6127

Contract	Volume	Change	OI	Change
Aug-21	1395	-225	1670	-720
Sept-21	11025	-11,870	18545	665
Oct-21	3040	-3,435	11375	385

Spread	Aug-21	Sept-21	Oct-21
Basis	9100		
Aug-21	-77		
Sept-21		1531	
Oct-21			2973

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

Stocks	Demat 15-Aug-21	In-Process 15-Aug-21	Total 15-Aug-21	FED 09-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
Kota	260	-	70	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	-1.46	7831	7831	7740	7855
Sept-21	-1.49	7915	7953	7783	7915
Oct-21	-1.66	7904	7998	7821	7972

Contract	Volume	Change	OI	Change
Aug-21	720	120	1770	230
Sept-21	31030	-4,410	39020	950
Oct-21	6480	620	18150	660

Spread	Aug-21	Sept-21	Oct-21
Basis	8037		
Aug-21	182		
Sept-21		122	
Oct-21			65

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

Stocks	Demat 15-Aug-21	In-Process 15-Aug-21	Total 15-Aug-21	FED 09-Aug-21
Sri Ganganagar	1636	20	1656	1576
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	5221	130	5351	5866
Jaipur	11329	50	11379	11128
Alwar	279	-	279	279
Hapur	-	-	-	-

\*RMS Fed Stocks Expiry on ---

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	17-Aug-21		16-Aug-21		
	Low	High	Low	High	
Indore –Plant	9000	9200	9100	9300	-100
Indore–Mandi	8900	9100	9000	9200	-100
Nagpur-Plant	9100	9600	9200	9700	-100
Nagpur – Mandi	8600	9200	8700	9400	-200
Latur – Mandi	9300	9400	9420	9550	-150
Akola – Mandi	8000	8800	8000	8650	150
Kota-Plant	9300	9600	9200	9500	100
Kota – Mandi	9100	9400	9000	9300	100
Bundi-Plant	9200	9500	9100	9400	100
Bundi-Mandi	8700	9300	8600	9200	100
Baran-Plant	9350	9450	9300	9400	50
Baran-Mandi	8950	9250	8900	9200	50
Bhawani Mandi Jhalawar–Plant	9575	9775	9500	9700	75
Jhalwar-Mandi	9075	9475	9000	9400	75
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	8025	8050	8150	8175	-125
Alwar-(Condition)	7600	7650	7650	7700	-50
Sri Ganganagar-(Non-Condition)	7200	7250	7300	7350	-100
New Delhi–(Condition)	7650	7750	7750	7850	-100
Kota-(Condition)	7300	7400	7400	7500	-100
Agra-(Condition)	7905	8048	8048	8190	-143
Neewai-(Condition)	7550	7900	7650	8000	-100
Hapur (UP)-(Condition)	7600	7700	7750	7850	-150
<b>Groundnut Seed</b>					
Rajkot	1150	1150	1110	1110	40
<b>Sunflower Seed</b>					
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
<b>Soybean</b>	<b>17-Aug-21</b>	<b>16-Aug-21</b>	
Madhya Pradesh	18000	20000	-2000
Maharashtra	12000	10000	2000
kota	9450	9350	100
Bundi (Raj)	200	250	-50
Baran (Raj)	1500	2000	-500
Jhalawar (Raj)	200	300	-100
<b>Rapeseed/Mustard</b>			
Rajasthan	95000	95000	Unch
Alwar	3500	3000	500
Sri Ganganagar	800	900	-100
Kota	600	800	-200
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	110	150	-40
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	17-Aug-21	16-Aug-21	Change
Groundnut Kernel	7700	7650	50
Gr. Bolds 60/70	9150	9150	Unch
Gr. Javas 60/70	10000	10000	Unch
Gr Javas 70/80	9700	9700	Unch
Gr.Javas 80/90	9400	9400	Unch
KardiSeed 2% Exp Qly	5500	5600	-100
Sesame White 98/2/1 FM	8500	8600	-100
Whitish 95/5/FFA/1FM	8300	8400	-100
Brown 48/2 FFA/4 FM	8200	8300	-100
Brown 48/3 FFA/4 FM	8100	8200	-100
Brown 48/4 FM/* No FFA Guarantee	7700	7800	-100
Sunflower Seed	7200	7300	-100
Niger Seed (4% FM)	8500	8600	-100

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