

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

According to IMD, the rainfall from June to September is likely to be closer to 96% of the average rainfall. The IMD has revised down the forecast to 96 percent from 101 percent. However, rainfall in August has been deficient by 26% so far while in July it was 7% less than normal.

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.

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 USA's soybean crop as 9% dropping leaves vs. a 7% five-year average, 93% of the soybeans are in the setting pods stage vs. a 92% five-year average, 56% soybean crop is rated good/excellent, vs. 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.

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, arrival has gone down at all trading markets, inventory remains tight in the country additionally global factors supported the price. The prices are expected to be in the range of 8,500 – 10,000/qtl. levels in the near-term.

NCDEX Soybean Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	+1.34	8980	9190	8701	8743
Oct-21	-0.15	6495	6725	6432	6467
Nov-21	-0.49	6272	6370	6112	6155

Contract	Volume	Change	OI	Change
Sept-21	8415	-3,075	14230	1100
Oct-21	16515	7,245	20645	800
Nov-21	4075	1,560	10790	535

Spread	Sept-21	Oct-21	Nov-21
Basis	9850		
Sept-21	1107		
Oct-21		3383	
Nov-21			3695

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

Stocks	Demat	In-Process	Total	FED
	2-Sept-21	2-Sept-21	2-Sept-21	30-Aug-21
Akola	-	10	10	-
Indore	-	-	-	-
Kota	-	-	-	-
Sagar	-	-	-	-
Nagpur	-	-	-	-

*SBN Fed Stocks Expiry on ----

*RM Seed Fed Stocks Expiry on ----

NCDEX RM Seed Futures:

Contract	+/-	Open	High	Low	Close
Sept-21	+0.54	8416	8492	8356	8365
Oct-21	+0.57	8508	8585	8451	8452
Nov-21	+0.69	8544	8613	8483	8462

Contract	Volume	Change	OI	Change
Sept-21	11730	-2,800	15000	-2320
Oct-21	28200	-2,660	36950	2340
Nov-21	2600	900	8250	600

Spread	Sept-21	Oct-21	Nov-21
Basis	8612		
Sept-21	247		
Oct-21		160	
Nov-21			150

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

Stocks	Demat	In-Process	Total	FED
	2-Sept-21	2-Sept-21	2-Sept-21	30-Aug-21
Sri Ganganagar	1869	30	1899	1849
Bharatpur	-	-	-	-
Bikaner	690	-	690	-
Kota	3968	99	4067	4020
Jaipur	8983	191	9174	8258
Alwar	49	-	49	49
Hapur	-	-	-	-

*RMS Fed Stocks Expiry on ---

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	03-Sep-21		02-Sep-21		
	Low	High	Low	High	
Indore –Plant	9700	10000	9200	9600	400
Indore–Mandi	9400	9600	9000	9300	300
Nagpur-Plant	8800	9300	9200	9700	-400
Nagpur – Mandi	8200	8600	8600	9000	-400
Latur – Mandi	8000	9605	8000	9355	250
Akola – Mandi	7500	8575	7500	8300	275
Kota-Plant	9900	10100	9500	9700	400
Kota – Mandi	9200	9600	8800	9200	400
Bundi-Plant	9400	9800	9000	9400	400
Bundi-Mandi	9000	9500	8600	9100	400
Baran-Plant	9300	9600	8900	9200	400
Baran-Mandi	9100	9400	8700	9000	400
Bhawani Mandi Jhalawar–Plant	9400	9600	9000	9200	400
Jhalwar-Mandi	8900	9300	8500	8900	400
Rapeseed/Mustard					
Jaipur-(Condition)	8600	8625	8325	8350	275
Alwar-(Condition)	8100	8200	8000	8100	100
Sri Ganganagar-(Non-Condition)	7650	7700	7500	7550	150
New Delhi–(Condition)	8150	8200	7925	7975	225
Kota-(Condition)	7600	7800	7400	7600	200
Agra-(Condition)	8667	8762	8381	8476	286
Neewai-(Condition)	7750	8100	7500	7850	250
Hapur (UP)-(Condition)	8150	8200	7950	8000	200
Groundnut Seed					
Rajkot	1200	1200	1220	1220	-20
Sunflower Seed					
Gulbarga	NA	NA	NA	NA	-
Latur	6400	6500	6400	6500	Unch
Sholapur	6400	6500	6400	6500	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	03-Sep-21	02-Sep-21	
Madhya Pradesh	15000	15000	Unch
Maharashtra	12000	13000	-1000
kota	10000	9600	400
Bundi (Raj)	25	14	11
Baran (Raj)	150	50	100
Jhalawar (Raj)	100	50	50
Rapeseed/Mustard			
Rajasthan	70000	70000	Unch
Alwar	3000	2000	1000
Sri Ganganagar	200	600	-400
Kota	500	400	100
Groundnut Seed			
Rajkot (Gujarat)	180	200	-20
Sunflower Seed			
Sholapur (Maharashtra)	1000	1000	Unch

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

Oilseeds	3-Sep-21	2-Sep-21	Change
Groundnut Kernel	7940	7950	-10
Gr. Bolds 60/70	9700	9100	600
Gr. Javas 60/70	10400	10400	Unch
Gr Javas 70/80	10000	9650	350
Gr.Javas 80/90	9700	9350	350
KardiSeed 2% Exp Qly	5500	5500	Unch
Sesame White 98/2/1 FM	8800	8800	Unch
Whitish 95/5/FFA/1FM	8600	8600	Unch
Brown 48/2 FFA/4 FM	8400	8400	Unch
Brown 48/3 FFA/4 FM	8300	8300	Unch
Brown 48/4 FM/* No FFA Guarantee	7900	7900	Unch
Sunflower Seed	7300	7300	Unch
Niger Seed (4% FM)	8500	8500	Unch

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