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

SOPA- Crop condition of Maharashtra is better than that of Madhya Pradesh. “There are reports of crop damage due to moisture stress in many parts of Madhya Pradesh but, as of now, Maharashtra’s crop condition is good. However, a lot depends on the progress of monsoon.

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.

As per estimates approximately 75-80% RM Seed crushing have been completed while more than 90% soybean crushing have been completed, inventory remains tight in the country.

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)

NOPA crush increased this month but was below expectations at 155.105 mln bushels. Estimates were between 156.2 and 164 million bushels, with the average at 159.062. This crush is up 2% from last month, but a 10% decrease from last year.

As per recent USDA Aug'21 report, Soybean production in the world is likely to increase to 383.63 million tonnes in next season (September- 2021- August 2020) in expectation of higher crop size in US and India. Total crop size in India may stand higher by 750,000 tonnes to 11.2 Million tonnes against 10.45 Million tonnes in this season. Higher soybean prices in this season will encourage farmers in India to cover higher soybean area.

As of July 29, Ukrainian farmers had completed the harvest on 568,500 ha, 56.5% of the expected area, and gathered 1.48 million mt of rapeseed. The Ukrainian export potential of rapeseeds this season, according to USDA expectations, will increase to 2.7 million mt, which is 10.7% higher than the 2020/21 season, but below the record of 3 million mt in the 2019/20 season.

In the Aug'21 report, the USDA has kept India's 2021/22 rapeseed production estimates unchanged at 8.5 million tonnes compared to previous month. However, Canada's rapeseed production estimates eased to 16 million tonnes as compared to 20.20 million tonnes last month. Canadian canola production is lowered because as early-season drought conditions impact yields and offset an increase to area. Further, EU production estimates remain unchanged to 17.00 million tonnes million tonnes last month and for China, the estimates remain unchanged to 14.00 million tonnes. The global 2020/21 rapeseed production estimate decreased to 69.97 million tonnes vs 74.14 million tonnes in the previous month. World 2021/22 rapeseed meal production estimate eased at 39.69 million tonnes vs 41.29 million tonnes in its previous estimate.

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 remain firm, however arrival has gone down at all trading markets, inventory remain tight in the country amid tight global dynamics. The prices are expected to be in the range of 8,500 – 9,500/qtl. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	+5.99	7640	8159	7605	7698
Oct-21	+2.61	6205	6475	6162	6237
Nov-21	+1.96	6050	6200	5950	6032

Contract	Volume	Change	OI	Change
Sept-21	20620	6,945	20605	560
Oct-21	9095	4,600	12565	140
Nov-21	3380	1,830	6895	685

Spread	Sept-21	Oct-21	Nov-21
Basis	9200		
Sept-21	1502		
Oct-21		2963	
Nov-21			3168

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

Stocks	Demat	In-Process	Total	FED
	19-Aug-21	19-Aug-21	19-Aug-21	16-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
Kota	330	60	390	330
Sagar	-	-	-	-
Nagpur	-	-	-	-

SBN Fed Stocks Expiry on ----
****RM Seed Fed Stocks Expiry on ----***

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	+1.61	7828	8100	7828	7849
Oct-21	+1.29	7882	8137	7882	7899
Nov-21	+1.49	7961	8153	7941	7942

Contract	Volume	Change	OI	Change
Sept-21	43780	14,130	36830	-1630
Oct-21	8110	1,800	18150	180
Nov-21	1990	-120	8710	620

Spread	Sept-21	Oct-21	Nov-21
Basis	8012		
Sept-21	163		
Oct-21		113	
Nov-21			70

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

Stocks	Demat	In-Process	Total	FED
	19-Aug-21	19-Aug-21	19-Aug-21	16-Aug-21
Sri Ganganagar	1657	71	1728	1657
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	4424	468	4892	5291
Jaipur	11349	331	11680	11348
Alwar	279	-	279	279
Hapur	-	-	-	-

RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	**20-Aug-21**		**19-Aug-21**		
	Low	**High**	**Low**	**High**	
Indore –Plant	9100	9300	9000	9200	100
Indore–Mandi	9000	9200	8800	9000	200
Nagpur-Plant	8800	9400	9000	9600	-200
Nagpur – Mandi	7800	8000	8000	8200	-200
Latur – Mandi	8000	9300	Closed	Closed	-
Akola – Mandi	7850	9100	7900	8800	300
Kota-Plant	9050	9350	8900	9200	150
Kota – Mandi	8850	9150	8700	9000	150
Bundi-Plant	8935	9235	8800	9100	135
Bundi-Mandi	8435	9035	8300	8900	135
Baran-Plant	9050	9150	8885	8985	165
Baran-Mandi	8650	8950	8485	8785	165
Bhawani Mandi Jhalawar–Plant	9200	9300	9000	9100	200
Jhalwar-Mandi	Closed	Closed	8500	8800	-
Rapeseed/Mustard					
Jaipur-(Condition)	8000	8025	7950	7975	50
Alwar-(Condition)	7700	7750	7700	7750	Unch
Sri Ganganagar-(Non-Condition)	7300	7350	7300	7350	Unch
New Delhi–(Condition)	7700	7750	7800	7900	-150
Kota-(Condition)	7250	7350	7250	7350	Unch
Agra-(Condition)	7952	8095	7905	8048	48
Neewai-(Condition)	7100	7450	7100	7450	Unch
Hapur (UP)-(Condition)	7600	7700	7600	7700	Unch
Groundnut Seed					
Rajkot	1250	1250	1250	1250	Unch
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	7100	7200	7100	7200	Unch
Sholapur	7100	7200	7100	7200	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	**20-Aug-21**	**19-Aug-21**	
Madhya Pradesh	15000	17000	-2000
Maharashtra	12000	13000	-1000
kota	9200	9050	150
Bundi (Raj)	120	120	Unch
Baran (Raj)	500	1000	-500
Jhalawar (Raj)	Closed	300	-
Rapeseed/Mustard			
Rajasthan	NA	75000	-
Alwar	2800	2800	Unch
Sri Ganganagar	500	500	Unch
Kota	600	600	Unch
Groundnut Seed			
Rajkot (Gujarat)	100	100	Unch
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	20-Aug-21	19-Aug-21	Change
Groundnut Kernel	7750	7675	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	5500	5500	Unch
Sesame White 98/2/1 FM	8500	8500	Unch
Whitish 95/5/FFA/1FM	8300	8300	Unch
Brown 48/2 FFA/4 FM	8200	8200	Unch
Brown 48/3 FFA/4 FM	8100	8100	Unch
Brown 48/4 FM/* No FFA Guarantee	7700	7700	Unch
Sunflower Seed	7200	7200	Unch
Niger Seed (4% FM)	8500	8500	Unch