



Oil Meal Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went up by 5% to INR 5,720/ Qtl. as compared to 5,443/qtl. previous week amid stock limit removal, good demand from crushers and low arrivals.

The weekly average prices of Indore soymeal too went up by 4.3% to INR 41,300/MT as compared to last week at INR 39,583/MT in tandem with soybean prices and revive in export demand.

During the week under review, Jaipur RM seed weekly average prices extended previous week gains and went marginally up by 0.84% to INR. 7,067/qtl amid stock limit removal, improved mustard oil prices on good demand.

During the week under review, Rajkot Groundnut weekly average bold prices went marginally down by 0.73% at INR 5,936/Qtl. amid new kharif crop arrivals in the market.

Outlook – Cash Market

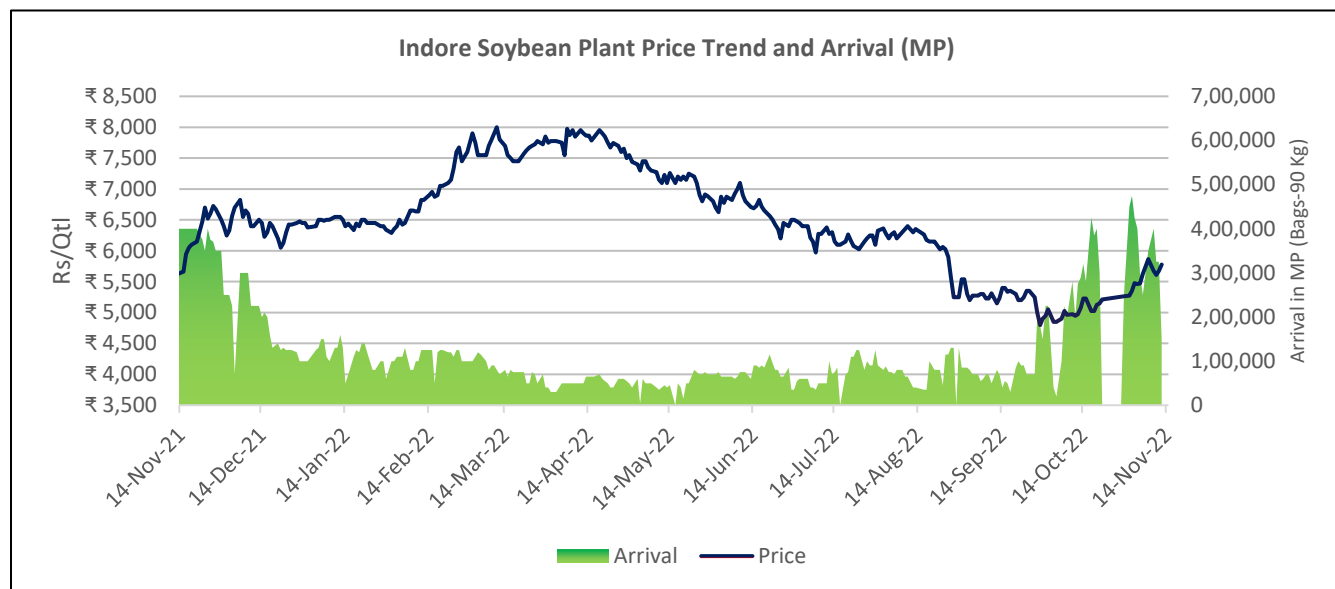
Outlook - Soybean (Spot Indore): In the coming week, soybean plant prices are expected to continue rebound amid stock limit removal and good demand from crushers. The prices (Indore, Plant basis) are expected to feature in the price band of 5,300-5,700 levels in the near term.

Outlook – Soy meal:

The soy meal prices (Indore) are likely to rebound in tandem with soybean prices and revive in export demand. Soy meal Indore prices are likely to trade in the range of 41,000 – 43,000/MT.

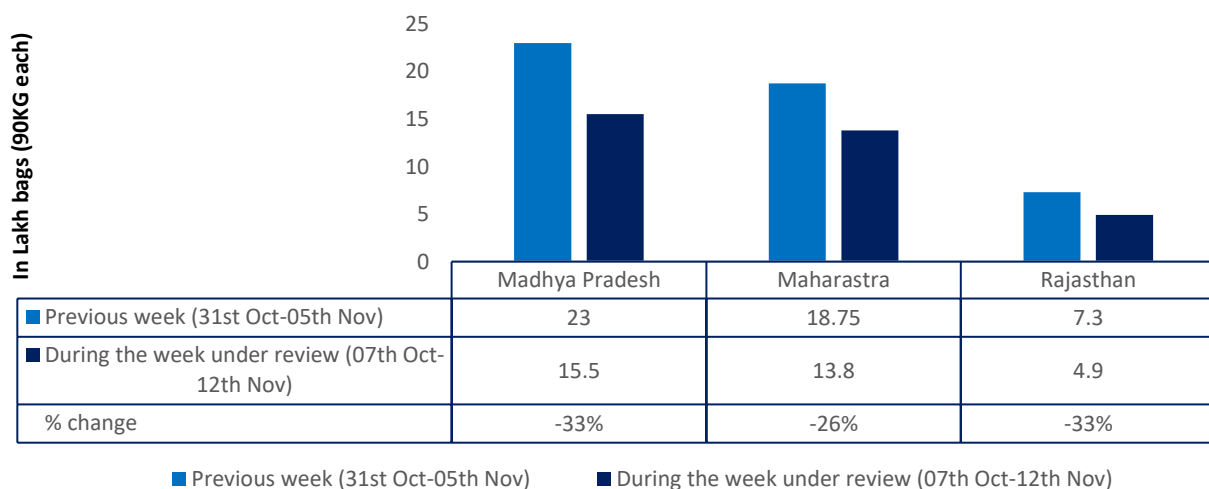
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-Mustard is expected to trade with firm bias on stock limit removal and bullish oilseed complex. The seed prices are likely to trade in the range between 6,800 – 7,200/Qtl. in the short-run.

Soybean



During the week under review, Soybean indore Plant prices extended previous week gain and went up by 5% to INR 5,720/ Qtl. as compared to 5,443/qtl. previous week amid stock limit removal, good demand at current level and firm global cues. So far this month, Indore soybean is up by 9.5% and 20% up from season's low of 4800.

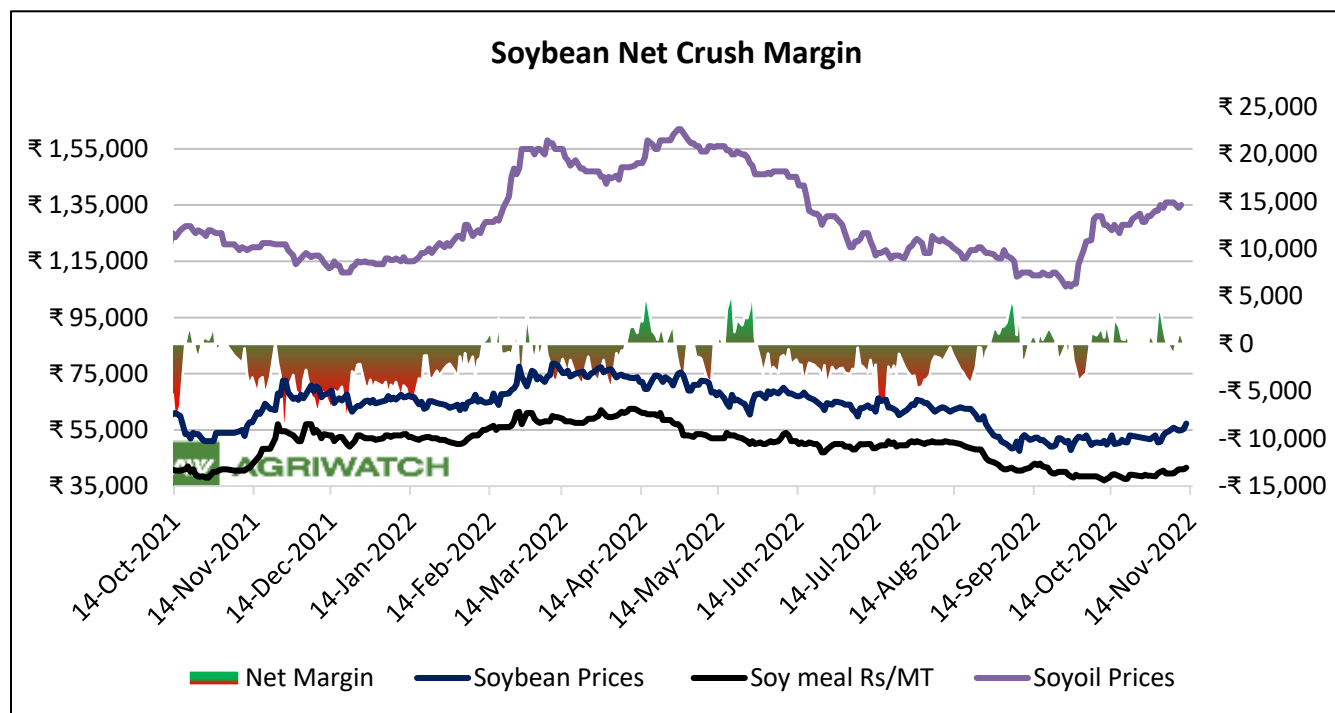
Weekly Soybean Arrivals



This week, the total arrival in MP recorded low by 33% to 15.5 Lakh bags Vs 23 Lakh bags previous week. In Maharashtra arrivals declined to 13.8 Lakh bags vs 18.75 Lakh bags last week. In Rajasthan too the arrivals went down to 4.9 lakh bags Vs 7.3 Lakh bags previous week. Arrivals shrank, as farmers are reluctant to offload their stocks in anticipation of better prices in future.

Soybean Crush Margin-

Soybean net crush margin became negative amid increase in Soy seed prices, during the week under review, weekly average soybean net crush margin improved to INR -42/ MT as compared to previous week at INR 1,493/MT.



International Update:

During the week under review CBOT Soybean (Nov'22 contract) extended previous week gains and went up by 0.28% to \$14.55 tracking bullish CBOT soy oil prices. So far, this month CBOT Soybean has climbed 5.14%.

According to USDA Nov'22 report, 2021-22 Soy production estimate for India was kept unchanged at 11.5 million tonnes as compared to previous month estimates, However last year it was 11.9 MMT. US soy production increased slightly to 120.70 MMT as compared to previous month's estimate of 118.26 MMT while last year it was 117.37 MMT. On Thursday, CBOT Soybean futures (Nov expiry) declined by 2% to \$14.30/bushel amid higher production estimates. And domestic Soybean (Indore plant) declined by 1.75% to INR 5,625/qtl. in tandem with weak global cues.

However, Argentina's 2022-23 soy production estimate was slashed by 0.5 MMT to 49.5 MMT Vs 51 MMT previous month estimates and previous year at 43.9 MMT, Brazil soy production kept unchanged at 152 MMT compared to 144 MMT previous month estimates while last year it was 127 MMT.

According to the General Administration of Customs, China's Soybean imports in October fell by 7.4% to 73.18 million tonnes compared to 79.05 million tonnes last year same time frame. Low demand from feed industry amid covid lockdown dipped the soybean demand.

USA Soybeans Harvesting progress			
November 6, 2021	October 30, 2022	November 6, 2022	2017-2021 Average
78%	88%	94%	86%

Technical Analysis

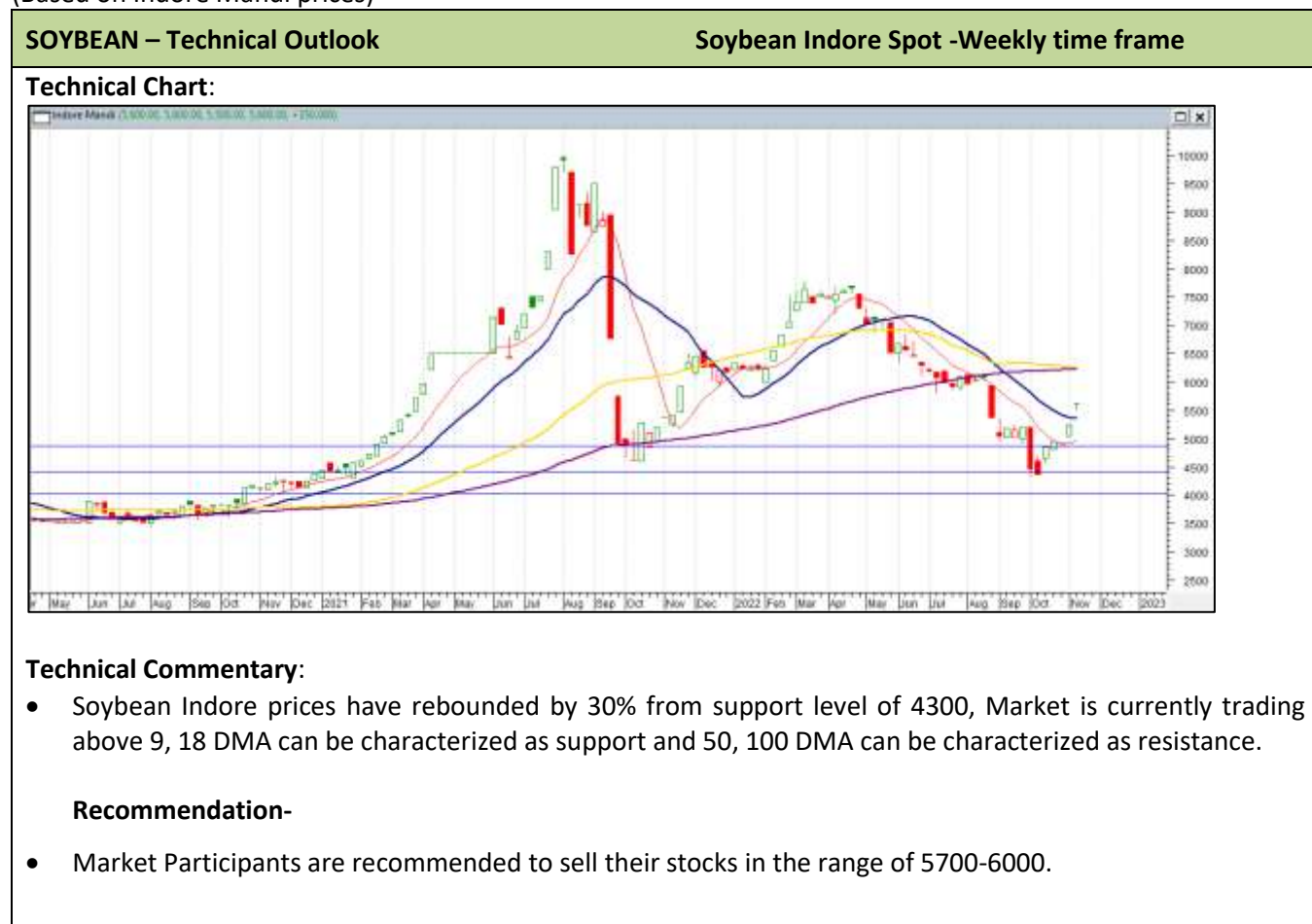
US Soybean futures



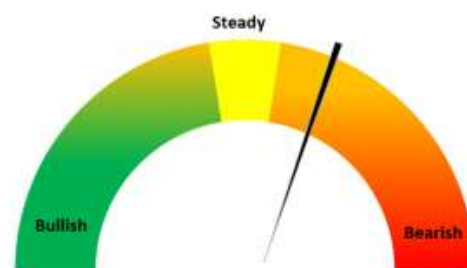
As depicted in the above chart, During the week under review, US Soybean remained flattish and went marginally down by 0.71% to \$14.51/bushels and taking support of 9, 18 and 100 DMA can be characterized as support in short run. RSI at 49 indicating weak buying strength. And MACD indicating firm steady momentum in short run. Over all market is expected to trade range bound and take support from 13.50-13.90 in short run and resistance from 14.80-15.00.

Technical Analysis (Domestic market)

(Based on Indore Mandi prices)

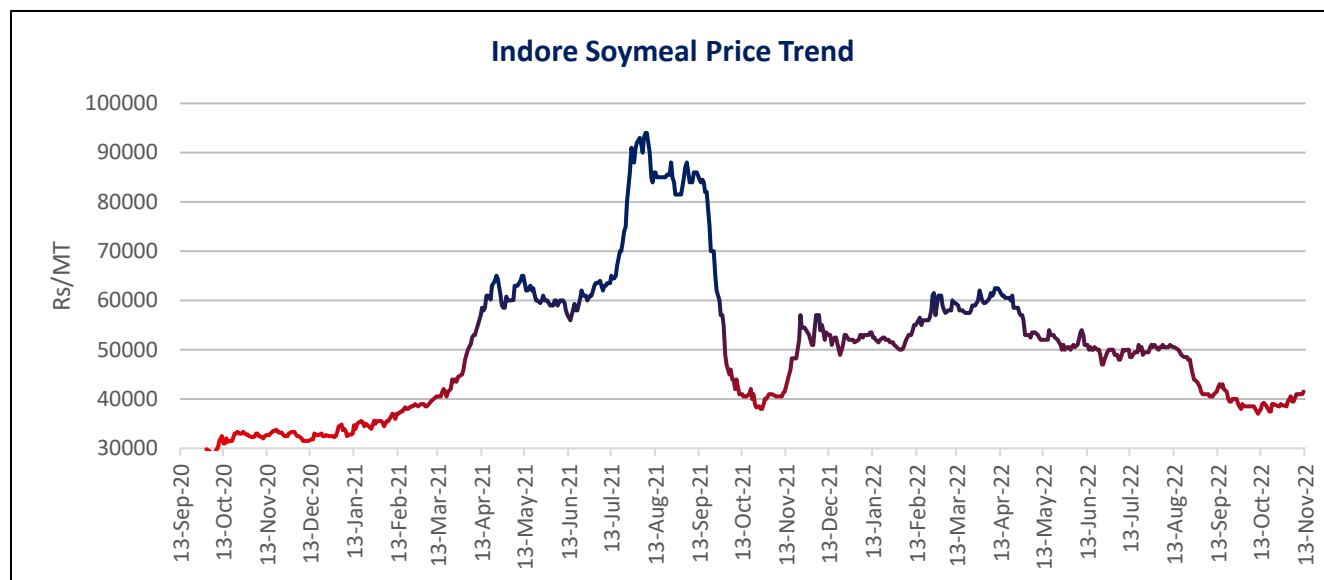


Soybean Price Outlook for coming week: Indore Soybean mandi prices are currently trading at INR. 5,600/qtl. and are expected to continue rebound from current level, and market may witness correction from 5800-6000 level on profit booking.



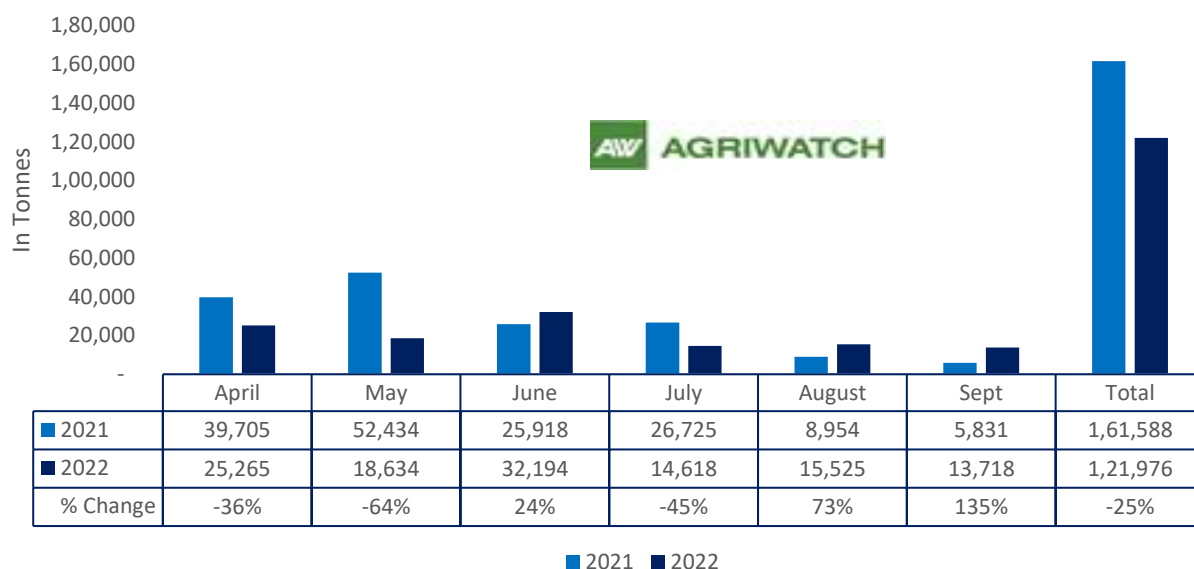
Soybean Mandi Price Outlook (INR./Qtl)	Previous week 31st Oct'22- 05th Nov'22	Week under review 07th Nov'22- 12th Nov'22	Next week 14 th - Nov'22- 19 th Nov'22
Weekly Average Price	5,050-5,250	5,500-5,600	5,300-5,700

Soymeal



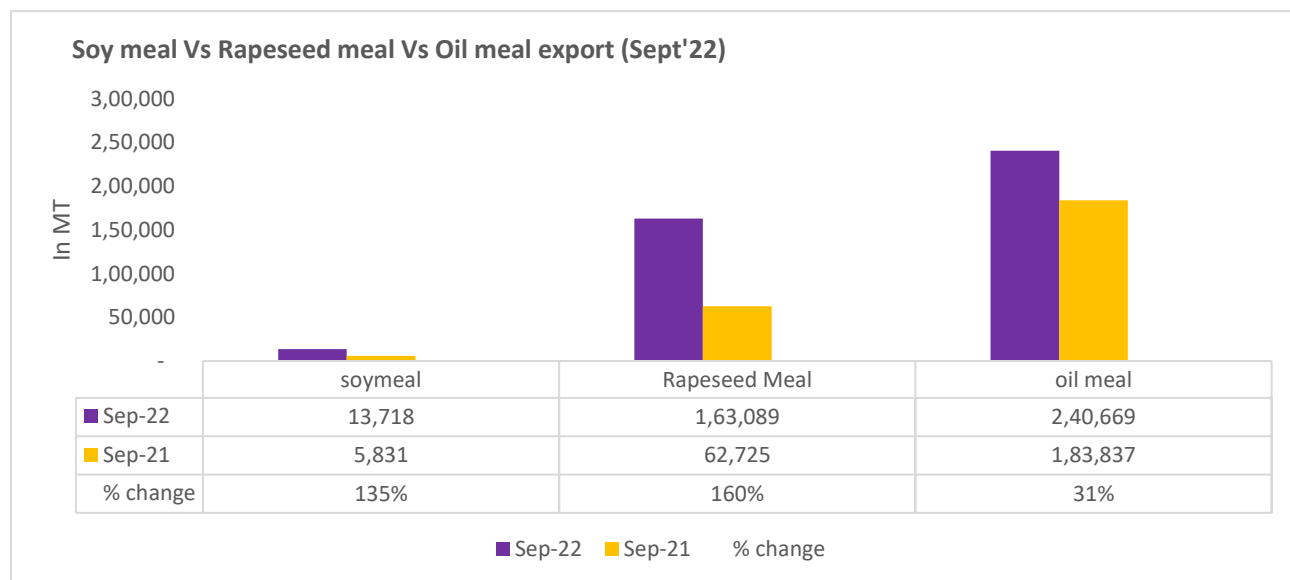
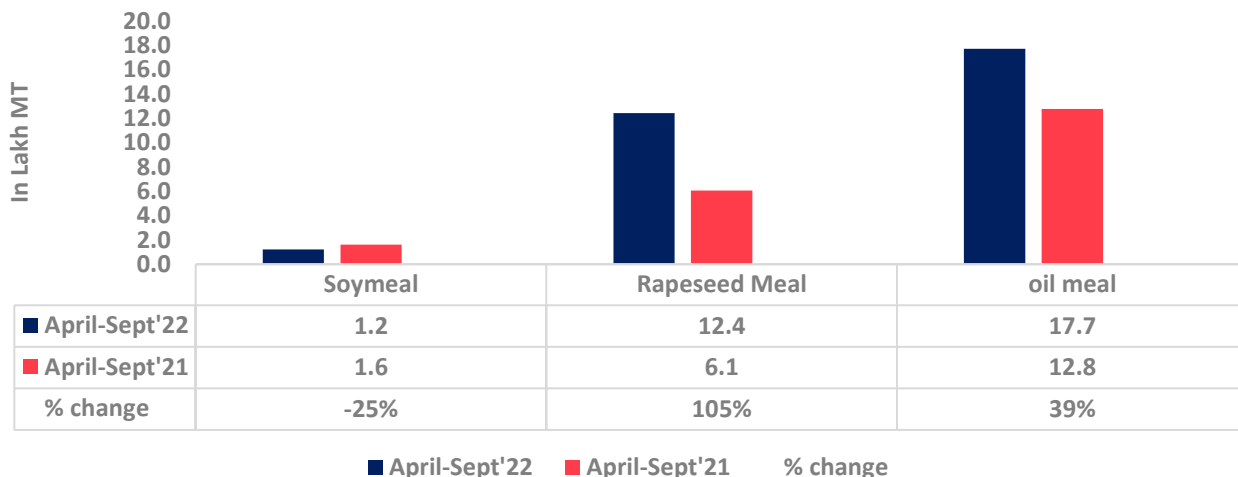
During the week under review, Indore Soymeal prices weekly average prices extended previous week gains and went up by 4.3% to INR 41,300/MT as compared to last week at INR 39,583/MT in tandem with rebound in soybean prices and stock limit removal. So far this month Indore soymeal prices are up by 6%. Overall, the prices quoted between INR 41,000-42,000/MT throughout the week. At Nanded, the weekly average prices improved to INR. 44,800/MT compared to INR. 41,083 MT a week ago. In Kota the meal prices were up at INR. 43,300/MT compared to INR. 42,333/MT previous week.

Soy meal export

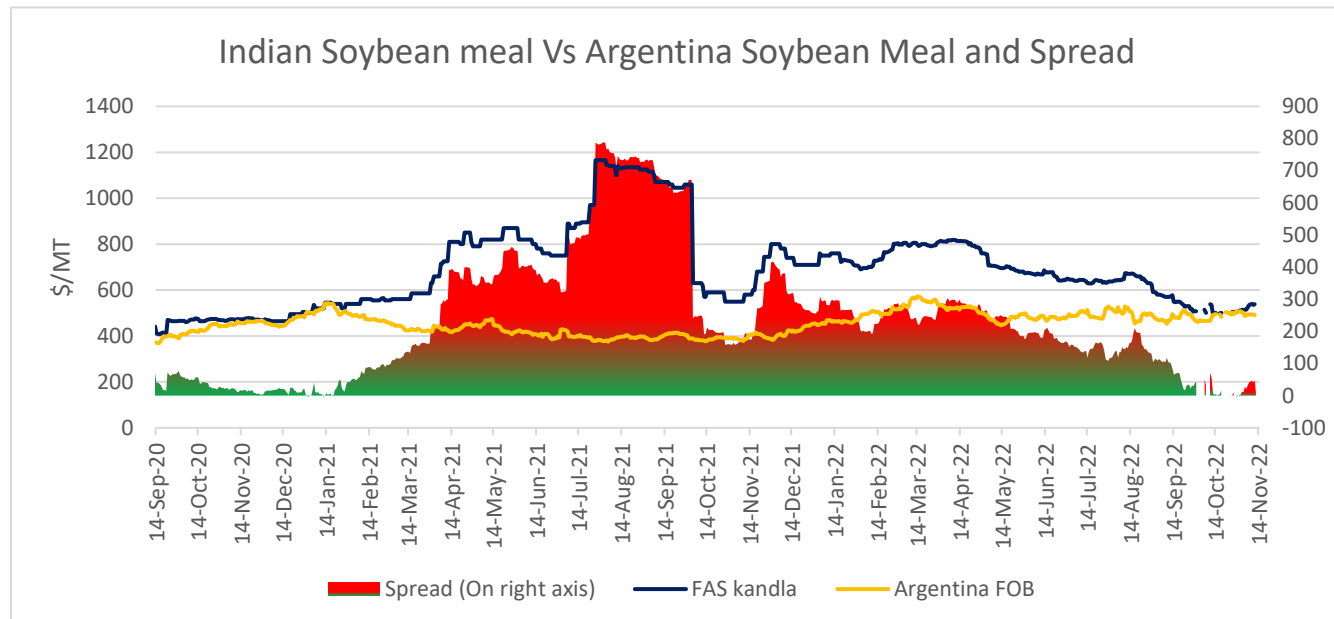


Total oil meal exports in April- Sept'22 went up by 39% to 17.71 Lakh tonnes vs 12.76 Lakh tonnes previous year same period. However, Soymeal exports went down by 25% to 1.21 Lakh tonnes in April-Sept'22 Vs 1.61 Lakh tonnes previous year same period. Soymeal exports went down due to over-priced Indian soymeal in the global markets.

Oil Meal Export April.'22-Sept'22



Currently, Indian Soymeal FOB prices trading at \$538/MT, Argentina Soymeal FOB prices trading at \$491/MT and spread stands at \$47/MT. Decline in Argentine soymeal prices has led to a squeeze in spread. In upcoming weeks, if Indian soymeal prices further become competitive, export demand may revive, and Soybean prices are likely to improve.

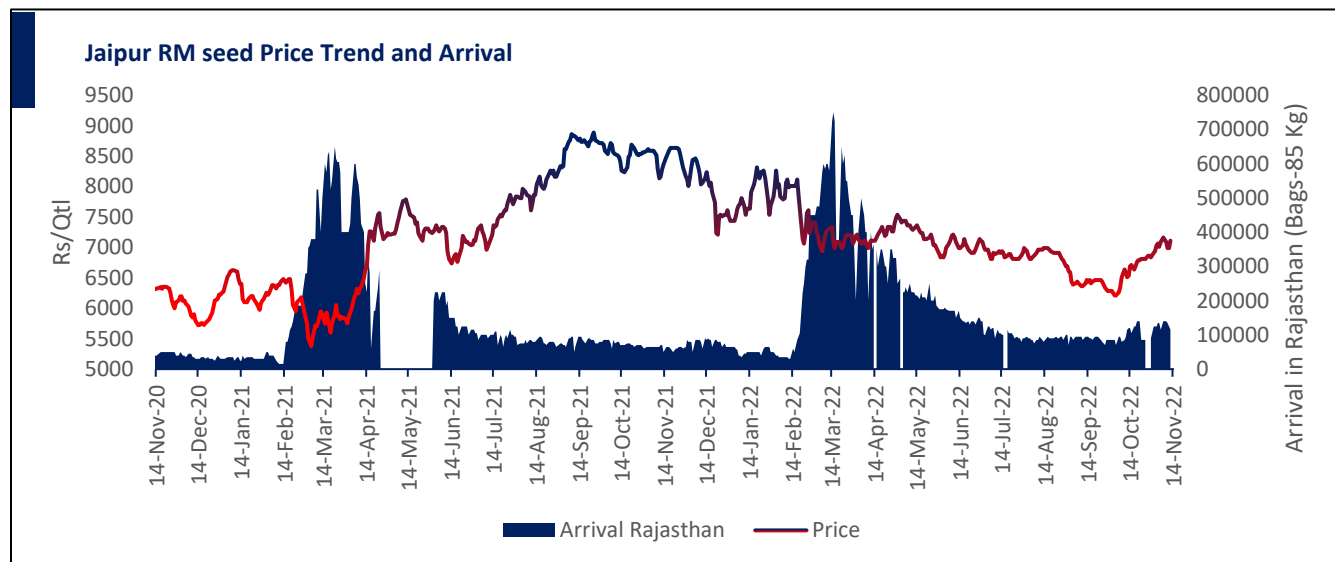


Soymeal Price Outlook for coming week: Soybean meal prices are expected to rebound in tandem with soybean prices. Revive in soymeal export demand too likely to support soymeal prices in upcoming months.

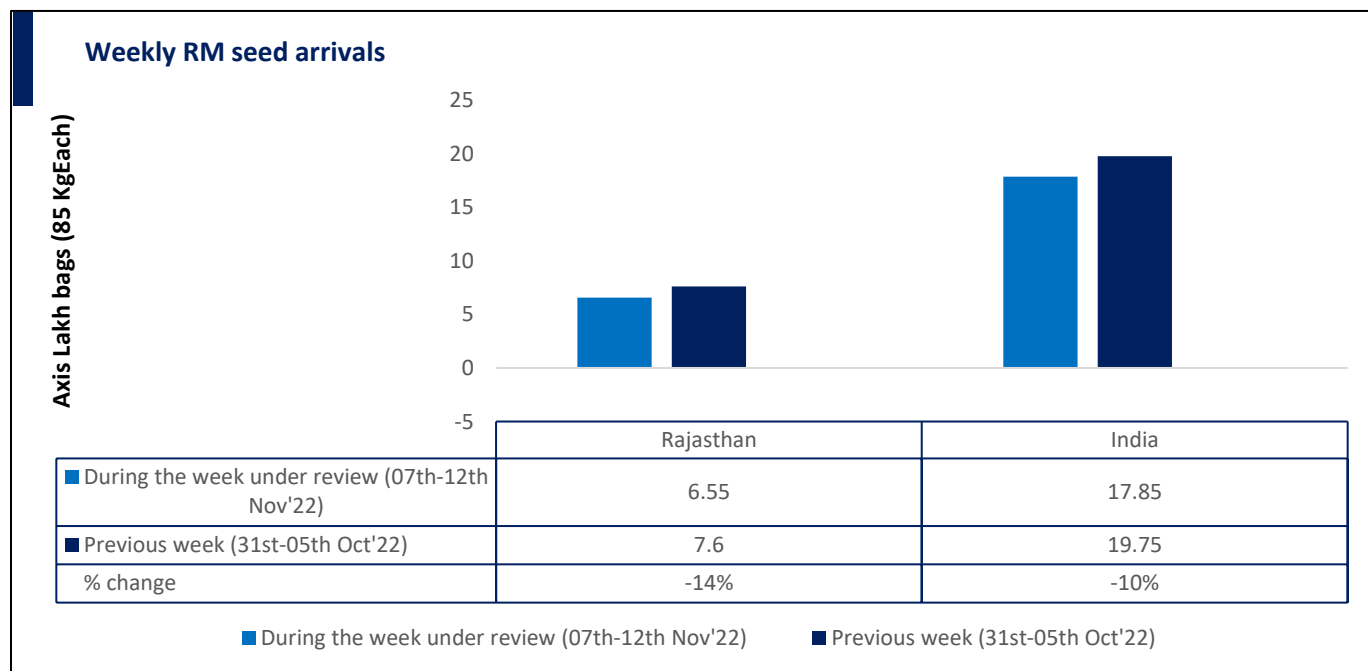


Soymeal Indore Price Outlook (INR./MT)	Previous week 31st Oct'22- 05th Nov'22	Week under review 07th Nov'22- 12th Nov'22	Next week 14 th - Nov'22- 19 th Nov'22
Weekly Average Price	38,500-40,500	41,000-41,500	41,000-43,000

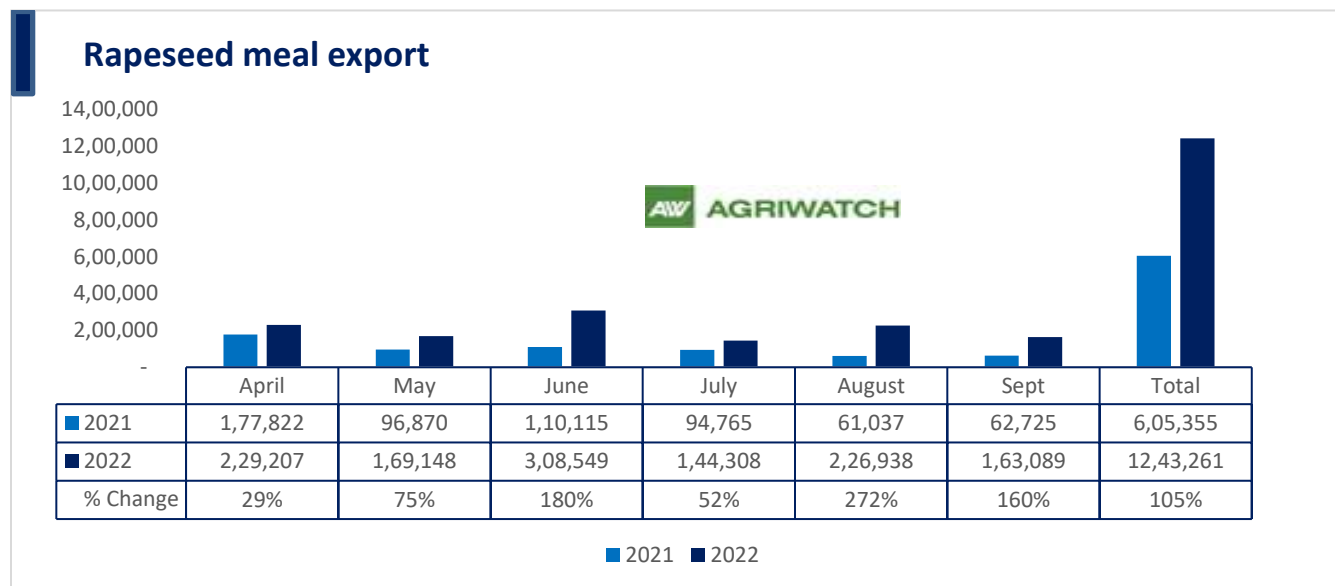
Rapeseed - Mustard Seed



RM seed strengthened during the week under review. Jaipur RM seed weekly average prices went marginally up by 0.84% to INR. 7,067/qrtl as compared to INR. 7,008/qrtl previous week amid shrink in arrivals, firm Mustard oil demand and stock limit removal. So far month till date, RM seed prices are currently 13% up tracking stock limit removal and bullish oilseed complex.



All India Arrivals increased during the week under review, in Rajasthan, total mustard arrivals recorded up by 334% to 7.6 Lakh bags as compared to 1.75 lakh bags previous week. All India arrivals recorded up by 182% to 19.75 Lakh bags Vs 7 Lakh bags previous week.



There is a significant jump in export of rapeseed meal and reported at 12.43 Lakh tons compared to 6.05 Lakh tons i.e., up by 105%. And in Sept'22 exports recorded up by 160% to 1.63 Lakh tonnes vs 0.62 Lakh tonnes in the previous year same period. Upon record crop of rapeseed and crushing resulted in the highest processing, availability of rapeseed meal and export. Currently, India is the most competitive supplier of rapeseed meal to South Korea, Vietnam, Thailand and other Far East Countries. In Upcoming months too, we expect good exports amid firm demand from South east Asia.

Rapeseed Mustard Sowing Progress as on 11-Nov-2022 (In Lakh Ha)			
State	2022	2021	% Change over previous year
Rajasthan	33.16	27.46	21%
Uttar Pradesh	10.11	10.02	1%
Madhya Pradesh	7.80	7.78	0%
West.Bengal	2.28	1.25	82%
Gujarat	1.19	0.22	436%
Assam	0.38	1.01	-63%
Chhattisgarh	0.31	0.36	-14%
Nagaland	0.05	0.06	-22%
Others	0.09	0.04	131%
Total	55.35	48.20	15%

Source: Ministry of Agriculture

International-

For 2022-2023, canola seeded area is estimated at 8.7 million hectares (Mha), down 4% from last year, with an expected harvested area of 8.6 Mha. Yields are estimated at 2.23 tonnes per hectare (t/ha), while last year drought reduced yields to 1.54 t/ha. Expected production is 19.1 Mt based on satellite imagery and model estimates. By province, Saskatchewan is expected to produce 9.7 Mt of canola, Alberta 6.1 Mt and Manitoba 3.1 Mt. limiting. Total supply is forecast to rise sharply from last year to 20.1 Mt as increased production is constrained by limited carry-in stocks.

Canadian canola use is expected to rebound, with exports expected to rise about 77% to 9.3 Mt and domestic crush volume to increase to 10.0 Mt from 8.6 Mt last year. Carry-out stocks decreased to 0.50 Mt, which will result in a stocks-to-use ratio of 3%.

Technical Analysis

(Based on Jaipur Mandi prices)

RM seed – Technical Outlook

RM seed Jaipur Spot -Weekly time frame

Technical Chart:



Technical Commentary:

- As depicted in the above chart, market is currently trading at three months high at 7113 and trading above 9 and 18 DMA while 50 and 100 DMA can be characterized as resistance.
- Immediate support is at 7,000, next support is at 6800 and immediate resistance is at 7300, next resistance is at 7500.

Recommendation-

Market participants are recommended to sell at current levels.

RM seed Price Outlook for coming week: RM Seed is expected to rebound on stock limit removal and rebound in oil complex prices.

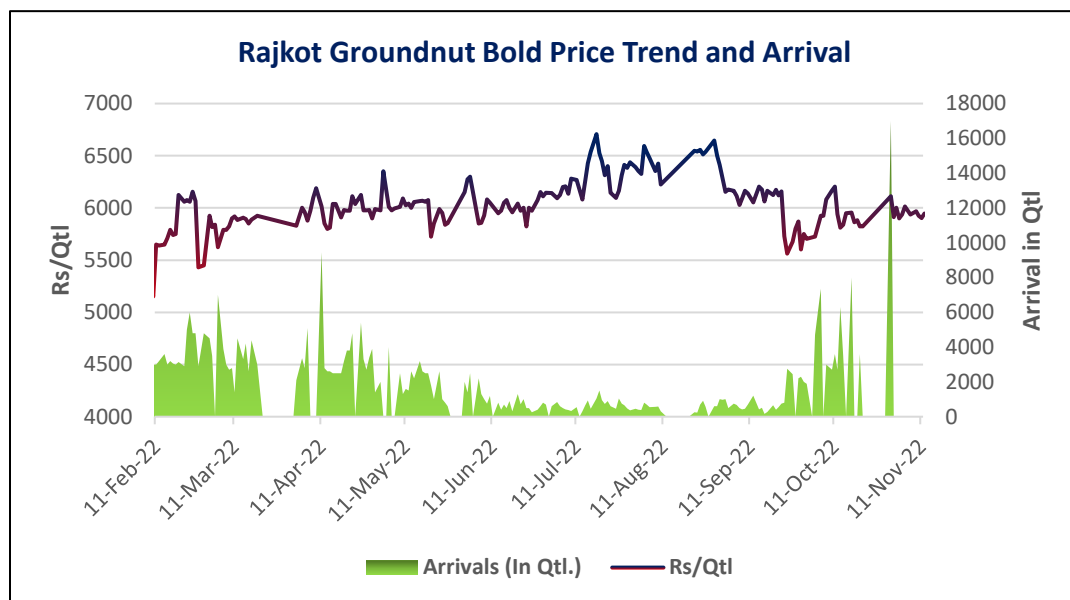


Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 31st Oct'22- 05th Nov'22	Week under review 07th Nov'22- 12th Nov'22	Next week 14 th - Nov'22- 19 th Nov'22
Weekly Average Price	6,913-7,088	6,988-7,163	6,800-7,200

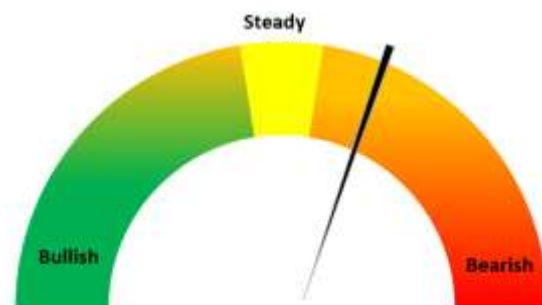
Groundnut

During the week under review, Rajkot Groundnut weekly average bold prices traded sideways and went marginally down by 0.73% to INR 5,936/Qtl. as compared to previous week at INR 5,979/Qtl. amid rise in arrivals. All India arrivals recorded up by 44%

to 91.5 Thousand tonnes as compared to 63.5 thousand tonnes previous week previous week.



Groundnut Price Outlook for coming week: Rajkot groundnut bold prices expected to trade sideways with downward bias.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 31st Oct'22- 05th Nov'22	Week under review 07th Nov'22- 12th Nov'22	Next week 14 th - Nov'22- 19 th Nov'22
Weekly Average Price	5,900-6,113	5,903-5,968	5,900-6,200

Annexure

	% Change over previous week	Today	Week Ago	Month Ago	Year Ago	
Soy DOC Rates at Different Centers		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Centres		Ex-factory rates (Rs/ton)				parity To
Indore - 45%, Jute Bag	5%	41500	39500	37500	41500	Gujarat, MP
Kota - 45%, PP Bag	2%	44000	43000	38500	43200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	6%	46000	43500	43500	44500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	5%	43000	41000	40000	44500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	6%	44000	41500	41500	42500	Andhra, AP, Kar, TN
Latur	5%	46000	44000	42000	43500	-
Sangli	6%	42500	40000	38000	41500	Local and South
Solapur	5%	44500	42500	43000	40500	Local and South
Akola – 45%, PP Bag	6%	43000	40500	40000	40500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	5%	44500	42500	41500	42000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	2%	43800	42800	38300	43000	-
Soy DOC at Ports						
Centers		Port Price				
		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Kandla (FOR) (INR/MT)	2%	43000	42000	40000	-	
Kandla (FAS) (USD/MT)	4%	538	515	505	-	
CNF Indonesia – Yellow SBM (USD/MT)	6%	577	542	535	-	

Rapeseed Meal		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
FAS Kandla (USD/MT)	-	245	-	-	#N/A	
FOR Kandla (Rs/MT)	-	19400	-	-	#N/A	
FOR Mundra (Rs/MT)	-	NA	-	-	#N/A	
CNF Indonesia (USD/MT)	-	281	-	-	#N/A	
International Soy DOC						
Argentina FOB USD/MT		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Soybean Pellets	-	472	-	Closed	-	
Soybean Cake Flour	-	472	-	Closed	-	
Soya Meal	-	NR	-	Closed	-	
Soy Expellers	-	NR	-	Closed	-	
Sunflower (DOC) Rates		Ex-factory rates (Rs/ton)				
Centers		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Adoni	0%	35000	35000	35000	26000	
Khamgaon	-	NA	-	-	-	
Parli	-	NA	-	-	-	
Latur	0%	34000	34000	34000	25000	
Groundnut Meal (Rs/MT)		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Basis 45%, Saurashtra	5%	34000	32500	30500	31000	
Basis 40%, Saurashtra	5%	30000	28500	28000	27000	
GN Cake, Gondal	4%	35000	33500	31000	31000	
Mustard DOC		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
Jaipur (Plant delivery)	0%	19000	19000	18000	24000	
Kandla (FOR Rs/MT)	-2%	19200	19600	18300	24500	

Mumbai Oil Meal Quotes:						
Rs/M.T.		12-Nov-22	05-Nov-22	12-Oct-22	12-Nov-21	
G.N. Extr (45%)	6%	34000	32000	30000	32000	
Kardi Extr	-	NA	-	-	-	
Undec Cottonseed Exp	1%	35000	34500	30500	29500	
Rice Bran Extr.	-	NA	-	-	-	
Sunflower Extr.	4%	26000	25000	23000	26000	
Rapeseed Extr.	-	NA	-	-	-	
Soymeal 48%	1%	43565	43304	39130	43826	
Castor Extr.	2%	12850	12650	10650	9950	

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