

**Oilseeds Domestic Fundamentals:** Soybean Indore plant prices remained steady amid heavy 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. 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:***

Brazil's CONAB forecast 21/22 Soybean production at 141.26 mmt, if realized that would be up 3.9% over the previous crop.

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 – 9,500/mt. levels in the near-term.

**NCDEX Soybean Futures:**

Contract	+/-	Open	High	Low	Close
Sept-21	+1.65	7600	7986	7600	7701
Oct-21	-0.21	6100	6303	6100	6222
Nov-21	-0.12	6017	6085	5935	6017

Contract	Volume	Change	OI	Change
Sept-21	4550	-11,940	18945	65
Oct-21	4375	-2,990	17570	495
Nov-21	990	-1,940	8745	175

Spread	Sept-21	Oct-21	Nov-21
Basis	9050		
Sept-21	1349		
Oct-21		2828	
Nov-21			3033

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

Stocks	Demat 26-Aug-21	In-Process 26-Aug-21	Total 26-Aug-21	FED 23-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
Kota	-	-	-	320
Sagar	-	-	-	-
Nagpur	-	-	-	-

\*SBN Fed Stocks Expiry on ----

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

**NCDEX RM Seed Futures:**

Contract	+/-	Open	High	Low	Close
Sept-21	-0.51	8000	8071	7915	8059
Oct-21	-0.37	8080	8125	7975	8108
Nov-21	-0.29	8142	8164	8034	8152

Contract	Volume	Change	OI	Change
Sept-21	21770	-2,880	24990	-730
Oct-21	8770	630	24890	590
Nov-21	1000	30	8260	-230

Spread	Sept-21	Oct-21	Nov-21
Basis	8162		
Sept-21	103		
Oct-21		54	
Nov-21			10

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

Stocks	Demat 26-Aug-21	In-Process 26-Aug-21	Total 26-Aug-21	FED 23-Aug-21
Sri Ganganagar	1768	40	1808	1748
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	4098	120	4218	3778
Jaipur	7765	483	8248	7925
Alwar	49	-	49	49
Hapur	-	-	-	-

\*RMS Fed Stocks Expiry on ---

## Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	27-Aug-21		26-Aug-21		
	Low	High	Low	High	
Indore –Plant	8800	9300	8800	9300	Unch
Indore–Mandi	8500	9000	8500	9000	Unch
Nagpur-Plant	8700	9200	8200	8700	500
Nagpur – Mandi	8500	8800	8000	8300	500
Latur – Mandi	7450	9200	7000	9075	125
Akola – Mandi	7700	8200	8000	8500	-300
Kota-Plant	8500	8900	8400	8800	100
Kota – Mandi	8300	8600	8200	8500	100
Bundi-Plant	8300	8600	8250	8550	50
Bundi-Mandi	7800	8400	7750	8350	50
Baran-Plant	8475	8575	8400	8500	75
Baran-Mandi	8175	8375	8100	8300	75
Bhawani Mandi Jhalawar–Plant	8600	8700	8500	8600	100
Jhalwar-Mandi	8000	8300	7900	8200	100
Rapeseed/Mustard					
Jaipur-(Condition)	8150	8175	8250	8275	-100
Alwar-(Condition)	7650	7700	7750	7800	-100
Sri Ganganagar-(Non-Condition)	7500	7550	7575	7625	-75
New Delhi–(Condition)	7525	7575	7700	7750	-175
Kota-(Condition)	7270	7370	7420	7520	-150
Agra-(Condition)	8048	8190	8048	8190	Unch
Neewai-(Condition)	7400	7750	7500	7850	-100
Hapur (UP)-(Condition)	7600	7700	7650	7750	-50
Groundnut Seed					
Rajkot	NA	NA	1220	1220	-
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
<b>Soybean</b>	<b>27-Aug-21</b>	<b>26-Aug-21</b>	
Madhya Pradesh	18000	15000	3000
Maharashtra	12000	12000	Unch
kota	8700	8600	100
Bundi (Raj)	20	40	-20
Baran (Raj)	200	200	Unch
Jhalawar (Raj)	40	30	10
<b>Rapeseed/Mustard</b>			
Rajasthan	75000	80000	-5000
Alwar	2200	2000	200
Sri Ganganagar	800	300	500
Kota	500	350	150
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	NA	200	-
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	27-Aug-21	26-Aug-21	Change
Groundnut Kernel	7900	7850	50
Gr. Bolds 60/70	9200	9150	50
Gr. Javas 60/70	10050	10000	50
Gr Javas 70/80	9750	9700	50
Gr.Javas 80/90	9450	9400	50
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
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