



## *Soybean Monthly Outlook Report-June, 21*

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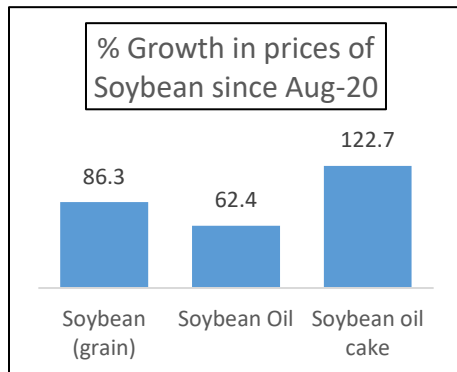
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## Domestic Monthly market dynamics-June, 21

Price scenario: Currently at all India level, monthly average soybean prices were traded at Rs.6588/qtl and unchanged from May-21 up and up by 83 % from corresponding period last year. 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

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 373.1lakh MT which is 40.90 lakh MT higher against to 332.20 lakh MT during 2019-20.

Soybean oil price at consumer end: price of all major edible oils shows declining trend during fortnight of June compared to previous month at almost 20 percent. Hence it's a big relief for consumers. It was noted that, **the price of soya oil was Rs.162 per kg on May 20, but has dropped 17 per cent to Rs.138 per kg in Mumbai market.** Similarly, ground nut oil price was Rs.190 per kg on May 5, is now at Rs.174 per kg, a drop of 9 percent.

During June-21, CBOT future prices of soybean for September-21 was projected to decline by \$13 from \$1333.75 to \$1310.50 per bushels

#### Soybean Market Summary - June, 21

Total arrivals- 2.77 LMT

Average price -Rs.6588.00/qtl

Soybean oil price- Rs.13481.30/qtl

Soybean oil cake price- Rs./qtl

MSP- Rs.3880 /qtl

Cheapest market, arrivals and price

Rewa (MP)	Rs.2800/qtl
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Costliest market, arrivals and price

Sangli (MH)	Rs.7400/qtl
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## 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	-23.33%
2	Production	11.2	13.70	25%
3	Imports	0.2	-	-
4	<b>Total availability (1+2+3)</b>	12.0	14.30	19.32%
5	Consumption	11.4	13.70	20.17%
6	Exports	0.10	0.20	100%
7	<b>Total usage (5+6)</b>	11.50	13.70	20.86%
8	Ending stocks	0.1	0.2	100%
9	Ave.monthly consumption	0.95	1.14	20%

Source: IGC, (as on 29.05.2021)

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 14.30 lakh MMT. After meeting domestic consumption, India's export is estimated to increase by 100 percent to 0.20 MMT from 2019-20.

## Trends in monthly arrivals and prices of soybean-India

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	6588.80	▲0.50	▲83.0	277,568.50	▲527.50	▲19.20
May-21	6566.00	▲6.50	▲82.70	42,266.10	▼53.30	▼35.50
Apr-21	6,168.00	▲24.1	▲58.5	90,156.40	▼57.50	▲1160.20
Mar-21	4,971.40	▲11.5	▲44.2	212,014.40	▼45.70	▲285.80
Feb-21	4,458.50	▲6.90	-	390,203.10	▼13.70	-
Jan-21	4,171.50	▲4.00	▲5.4	451,921.50	▼25.20	▲1.90

### State wise analysis of trend in soybean prices- June, 21

#### Decreasing trend in soybean prices during June-21 at major markets (Rs/qtl)

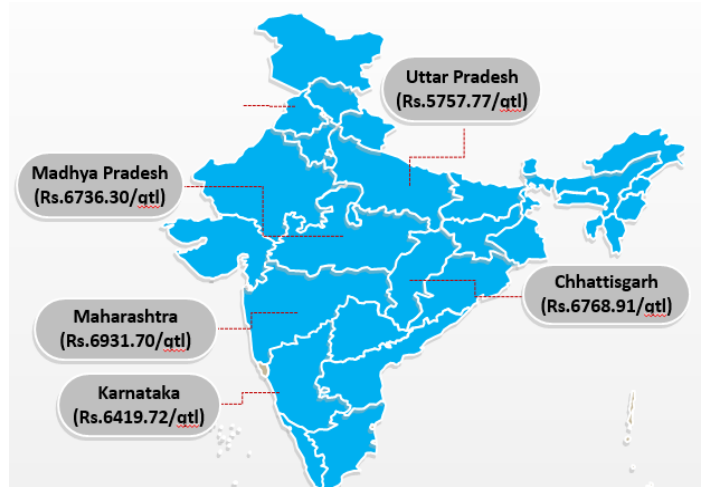
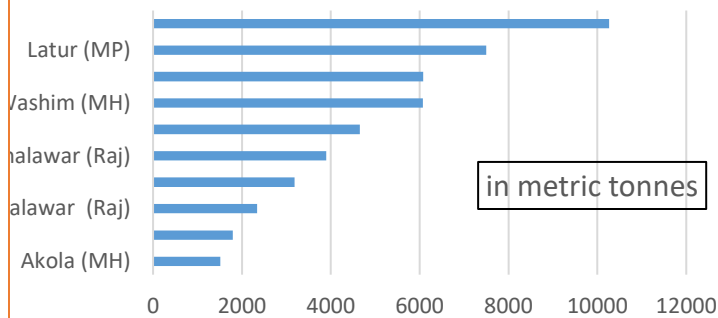
State	June, 2021	May, 2021	June, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Chhattisgarh	6768.91	7063.68	3473.71	▼4.17	▲94.86
Gujarat	7281.8	7119.2	3743.01	▲2.28	▲94.54
Karnataka	6419.72	6732.91	3580.1	▼4.65	▲79.32
Madhya Pradesh	6736.3	6883.38	3618.22	▼2.14	▲86.18
Maharashtra	6931.7	7033.5	3596.63	▼1.45	▲92.73
Rajasthan	6764.48	6845.81	3707.68	▼1.19	▲82.45
Uttar Pradesh	5757.77	5282.76	5183.2	▲8.99	▲11.09

During June-21, price of soybean have been improved up to 0.50 percent compared to May-21. Since Jan-21, soybean prices has increased from Rs.4171.50 to Rs.6588.80 per quintal during June-21 with growth of 59.55 %. During June-21, around 2.77 lakh MT

of soybean arrivals at major markets like Karnataka and Maharashtra. It may likely to continuing the increasing arrivals in upcoming months also.

## Spot market dynamics of soybean during June-21

Top 10 mandis in soybean arrivals



State wise spot prices during June-21

### Price comparison with peers (Edible oil seeds)

Ground Nut



Rs.5165.70/qtl  
(▼3.10%)

Soybean



Rs.6588.90/qtl  
(▲0.5%)

Sunflower



Rs.5527.50/qtl  
(▼5.60)

Mustard



Rs.6198.50/qtl

(▼0.1)

Sesame



Rs.7649.60/qtl

(▼7.70)

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

## Soybean oil and oil cake

### Comparison of soybean oil prices with peers during June-21

Ground Nut oil



Rs.14018.50/qtl

(▼7.30%)

Soybean oil



Rs.13481.30/qtl

(▼7.90%)

Palm Oil



Rs.11244.50/qtl

(▼11.50%)

Rapeseed oil



Rs.13950.00/qtl

(▼4.40%)

Mustard oil

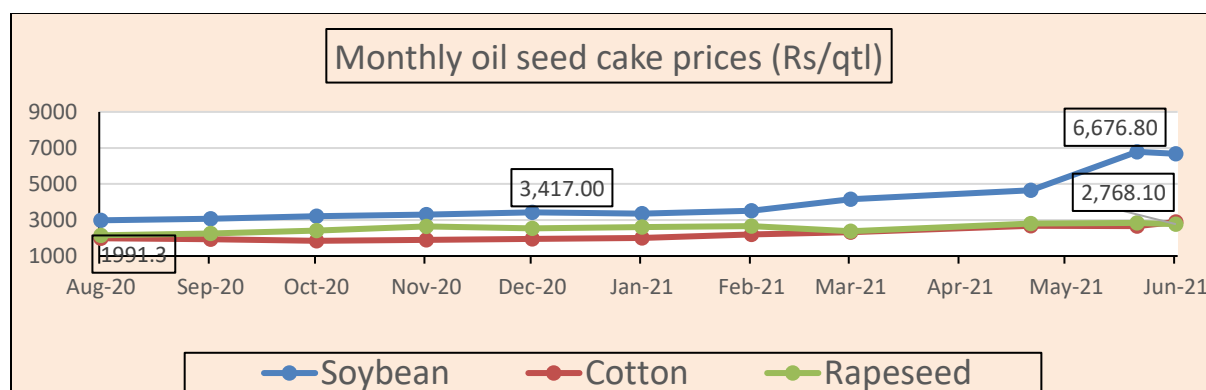


Rs.14160.90/qtl

(▼6.80%)

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

### Comparison of trend of soybean oil seed cake prices with peers

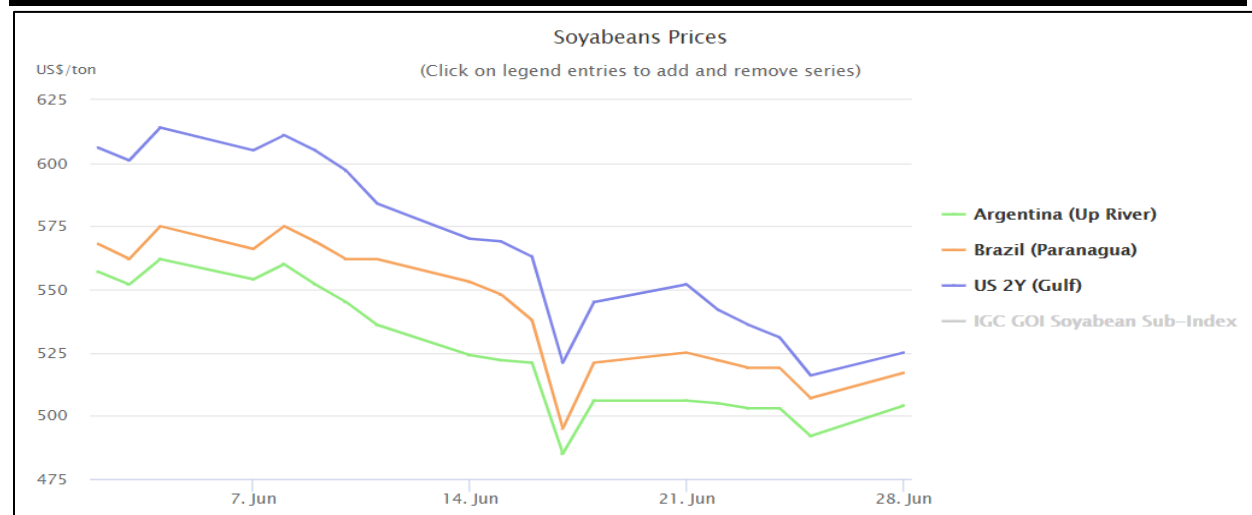


Soybean oil cake prices were doubled between Dec-20 and June-21, from Rs.3417.00 to Rs.6676.80 per quintal due to non-availability of green fodder and low arrival of other oil seed cakes to the markets.

## Soybean - Global Market Outlook

### Free on board (FOB) of wheat (USD/T)

Countries -type	28-June-21	3-June-21	\$ change	Annual Change	52 Week High	52 Week Low
Argentina (Up river)	504	552	-48	47%	581	344
Brazil(Paranagua)	517	562	-45	43%	595	362
US 2Y (Gulf)	525	601	-76	50%	640	351



Source: International Grain Council (IGC)

After reaching 52- Week high during May-21, all global soybean FOB quotes are hovering in the range from strong zone to week tune in the end of June-21. FOB quotes for Argentina (Up



river) are dipped from \$552 to \$504 per ton during the month of June- 21. Similarly for Brazil, it's dropped from \$562 to 517 per ton with annual change of 43 %.

### **Chicago Board on Trade (CBOT) future prices of wheat (USD/bushels)**

During June-21, CBOT future prices of soybean for September-21 was projected to decline by \$13 from \$1333.75 to \$1310.50 per bushels. Soybean futures contracts for the June-21 on the Chicago Board of Trade (CBOT) had gone up to a nine -year high of \$1641 a bushel (Rs.44050 a tonne ) during month of May-21 with the worry about low arrivals at global markets.