

Oilseeds Domestic Fundamentals: Soybean Indore plant prices decreased amid heavy supply as compared to previous day in Madhya Pradesh. However, In Jaipur, RM seed prices went up amid steady 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. As per market sources, more than 60% mills have closed crushing operations amid tight RM seed inventory in the country.

Soybean sowing As On 19th Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Madhya Pradesh	55.86	58.3	55.84	-4%	46%
Maharashtra	38.8	42.56	45.5	7%	38%
Rajasthan	10.39	10.69	10.62	-1%	9%
Karnataka	2.84	3.29	3.82	16%	3%
Gujrat	1.16	1.48	2.23	51%	2%
Telangana	1.98	1.59	1.41	-11%	1%
Others	1.85	1.99	1.66	-17%	1%
Total	112.88	119.9	121.08	1%	100%

Groundnut sowing As On 12th Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Gujrat	15.74	20.5	19.01	-7%	40%
Rajasthan	6.23	7.3	7.76	6%	16%
Karnataka	4.12	5.1	4.35	-15%	9%
Maharashtra	2.27	1.97	1.99	1%	4%
Madhya Pradesh	2.28	2.78	3.82	37%	8%
Tamilnadu	2.02	2.4	1.98	-18%	4%
Andhra Pradesh	7.03	7.35	5.73	-22%	12%
Others	2.01	2.8	2.96	6%	6%
Total	41.7	50.2	47.6	-5%	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 elevated, 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 – 10,000/mt. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	-5.87	7864	8324	7700	8191
Oct-21	-2.92	6450	6525	6180	6428
Nov-21	-2.79	6148	6275	6000	6199

Contract	Volume	Change	OI	Change
Sept-21	16490	6,565	18880	-1900
Oct-21	7365	3,455	17075	3890
Nov-21	2930	1,720	8570	1280

Spread	Sept-21	Oct-21	Nov-21
Basis	9050		
Sept-21	859		
Oct-21		2622	
Nov-21			2851

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

Stocks	Demat	In-Process	Total	FED
	23-Aug-21	23-Aug-21	23-Aug-21	16-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
Kota	390	-	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	-1.25	8127	8210	8040	8157
Oct-21	-1.18	8162	8249	8097	8199
Nov-21	-0.99	8241	8283	8143	8242

Contract	Volume	Change	OI	Change
Sept-21	24650	-8,590	25720	-6020
Oct-21	8140	-4,450	24300	1760
Nov-21	970	-750	8490	40

Spread	Sept-21	Oct-21	Nov-21
Basis	8262		
Sept-21	105		
Oct-21		63	
Nov-21			20

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

Stocks	Demat	In-Process	Total	FED
	23-Aug-21	23-Aug-21	23-Aug-21	16-Aug-21
Sri Ganganagar	1657	91	1748	1657
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	3742	610	4352	5291
Jaipur	7814	131	7945	11348
Alwar	49	-	49	279
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ----

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	26-Aug-21		25-Aug-21		
	Low	High	Low	High	
Indore –Plant	8800	9300	9500	10000	-700
Indore–Mandi	8500	9000	9200	9500	-500
Nagpur-Plant	8200	8700	8200	8700	Unch
Nagpur – Mandi	8000	8300	8000	8300	Unch
Latur – Mandi	7000	9075	8000	9110	-35
Akola – Mandi	8000	8500	8000	9000	-500
Kota-Plant	8400	8800	9000	9400	-600
Kota – Mandi	8200	8500	8800	9100	-600
Bundi-Plant	8250	8550	8950	9250	-700
Bundi-Mandi	7750	8350	8450	9050	-700
Baran-Plant	8400	8500	9000	9100	-600
Baran-Mandi	8100	8300	8700	8900	-600
Bhawani Mandi Jhalawar–Plant	8500	8600	8900	9000	-400
Jhalwar-Mandi	7900	8200	8300	8600	-400
Rapeseed/Mustard					
Jaipur-(Condition)	8250	8275	8200	8225	50
Alwar-(Condition)	7750	7800	7800	7850	-50
Sri Ganganagar-(Non-Condition)	7575	7625	7600	7650	-25
New Delhi–(Condition)	7700	7750	7650	7700	50
Kota-(Condition)	7420	7520	7300	7400	120
Agra-(Condition)	8048	8190	8048	8190	Unch
Neewai-(Condition)	7500	7850	7200	7550	300
Hapur (UP)-(Condition)	7650	7750	7650	7750	Unch
Groundnut Seed					
Rajkot	1220	1220	1211	1211	9
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	26-Aug-21	25-Aug-21	
Madhya Pradesh	15000	10000	5000
Maharashtra	12000	10000	2000
kota	8600	9200	-600
Bundi (Raj)	40	60	-20
Baran (Raj)	200	250	-50
Jhalawar (Raj)	30	50	-20
Rapeseed/Mustard			
Rajasthan	80000	80000	Unch
Alwar	2000	1300	700
Sri Ganganagar	300	500	-200
Kota	350	400	-50
Groundnut Seed			
Rajkot (Gujarat)	200	310	-110
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	26-Aug-21	25-Aug-21	Change
Groundnut Kernel	7850	7750	100
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	5500	Unch
Sesame White 98/2/1 FM	8700	8700	Unch
Whitish 95/5/FFA/1FM	8500	8500	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)	8500	8500	Unch



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.