



Soybean Fortnight Outlook Report-June, 21

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Domestic Fortnight market dynamics-June, 21

Price scenario: Currently at all India level, fortnight average soybean prices were traded at Rs.6655/qtl, up by 1.47 percent from Rs.6566/qtl in May-21. However, it is ruling above MSP. MSP of soybean has been increased by Rs.170 to Rs.3880 per quintal for 2020-21 from Rs.3710 per quintal in 2019-20.

Domestic and international market highlights - June, 21

Imports of soybean oil increased to 1.64 Million MT during November-May, 21 against 1.57 Million MT in the year-ago period. There was a marginal growth of 4.10 per cent during the review period of last year.

Soybean Market Summary - June, 21

Total arrivals- 35265 MT

Average price -Rs.6655/qtl

Soybean oil price- Rs.14185/qtl

Soybean oil cake price- Rs.6641/qtl

MSP- Rs.3880/qtl

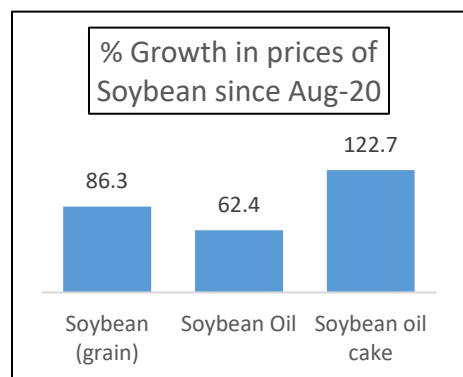
Cheapest market with price (Rs/qtl)

Loharda (MP)	Rs.4050/qtl
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Costliest market with price

Sendhwa (MP)	Rs.7375/qtl
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As per Press trust of India (PTI), Ministry of Agriculture has released second advance estimate of production of soybean at 137.10 lakh MT for the year 2020-21. Overall production of oil seeds during 2020-21 is estimated at 373.1 lakh MT which is 40.90 lakh MT higher against to 332.20 lakh MT during 2019-20.



As per USDA, world oilseeds production is projected to increase 5 % in current season (October, 2020-September, 2021). In this, soybean drives lead position has projected to increase the production 386 mt by 6 percent from 361 mt last year. In India, production is expected to increase 7.50 lakh tones to 11.2 mt from 10.45 mt last year.

Since first week of June-21, CBOT future prices for Septmber-21 contract of soybean was decline by \$85 from \$1480 to \$1395 per bushels in mid of June-21.

Supply and Demand – India, 2020-21

Sl.no	Particulars (Fig. In MMT)	India		% change
		2019-20	2020-21	
1	Opening stocks	0.6	0.5	-20.00%
2	Production	11.2	13.70	25%
3	Imports	0.1	-	-
4	Total availability (1+2+3)	11.9	14.20	19.32%
5	Consumption	11.4	13.70	20.17%
6	Exports	0.10	0.20	100%
7	Total usage (5+6)	11.50	13.90	20.86%
8	Ending stocks	0.5	0.4	-25%
9	Ave.Fortnight consumption	0.95	1.14	20%

Source: IGC, (as on 29.04.2021)

With 25 percent of higher production, availability of soybean in open stocks- 2021 includes last season which is dipped by 20 percent to 0.5 MMT. Hence, total availability of soybean estimated for 2020-21 to increase by 19.32 percent to 14.20 lakh MMT. After meeting domestic consumption, india's export is estimated to increased by 100 percent to 0.20 MMT from 2019-20.

Monthly trend in arrivals and prices of soybean during 2021

Months	Prices			Arrivals (MT)		
	Rs./qtl	% change from previous month	% change from previous year	Arrivals	% change from previous month	% change from previous year
June-21	6655.00	1.47	-	35265.10	-	-
May-21	6566.00	6.50	82.70	42,266.10	-53.30	-35.50
Apr-21	6,168.0	24.1	58.5	90,156.40	-57.5	1,160.20
Mar-21	4,971.4	11.5	44.2	212,014.4	-45.7	285.8
Feb-21	4,458.5	6.9	-	390,203.1	-13.7	-
Jan-21	4,171.5	4	5.4	451,921.5	-25.2	1.9

During June-21, price of soybean have been improved up to 1.47 percent compared to may-21. Since Jan-21, soybean prices has increased from Rs.6566 to Rs.6655 per quintal during

June-21 with growth of 59.55 %. During fortnight of June-21, around 35.2 thousand MT of soybean arrivals at major markets like Karnataka and Maharashtra. It may likely to cross the May month arrivals in 3rd week of June.

Decreasing trend in soybean prices during the fortnight of June-21 in major states

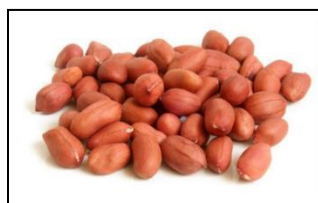
State	09-15 Jun 2021	01-08 Jun 2021	09-15 Jun 2020	% Change(Over Previous Week)	% Change(Over Previous Year)
Karnataka	6492.86	6668.52	3605.16	-2.63	80.1
Madhya Pradesh		6909.36	3672.79	—	—
Maharashtra	6851.34	6877.57	3569.79	-0.38	91.93
Rajasthan		6890.65	3737.49	—	—
Chhattisgarh		6863.86	3497.42	—	—
Gujarat		7169.36	3750.95	—	—
Uttar Pradesh		5335.83	5130.31	—	—
Average	6655.10	6599.56	3810.61		74.64

Source: Agmarknet

Except Karnataka and Maharashtra, no other states are not actively participated in trading of soybean during fortnight of June-21. On an average soybean prices were traded at Rs.6655.10 per quintal, up by Rs.56 per quintal from first week and up by 74.64 percent from previous year.

Comparison of soybean prices with peers during June-21

Ground Nut



Rs.5013/ qtl
(-6.30%)

Soybean



Rs.6655.90/ qtl
(1.47%)

Sunflower



Rs.5476/ qtl
(-7.50%)

Mustard



Rs.6372/ qtl
(2.70%)

***() parentheses represents the % change from previous month**

Soybean Oil and Oil seed cake

Comparison of soybean oil prices with peers during June-21

Ground Nut oil



Rs.14365.22/qtl

(-5.23%)

Soybean oil



Rs.14185/qtl

(-3.16%)

Palm Oil



Rs.11836/qtl

(-7.26%)

Mustard oil



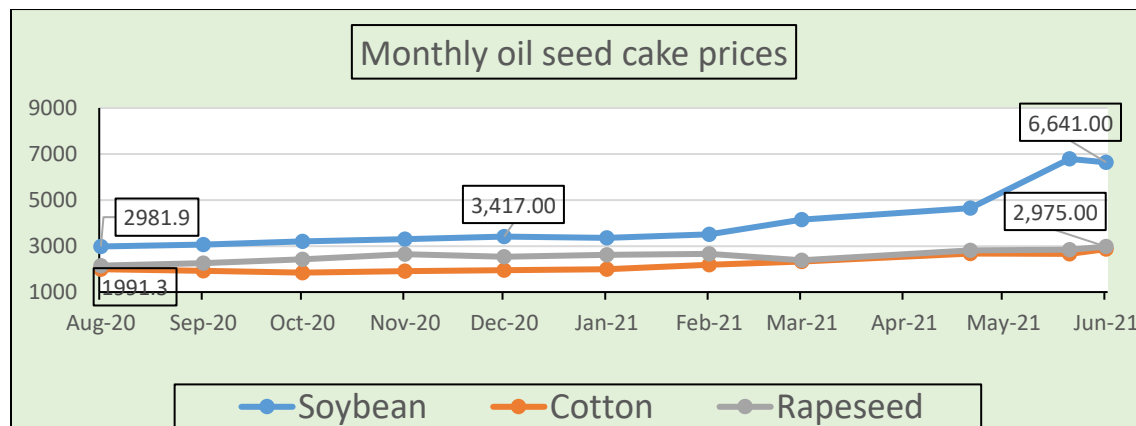
Rs.14572/qtl

(-4.24%)

***() parentheses represents the % change from previous month**

Soybean oil prices have been stabilized for last 12 straight months by 76 % from Rs.8024.70 to Rs.14185 per quintal during June-2021. But, it was 3.16 percent lower compared to May-21. Compared to peers, all oil seeds include soybean oil prices are declined by at least 3 to 7 percent during fortnight of June-21.

Comparison of trend of soybean oil seed cake prices with peers

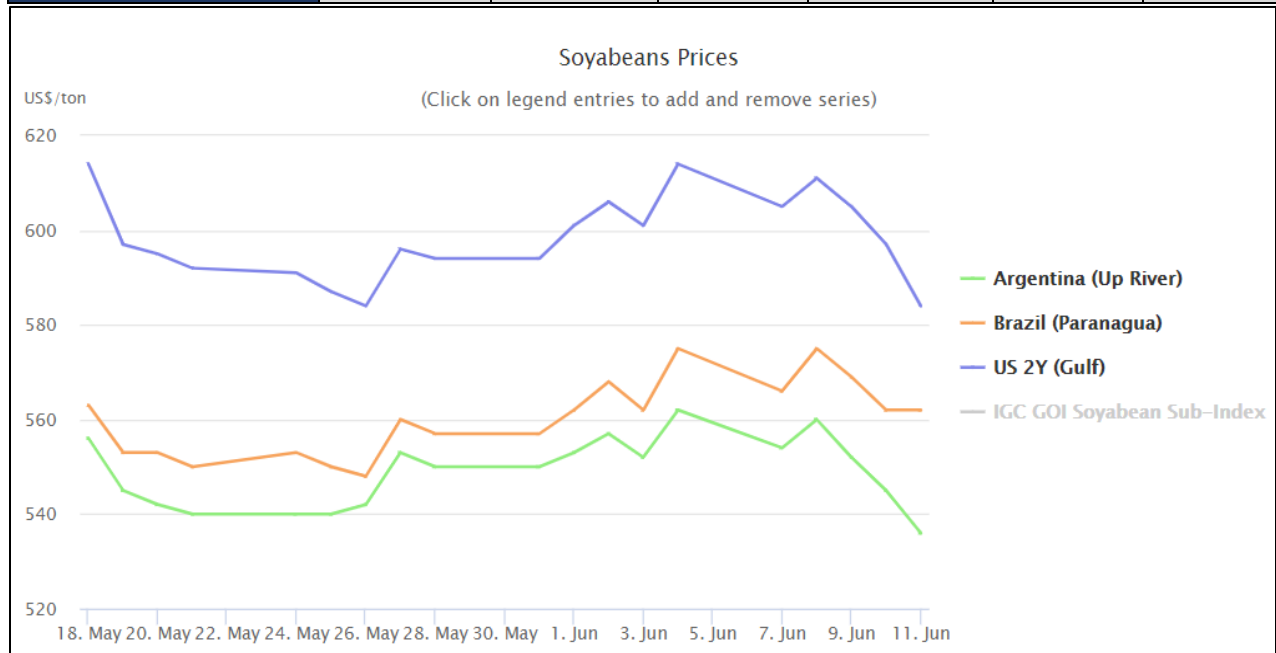


Similarly, soybean oil cake prices were doubled between Dec-20 and June-21, from Rs.3417 to Rs.6641 per quintal due to non-availability of green fodder and low arrival of other oil seed cakes to the market.

Soybean - Global Market Outlook

Free on board (FOB) of Soybean (USD/T)

Countries -type	11 th June	3 rd June	\$ change	Annual Change	52 Week High	52 Week Low
Argentina (Up river)	536	552	-16	55%	581	344
Brazil(Paranagua)	562	562	0	53%	595	362
US 2Y (Gulf)	584	601	-17	68%	640	348



Source: International Grain Council (IGC)

After reaching 52- Week high during May-21, all global soybean FOB quotes are hovering in the range from steady tune to weak zone in the mid of June-21. FOB quotes for Argentina (Up river) are dipped from \$552 to \$536 per ton during fortnight of June- 21. Similarly for US gulf, it's dropped from \$601 to 584 per ton with annual change of 68 %.

Chicago Board on Trade (CBOT) future prices of soybean (USD/bushels)

Since first week of June-21, CBOT future prices for September-21 contract of soybean was decline by \$85 from \$1480 to \$1395 per bushels in mid of June-21. Soybean futures contracts for the July-21 on the Chicago Board of Trade (CBOT) has gone up to a nine -year high of \$1641 a bushel (Rs.44050 a ton) during fortnight of May-21 with the worry about low arrivals at global markets