

Oilseeds Domestic Fundamentals: Soybean Indore plant prices went up despite heavy supply as compared to previous day in Madhya Pradesh. However, In Jaipur, RM seed prices went up despite heavy supply. International factors also supported prices.

As per sources, new crop arrival of soybean has been started in Indore.

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.

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 launched 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.

RM seed inventory remains tight in the country amid record rise in prices, following the international market. Mustard stock is left with limited number of farmers. For small farmers, HAFED and NAFED should procure mustard seeds from now. Failure to do so may result in shortage of mustard seed in the upcoming sowing season.

Soybean sowing As On 27th Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Madhya Pradesh	55.86	58.46	55.84	-4%	46%
Maharashtra	38.80	42.69	45.87	7%	38%
Rajasthan	10.39	11.00	10.63	-3%	9%
Karnataka	2.84	3.32	3.83	15%	3%
Gujrat	1.16	1.49	2.24	50%	2%
Telangana	1.98	1.60	1.41	-12%	1%
Others	1.85	2.00	1.69	-16%	1%
Total	112.88	120.56	121.51	1%	100%

Groundnut sowing As On 27th Aug (Area In lakh Ha)					
	Normal Area	2019-20	2020-21	% Change	% of total sowing (2020-21)
Gujrat	15.74	20.54	19.10	-7%	40%
Rajasthan	6.23	7.30	7.77	6%	16%
Karnataka	4.12	5.20	4.53	-13%	9%
Maharashtra	2.27	1.98	2.01	1%	4%
Madhya Pradesh	2.28	2.79	3.82	37%	8%
Tamilnadu	2.02	2.41	2.00	-17%	4%
Andhra Pradesh	7.03	7.44	5.87	-21%	12%

Others	2.01	2.78	2.98	7%	6%
Total	41.7	50.44	48.07	-5%	100%

International Oilseeds Fundamentals:

As of Sunday, the USDA rated the nation's soybean crop as 9% dropping leaves vs. a 7% five-year average, The USDA noted that 93% of the soybeans are in the setting pods stage vs. a 92% five-year average, for soybeans, 56% is rated good/excellent, above 56% a week ago.

As of 24th Aug, in US Approximately 32% of soybean production is within an area experiencing drought. Vs 31% last week.

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.

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	+0.10	8088	8150	7920	7993
Oct-21	-0.27	6310	6380	6241	6307
Nov-21	-0.10	6077	6150	6015	6061

Contract	Volume	Change	OI	Change
Sept-21	4155	-395	16665	-2280
Oct-21	3530	-845	18390	820
Nov-21	1220	230	9680	935

Spread	Sept-21	Oct-21	Nov-21
Basis	9150		
Sept-21	1157		
Oct-21		2843	
Nov-21			3089

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

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	+0.96	8125	8294	8112	8121
Oct-21	+1.15	8190	8352	8174	8171
Nov-21	+0.92	8235	8373	8220	8227

Contract	Volume	Change	OI	Change
Sept-21	18890	-2,880	21090	-3900
Oct-21	22270	13,500	29890	5000
Nov-21	1220	220	8230	-30

Spread	Sept-21	Oct-21	Nov-21
Basis	8337		
Sept-21	216		
Oct-21		166	
Nov-21			110

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

Stocks	Demat	In-Process	Total	FED
	28-Aug-21	28-Aug-21	28-Aug-21	23-Aug-21
Akola	-	-	-	60
Indore	-	-	-	-
Kota	-	-	-	320
Sagar	-	-	-	-
Nagpur	-	-	-	-

*SBN Fed Stocks Expiry on ----

*RM Seed Fed Stocks Expiry on ----

Stocks	Demat	In-Process	Total	FED
	28-Aug-21	28-Aug-21	28-Aug-21	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	31-Aug-21		28-Aug-21		
	Low	High	Low	High	
Indore –Plant	8800	9500	8800	9300	200
Indore–Mandi	8500	8800	8500	9000	-200
Nagpur-Plant	8700	9200	8700	9200	Unch
Nagpur – Mandi	Closed	Closed	7800	8200	-
Latur – Mandi	8300	9300	7450	9200	100
Akola – Mandi	6100	8150	7300	8500	-350
Kota-Plant	9000	9200	8800	9000	200
Kota – Mandi	Closed	Closed	8100	8700	-
Bundi-Plant	8600	9000	8400	8800	200
Bundi-Mandi	8200	8700	8000	8500	200
Baran-Plant	8700	8900	8500	8700	200
Baran-Mandi	Closed	Closed	8200	8500	-
Bhawani Mandi Jhalawar–Plant	9000	9100	8700	8800	300
Jhalwar-Mandi	8500	8800	8300	8500	300
Rapeseed/Mustard					
Jaipur-(Condition)	8325	8350	8150	8175	175
Alwar-(Condition)	7900	8000	7500	7600	400
Sri Ganganagar-(Non-Condition)	7500	7550	7500	7550	Unch
New Delhi–(Condition)	7950	8000	7500	7550	450
Kota-(Condition)	Closed	Closed	7300	7500	-
Agra-(Condition)	8286	8381	8095	8190	190
Neewai-(Condition)	7550	7900	7400	7750	150
Hapur (UP)-(Condition)	7950	8000	7700	7750	250
Groundnut Seed					
Rajkot	NA	NA	NA	NA	-
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6600	6700	7100	7200	-500
Sholapur	6600	6700	7100	7200	-500
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	31-Aug-21	28-Aug-21	
Madhya Pradesh	17000	16000	1000
Maharashtra	14000	11000	3000
kota	9100	8900	200
Bundi (Raj)	30	15	15
Baran (Raj)	Closed	100	-
Jhalawar (Raj)	100	25	75
Rapeseed/Mustard			
Rajasthan	75000	65000	10000
Alwar	1000	3000	-2000
Sri Ganganagar	600	400	200
Kota	Closed	400	-
Groundnut Seed			
Rajkot (Gujarat)	NA	NA	-
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	31-Aug-21	28-Aug-21	Change
Groundnut Kernel	8000	7900	100
Gr. Bolds 60/70	9200	9200	Unch
Gr. Javas 60/70	10050	10050	Unch
Gr Javas 70/80	9750	9750	Unch
Gr.Javas 80/90	9450	9450	Unch
KardiSeed 2% Exp Qly	5500	5500	Unch
Sesame White 98/2/1 FM	8800	8700	100
Whitish 95/5/FFA/1FM	8600	8500	100
Brown 48/2 FFA/4 FM	8400	8300	100
Brown 48/3 FFA/4 FM	8300	8200	100
Brown 48/4 FM/* No FFA Guarantee	7900	7800	100
Sunflower Seed	7300	7300	Unch
Niger Seed (4% FM)	8500	8500	Unch

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