



## **Soybean Fortnight Outlook Report-May, 21**

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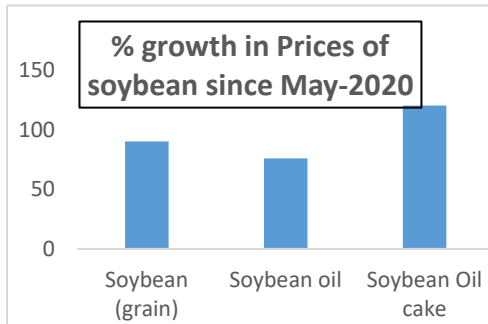
### Domestic fortnight market dynamics-May, 21

**Price Scenario:** Currently at all India level, fortnight average soybean prices were traded at Rs.6834/qtl, up by 10 percent from Rs.6168/qtl in April -21 an up by 90 % from corresponding period of 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 – May, 21

**India exported 5 thousand MT of soybean in the month of January -2021** which is around 36 % (1.80thousand MT) lower compared to December-20 amid covid-19 and due to low production in 20019-20.

**Since May-2020, monthly import of soybean gradually decreases from 12.90 lakh MT to 0.30 lakh tones till November-20.** Due to low production of soybean in last season, during Jaunary-21, government imported 2.60 lakh MT. India resorted for import of oil seeds to meet the domestic consumption requirement.



higher against to 332.20 lakh MT during 2019-20.

**Big jump in global demand with witness of soybean meals have exported by 3 times higher compared to 2019-20.** Between October-20 and January -21 India exported nearly 16 lakh MT of soybean meals with a huge export demand for poultry feed. It will likely to cross 18 lakh MT in this season.

### Soybean Market Summary - May, 21

Total arrivals- 13534 MT

Average price –Rs.6834 /qtl

Soybean oil price- Rs.14792/qtl

Soybean oil cake price-Rs.6838/qtl

MSP- Rs.3880/quintal

Cheapest market, arrivals and price

Umarkhed	22 MT	Rs.4567/qtl
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Costliest market, arrivals and price

Raghogarh	1 MT	Rs.8500/qtl
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**Expectation in May month:** Arrivals- bearish Prices- bullish

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.

**Soybean futures contracts for the July month on the Chicago Board of Trade (CBOT) has gone up to a nine –year high of \$16.29 a bushel ( Rs.44050 a tonne )** during fortnight of May-21 with the worry about low arrivals at global markets.

Futures quotes of soybean for June contract month were dropped by 1 percent to Rs.7465 a quintal on NCDEX

### Supply and Demand – India, 2020-21

(Fig. in MMT)

Sl.no	Details	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	<b>Total availability (1+2+3)</b>	11.9	14.20	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	13.90	20.86%
8	Ending stocks	0.5	0.4	-25%
9	Ave.monthly consumption	0.95	1.14	20%

Source: IGC, (as on 25.03.2021)

With 25 percent of higher prouduction, availability of soybean in open stocks- 2021 includes last season which is diped 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.

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

Months	Prices			Arrivals (MT)		
	Rs./Quintal	% change from previous month	% change from previous year	Arrivals	% change from previous month	% change from previous year
May-21	6834.00	10.79	90.20	-	-	-
Apr-21	6,168.00	24.1	58.5	90,156.40	-57.5	1,160.20
Mar-21	4,971.40	11.5	44.2	212,014.40	-45.7	285.8
Feb-21	4,458.50	6.9		390,203.10	-13.7	
Jan-21	4,171.50	4	5.4	451,921.50	-25.2	1.9
Dec-20	4,009.20	2.2	4.4	603,955.60	-16.3	-32
Nov-20	3,922.20	7.2	11.6	721,149.40	-4.9	-53.4
Oct-20	3,657.30	3.1	7.9	758,118.30	198.1	-16.8
Sep-20	3,547.40	-0.7	-2	254,302.80	64.4	47.2
Aug-20	3,572.20	2	2.7	154,688.90	-24.4	-21.3
Jul-20	3,501.40	-2.7	1.6	204,714.70	-12.1	-40.9
Jun-20	3,599.80	0.2	2.1	232,798.90	255.1	-18.7
May-20	3,593.40	-7.7	1.2	65,557.60	816.4	-73.7

### Trends of prices and arrivals of Soybean for major markets- April, 21

#### 1. Decreasing trend in arrivals of Soybean during fortnight of May for major markets

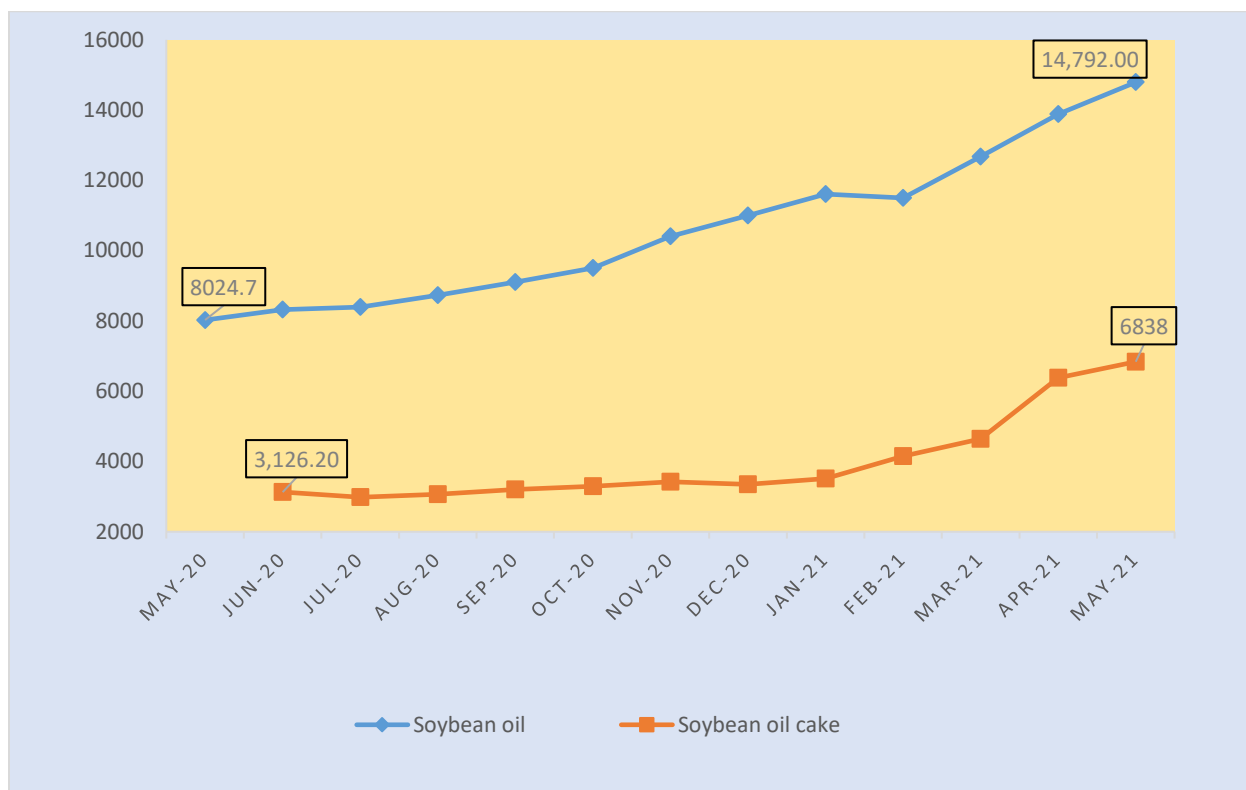
States	Markets	01-14, May, 2021	16-31, April, 2021	1-14, May, 2020	% change from previous month	% change from a year ago
Maharashtra	Latur	3376	4332	3062	-28.32	10.25
Madhya Pradesh	Ujjain	811.2	275.4	1399.3	194.55	-72.50
Maharashtra	Amaravati	696	366	121	90.16	475.21
Maharashtra	Washim	607	480	1500	26.46	-147.12
Maharashtra	Mangrulpeer	497	505	511	-1.61	-2.82
Maharashtra	Akola	386	1263	227	-227.20	70.04
Chhattisgarh	Dongargaon	372	Closed	654.1	Closed	-75.69

<b>Maharashtra</b>	Karanja	310	1630	440	-425.81	-41.94
<b>Rajasthan</b>	Kota	284	1177	Closed	-314.58	Closed
<b>Uttar Pradesh</b>	Kanpur	174	214	171	-22.99	1.75
<b>Tamil Nadu</b>	Tiruchengo de	101	20	Closed	400.25	Closed
<b>Karnataka</b>	Bailahongal	82	352	197	-329.27	-140.24

**2. Increasing trend in Soybean prices during fortnight of May for major markets  
(Rs/qtl)**

States	Markets	01-14, May, 2021	16-31, April, 2021	1-14, May,202 0	% change from previous month	% change from a year ago
<b>Maharashtra</b>	Latur	7237	7265	3782	-0.39	91.37
<b>Madhya Pradesh</b>	Ujjain	7310	7100	3850	2.96	89.87
<b>Maharashtra</b>	Amarawati	7058	7075	3466	-0.24	103.64
<b>Maharashtra</b>	Washim	7000	6900	4550	1.45	53.85
<b>Maharashtra</b>	Mangrulpeer	7363	7125	3800	3.33	93.75
<b>Maharashtra</b>	Akola	6838	7032	3675	-2.84	86.05
<b>Chattisgarh</b>	Dongargaon	6982	Closed	3616	Closed	93.11
<b>Maharashtra</b>	Karanja	7175	7105	3705	0.99	93.66
<b>Rajasthan</b>	Kota	7100	6794	Closed	4.50	Closed
<b>Uttara Pradesh</b>	Kanpur(Grain )	5293	5312	5,223.00	-0.36	1.34
<b>Tamil Nadu</b>	Tiruchengode	5850	6150	Closed	-5.13	Closed
<b>Karnataka</b>	Bailahongal	6800	6655	3670	2.18	85.29
<b>Average Price (Rs/qtl)</b>		<b>6834</b>	<b>6774</b>	<b>3934</b>	<b>0.88</b>	<b>73.73</b>

**3. Increasing trend in soybean oil and oil cake prices during fortnight of May for major markets**



Soybean oil prices have been stabilized for last 11 straight months from Rs.8024.70 per quintal in May-20 to Rs.14792 per quintal in mid of May-2021 with brisk growth of about 76 percent in 11 months. Similarly, soybean oil cake prices were doubled between May-20 and May21, from Rs.3126 to Rs.6838 per quintal.

**Soybean - Global Market Outlook**

**Soybean Export prices-Free on board (FOB) (USD/T)**

Countries -type	17-May-21	07-May-2021	\$ change	Annual Change	52 Week High	52 Week Low
Argentina (Up river)	562	569	-7	64%	581	327

<b>Brazil(Paranagua)</b>	<b>568</b>	588	-20	63%	595	336
<b>US 2Y (Gulf)</b>	<b>622</b>	624	-2	76%	640	333



**Source: International Grain Council (IGC)**

- After reaching 52 Week high during April-21, all global soybean FOB quotes are bearish in the first week of May due to Covid-19 pandemic and strong demand for soybean meals with low availability of stock in global market.
- As on 12<sup>th</sup> May, US and Brazil FOB quotes are traded up by \$38 and 33 per ton compared to 3<sup>rd</sup> May-21.
- FOB quotes for Argentina (Up river) are improved from \$553 to \$5581 per ton during

### Chicago Board of Trade Soybean (CBOT) Future prices: (USD/bushels)

fortnight of May- 21.

Since first week of May-21, July- 21 contract of CBOT future prices of soybean was decline by \$112 from \$1638 to \$1526 per bushels in mid of May-21. Soybean futures contracts for the July month on the Chicago Board of Trade (CBOT) has gone up to a nine –year high of \$16.29 a bushel (Rs.44050 a tonne) during fortnight of May-21 with the worry about low arrivals at global markets