



Oil Meal Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went up by 2.25% to INR 5,590/ Qtl. amid decline in arrivals and firm global cues.

The weekly average prices of Indore soymeal too extended previous week gains and went up by 2.26% to INR 45,250/MT in tandem with soybean.

During the week under review, Jaipur RM seed weekly average prices went up by 3% to INR. 5,837/qtl amid procurement by NAFED and decreased arrivals.

During the week under review, Rajkot Groundnut weekly average bold prices remained elevated at INR 7,611/Qtl. amid decreased arrivals.

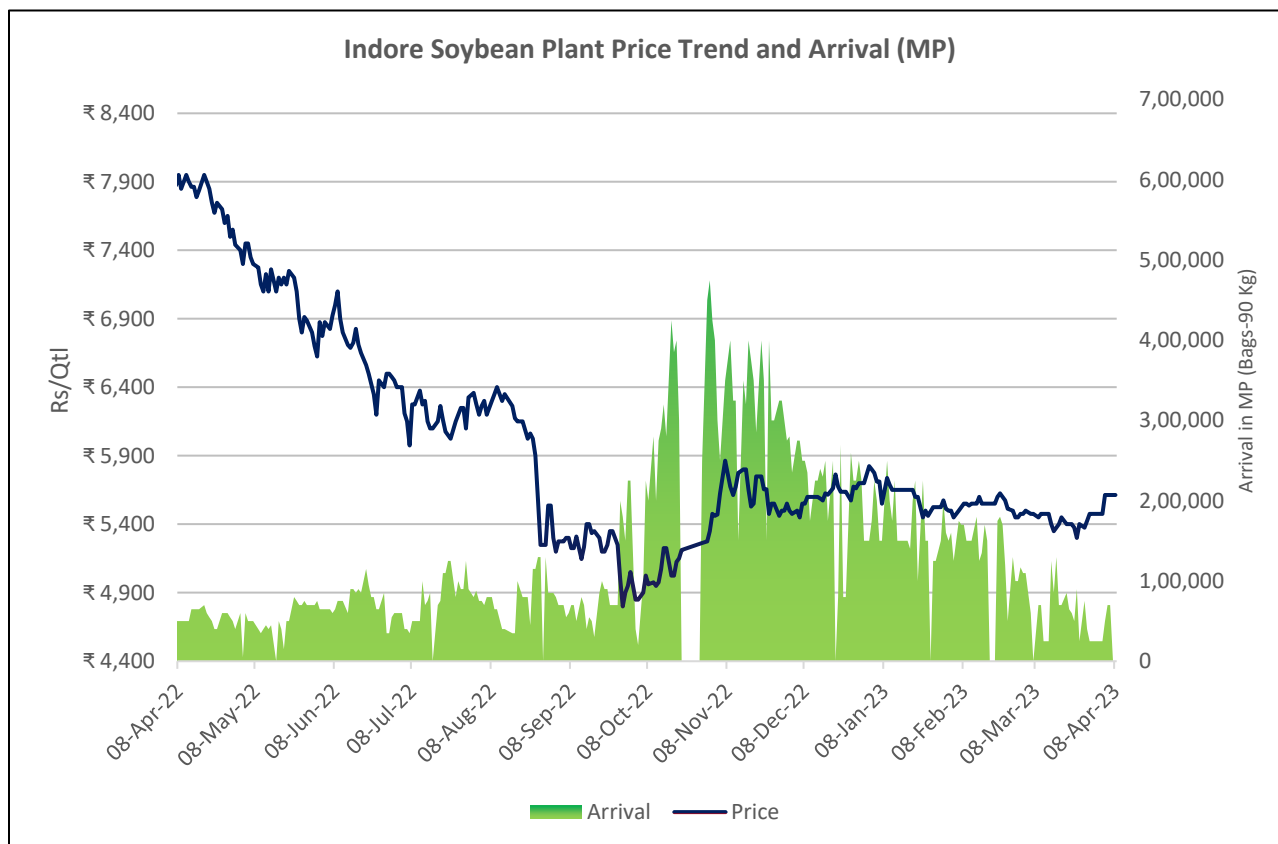
Outlook – Cash Market

Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean plants will maintain a sideways trend with a slightly firm bias due to decreased arrivals and improved soy meal and oil prices. It is expected that the prices of soybean plants, based on the Indore Plant, will range between 5,500-5,800 levels in the short term.

Outlook – Soy meal:
It is anticipated that soy meal (Indore) likely to trade sideways with firm bias during the upcoming period tracking good export demand. The prices of soy meal Indore are expected to remain within the range of 44,000-46,000 per metric ton.

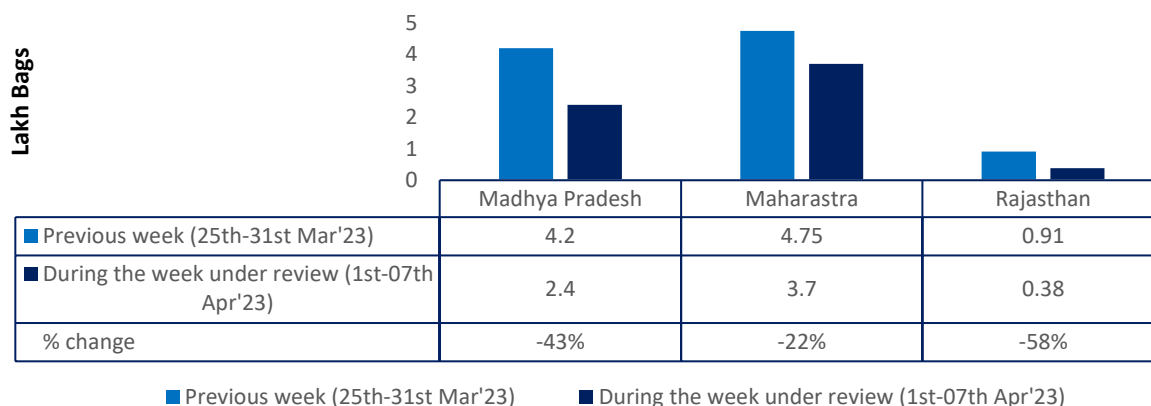
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In Upcoming week, it is anticipated that Rapeseed-Mustard likely to extend previous week gains amid reduction in arrivals and procurement by NAFED and HAFED. The prices of seeds are projected to remain within the range of 5,700-6,000 per quintal.

Soybean



During the week under review, Soybean weekly average prices extended previous week gains and went up by 2.25% to INR 5,590/Qtl. as compared to INR 5,467/Qtl. previous week amid improved soy oil prices and decline in arrivals. Month-to-date soybean prices are up by 2.26%, Year-to-date dropped by 2.59%, and in last one year down by 28%. Additionally, Indore soy oil weekly average prices too remained firm and went up by 2% to INR 1,070/ 10 Kg as compared to INR 1,045/ 10 Kg.

Weekly Soybean Arrivals

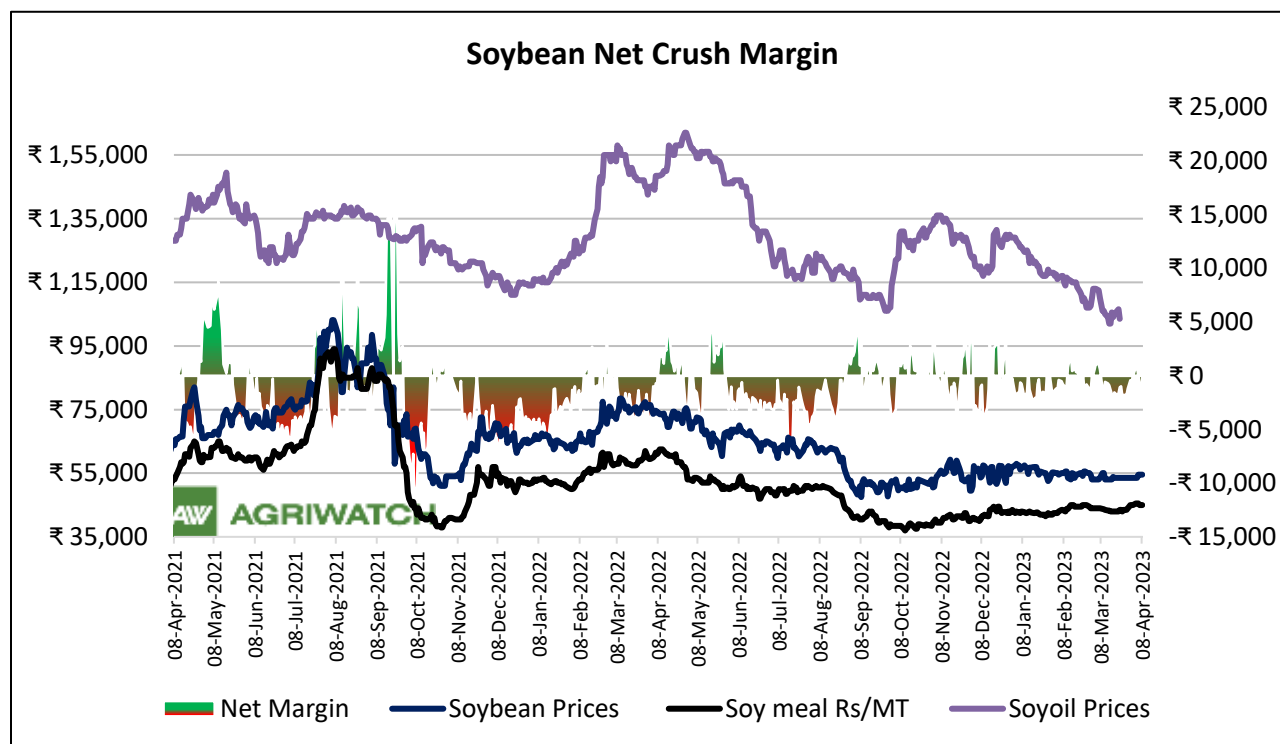


During the week under review, the total arrival in MP declined by 43% to 2.4 Lakh bags Vs 4.2 Lakh bags previous week. In Maharashtra arrivals recorded down to 3.7 Lakh bags vs 4.75 Lakh bags last week. In Rajasthan the arrivals recorded down to 0.38 lakh bags Vs 0.91 Lakh bags previous week. Arrivals declined amid festivals.

The Vegetable Oil Producers Association of India (IVPA) has urged the government to reopen suspended agricultural futures trading. SEBI has suspended the trading of certain agricultural commodities in Dec 2021. The suspension has been extended for one year until Dec 20, 2023.

The Soybean Oil Refiners Association of India (SOPA) has asked the Center to consider increasing import duties on all oils by at least 20%, as global declines in edible oil prices lead to lower oilseed prices in the country.

Soybean Crush Margin-



Soybean net crush margin improved slightly during the week under review amid increase in soy meal and soy oil prices. Weekly average soybean net crush margin for the period of 1st April -7th April is in disparity at INR 10/ MT as compared to previous week at INR -1,085/MT. In upcoming week, net crush margin likely to remain firm on improved soy oil and meal prices.

International Update:

According to AgRural, 76% of soybean harvesting has been completed, up by 6% compared to the previous week, down by 5% from last year. Delay in harvesting is mainly due to persistent rainfall.

According to a report released on Tuesday by the Rosario stock exchange (BCR), Argentina's position as the leading exporter of processed soy meal worldwide is at risk due to the impact of an unprecedented drought on its main cash crop. The report predicts that Brazil, Argentina's neighbouring country, is likely to surpass its soy meal shipments for the first time in 25 years during the current harvest. The report also indicates that the national output of soy meal for the 2022/2023 season is expected to decline by 36% from the previous year, with an estimated total of only 27 million tonnes.

According to sources, Brazil is in a position to provide Argentina with as much as half of the soybeans it plans to import. This is due to the devastating effects of the worst drought in 100 years on Argentina's fields, which has resulted in nearly a 50% reduction in output for the year 2023. As a result, Argentina may need to import up to 10 million tonnes of soybeans, more than double its previous imports, with Paraguay and Brazil being the main sources. Argentina is expected to produce around 25 million tonnes of soybeans this season.

Technical Analysis

US Soybean futures



As depicted in the above chart, during the week under review, US Soybean posted loss after previous week gains and went up by 0.86% to \$14.92/bushels. 9, 18, and 50 DMA can be characterized as resistance while 100 DMA can be characterized as support. RSI is at 50 indicating steady buying strength. And MACD indicating steady momentum in short run. Over all market is expected to take support from 14-14.3 in short run and resistance from 15.50-16.00.

Technical Analysis (Domestic market)

(Based on Indore Plant prices)

SOYBEAN – Technical Outlook

Soybean Indore Plant prices -Weekly time frame

Technical Chart:



Technical Commentary:

- During the week under review, Soybean Indore prices improved and closed at 5,612 levels as compared to 5,475 previous week and market made low of 5,475, high of 5,612.
- Market is currently facing near term resistance of 9, 18 EMA. While 50 and 100 EMA can be characterized as long term resistance and 23.6% Fibonacci retracement can be characterized as support.
- RSI is currently below 50, indicating improved buying strength.
- 5300-5400 is near term support and 5,700-5,800 is near term resistance.

Recommendation-

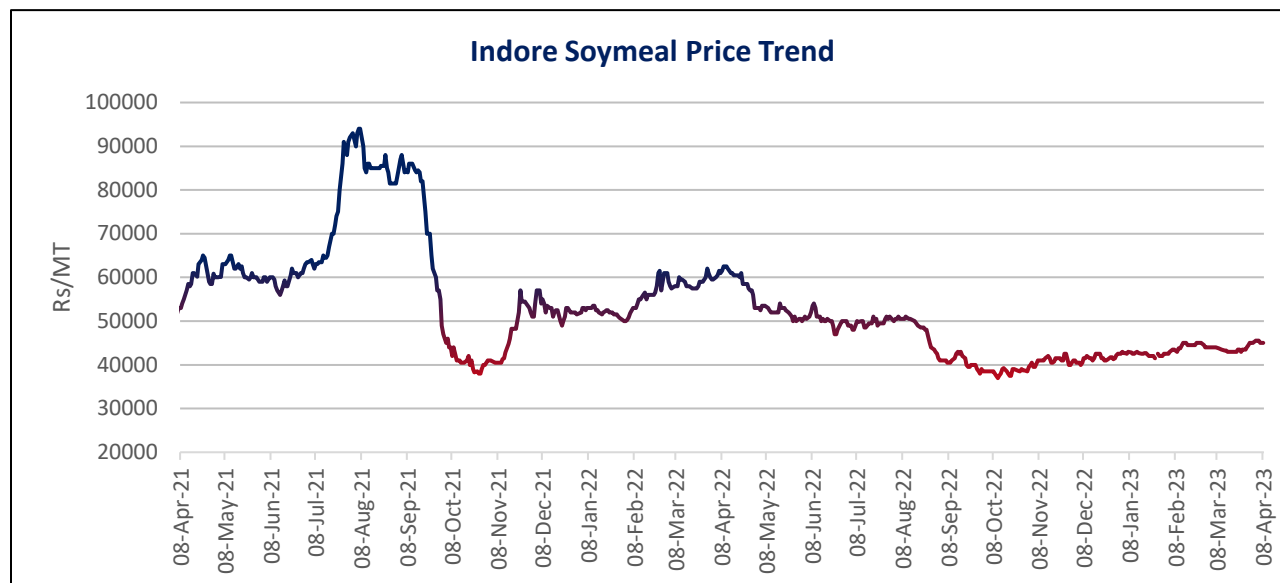
- Market Participants are recommended to buy their stocks in the range of 5300-5,400 and wait to sell above 5,700.

Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,613/qtl. and are expected to trade range bound with slightly firm bias in the range of INR 5,500-5,800 in short run.

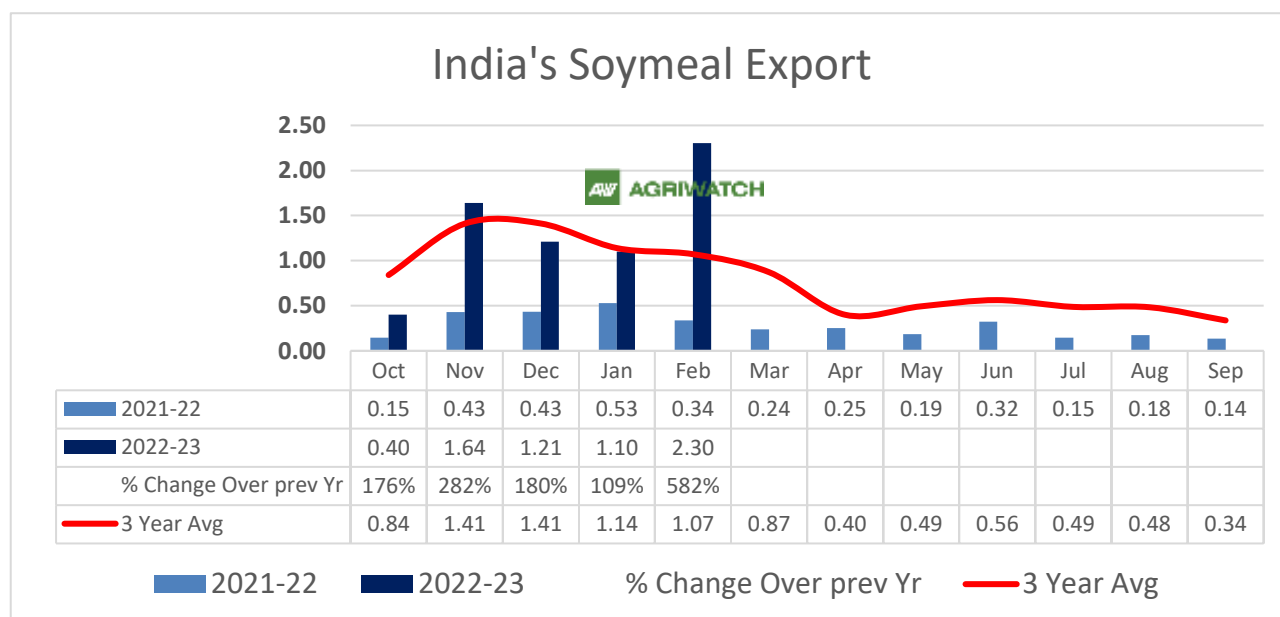


Soybean Plant Price Outlook (INR./Qtl)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	5,375-5,475	5,475-5,613	5,500-5,800

Soymeal

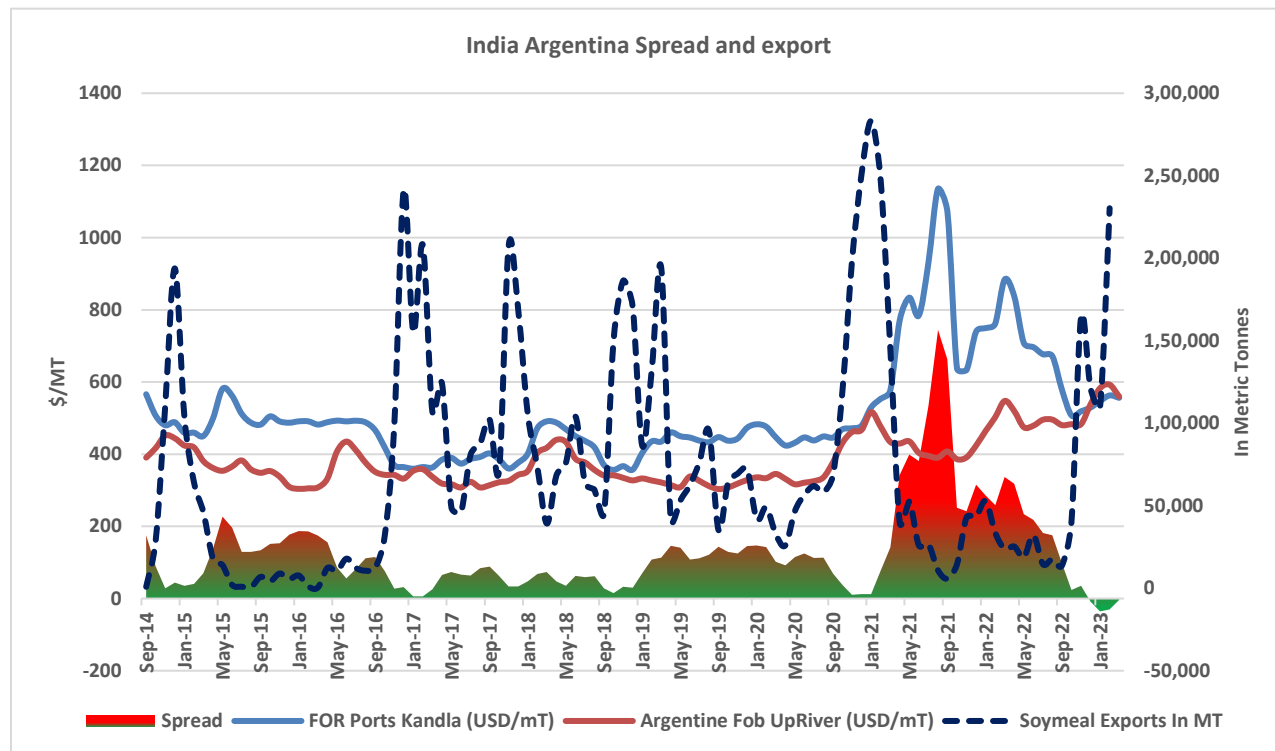


During the week under review, Indore Soymeal weekly average prices extended previous week gains and went up by 2.26% to INR 45,250/MT as compared to last week at INR 44,250/ in tandem with soybean prices and good export demand. Month-to-date soymeal prices are unchanged, Year-to-date up by 5.9%. However, last one year down by 28%. Soymeal prices are currently at seven month high tracking good export demand from south east asia.



Total Soy meal exports in Oct'22- Feb'23 went up by 256% to 6.66 Lakh tonnes vs 1.87 Lakh tonnes previous year same period. However, Soymeal exports up by 582% to 2.30 Lakh tonnes in Feb'23 Vs 0.34 Lakh tonnes

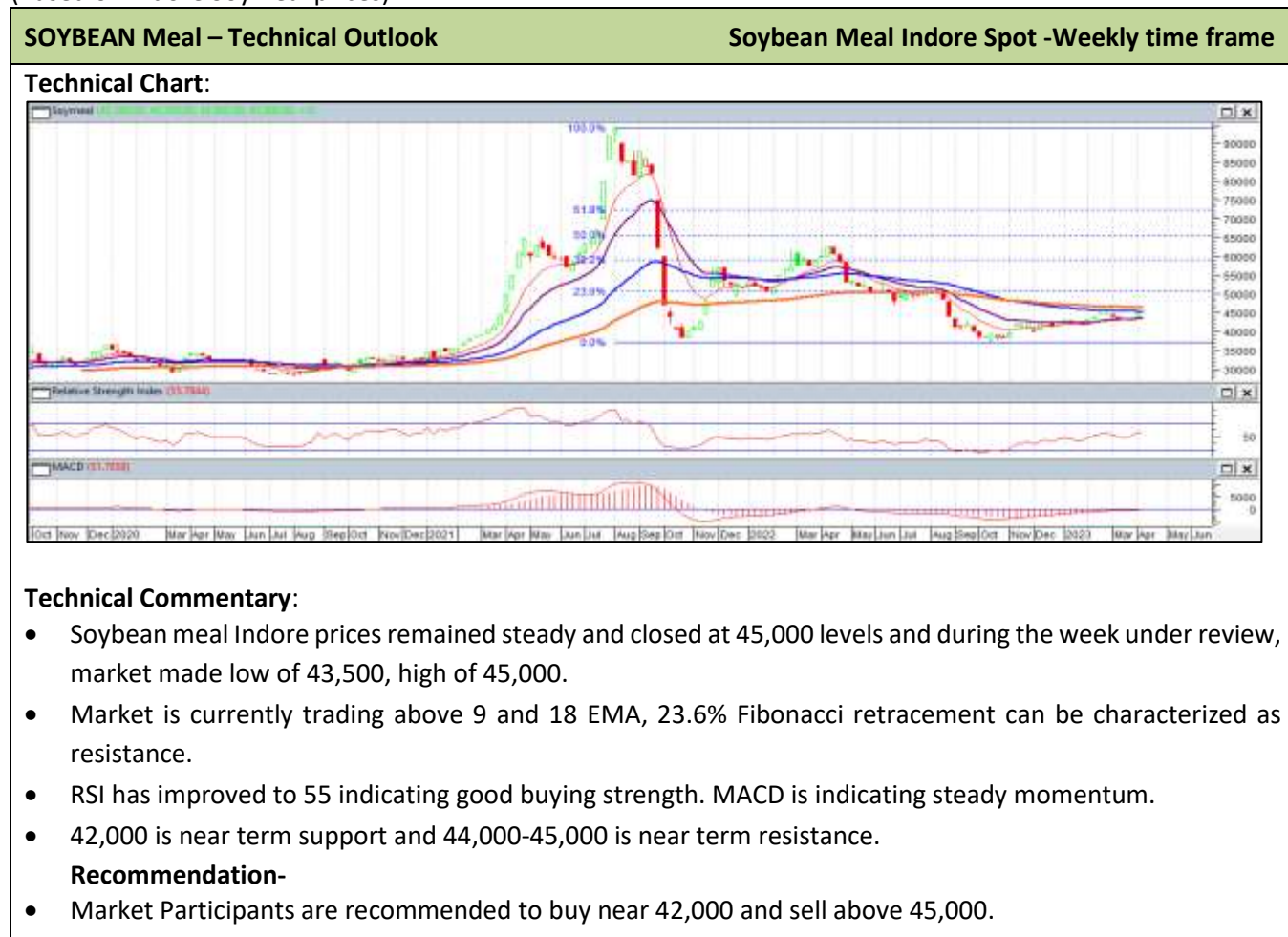
previous year same period. Soymeal exports went up for the sixth straight month on good soymeal export demand from south east Asia tracking competitive prices in global markets. In upcoming month too soymeal exports likely to go up on good demand.



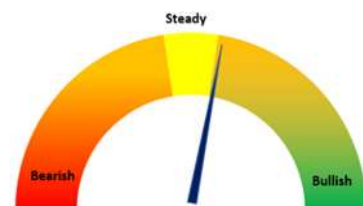
During the week under review, Weekly Indian Soymeal FOB average prices stood at \$556/MT, Argentina Soymeal FOB prices trading at \$559/MT and spread stands at \$-3/MT. Upon squeeze in spread Indian soymeal export demand is rising and so the prices are stable.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

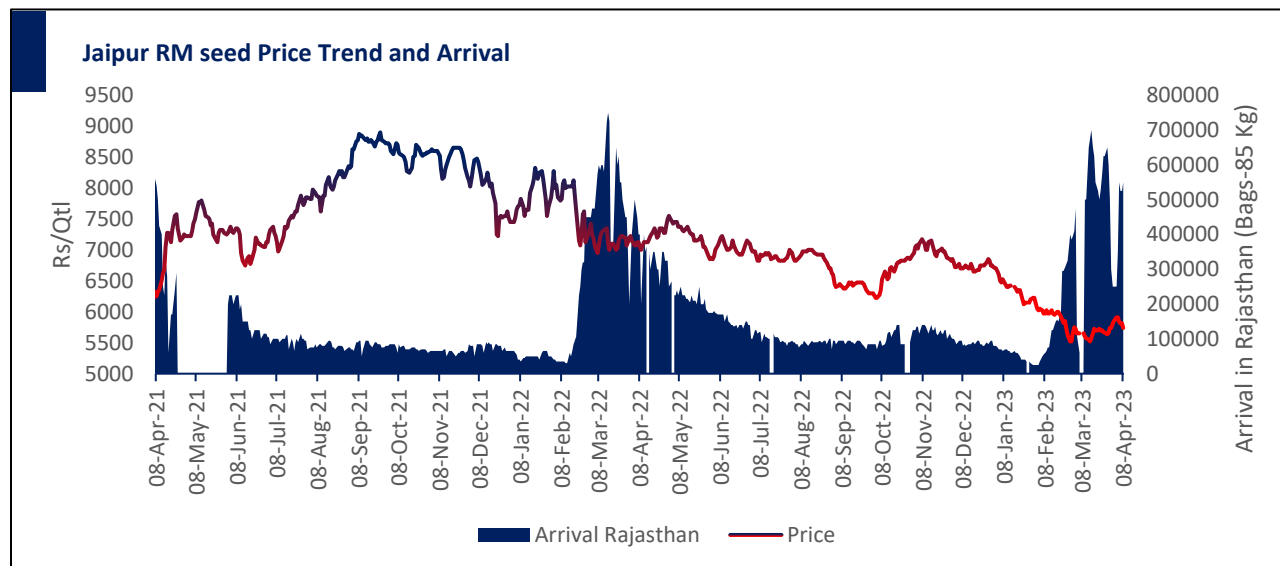


Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with slightly firm bias. Revival in soymeal export demand likely to support soy prices.

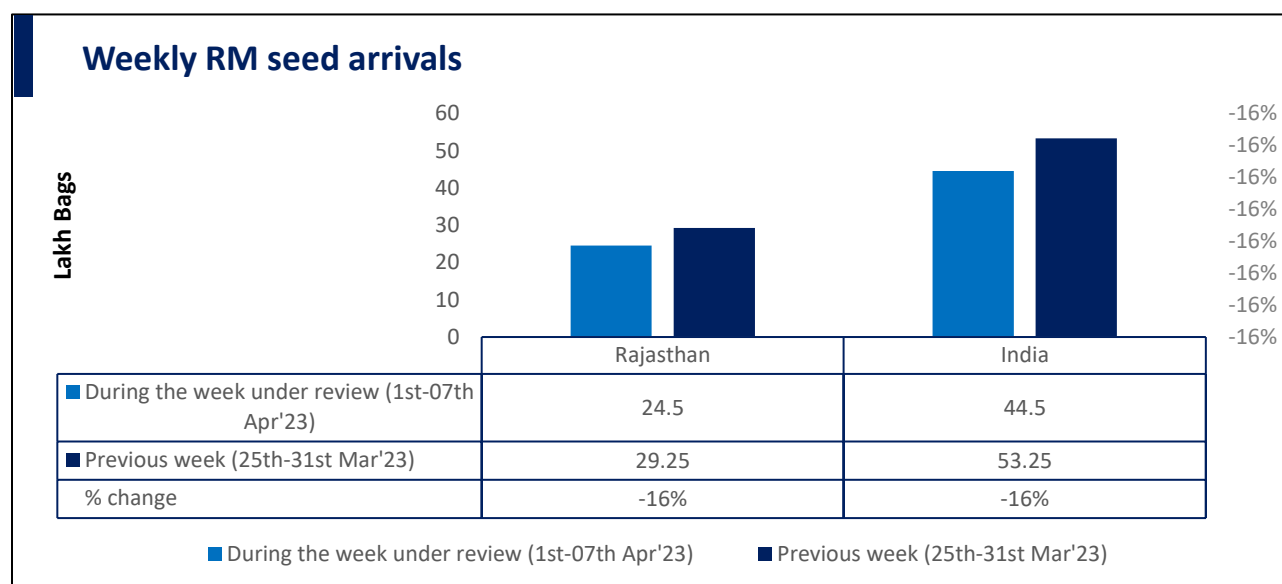


Soymeal Indore Price Outlook (INR./MT)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	43,500-45,000	45,000-45,500	44,000-46,000

Rapeseed - Mustard Seed

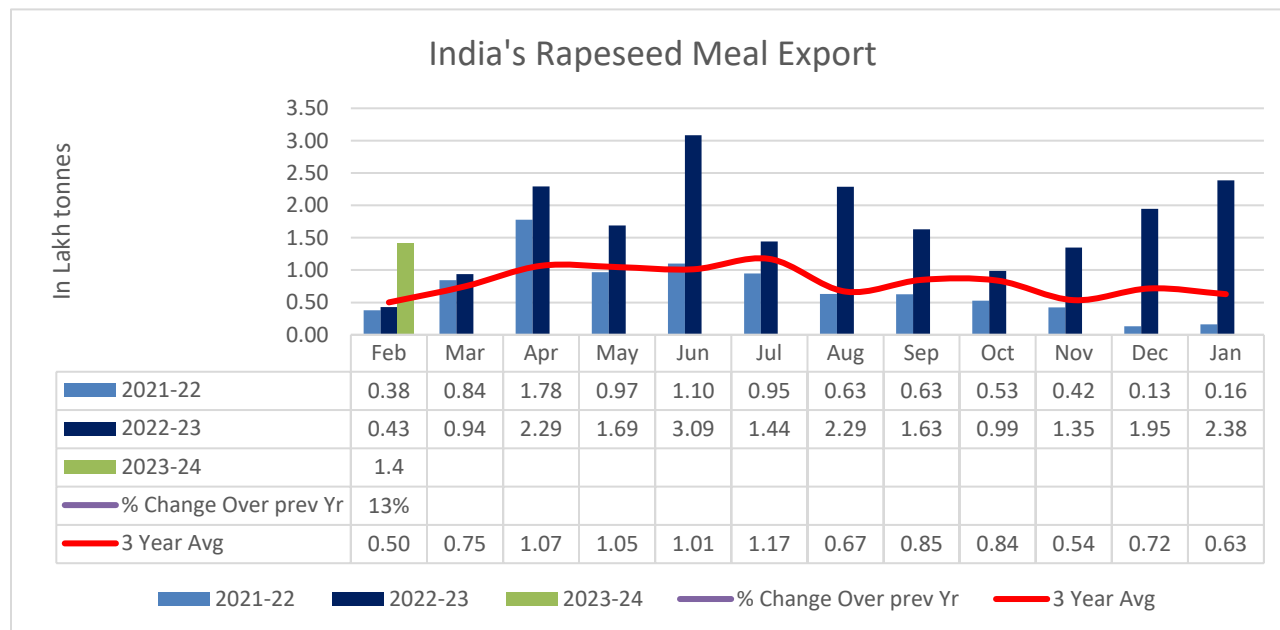


During the week under review, Jaipur RM seed weekly average prices extended previous week gains and went up by 3% to INR 5,857/Qtl as compared to previous week at INR 5,708/Qtl. The rise was attributed to procurement by NAFED and HAFED and decreased arrivals. Additionally, mustard oil prices too rose by 1%, reaching INR 1,101/10 Kg, up from INR 1,095/10 Kg. However, the in Month-to-date RM seed prices show a 2.26% increase, the year-to-date prices have decreased by 2.59% due to record production, weak demand and global bearish cues.



During the week under review, RM Seed arrivals decreased after peak arrivals. Arrivals in Rajasthan recorded down by 16% to 24.5 Lakh bags as compared to 29.25 lakh bags previous week. All India arrivals too went down by 16% to 44.5 Lakh bags Vs 53.25 Lakh bags previous week.

INDIA'S RAPESEED MEAL EXPORT



There is a significant jump in export of rapeseed meal in Feb'23 and reported at 1.4 Lakh tons compared to 0.43 Lakh tons previous year same period i.e., up by 13%. 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.

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, during the week under review, market closed up to 5,738, made low of 5,738, high of 5,913.
- Market is currently trading below 9, 50 and 100 DMA and can be characterized as resistance. And market is trading above support level of 5500.
- RSI has improved from 23 to 34 indicating improved buying strength. MACD is indicating weak momentum.
- Immediate support is at 5,500 and immediate resistance is at 6,000.

Recommendation-

Market participants are recommended to start buying near 5500 level and sell above 5,900.

International

The ICE Futures canola market went up by 0.46% to 771, in tandem with gains in CBOT oil complex. However, month-to-date ICE Canola is up by 0.46% to USD 771/MT.

Canada planted 8.7 million hectares of canola in 2022-2023, a decrease of 4% from the previous crop year, with a harvested area of 8.6 million hectares. Yields improved to 2.11 tonnes per hectare, compared to 1.54 t/ha in 2021-2022, due to drought relief. The estimated production is 18.2 million tonnes, as per Statistics Canada. Saskatchewan led production with 9.5 million tonnes, followed by Alberta with 5.6 million tonnes and Manitoba with 2.9 million tonnes. Total supply is estimated at 19.1 million tonnes, slightly up from the previous year due to higher production partially compensating for low opening stocks.

Canadian canola consumption is projected to return to its normal historical levels, as exports rise 63% to 8.6 million tonnes, and crush volume increases to 9.5 million tonnes from 8.6 million tonnes last year. As per Canadian Grain Commission data, the export rate as of November was 121% higher than the previous year, with China and Mexico being the top destinations for 80% of Canada's exported canola by the end of the same month. The average oil content of Canadian canola is estimated at 42.8%.

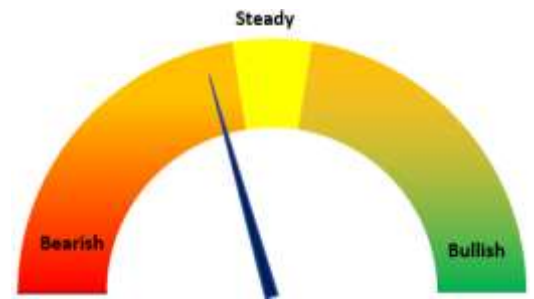
Technical Analysis

(ICE Canola)



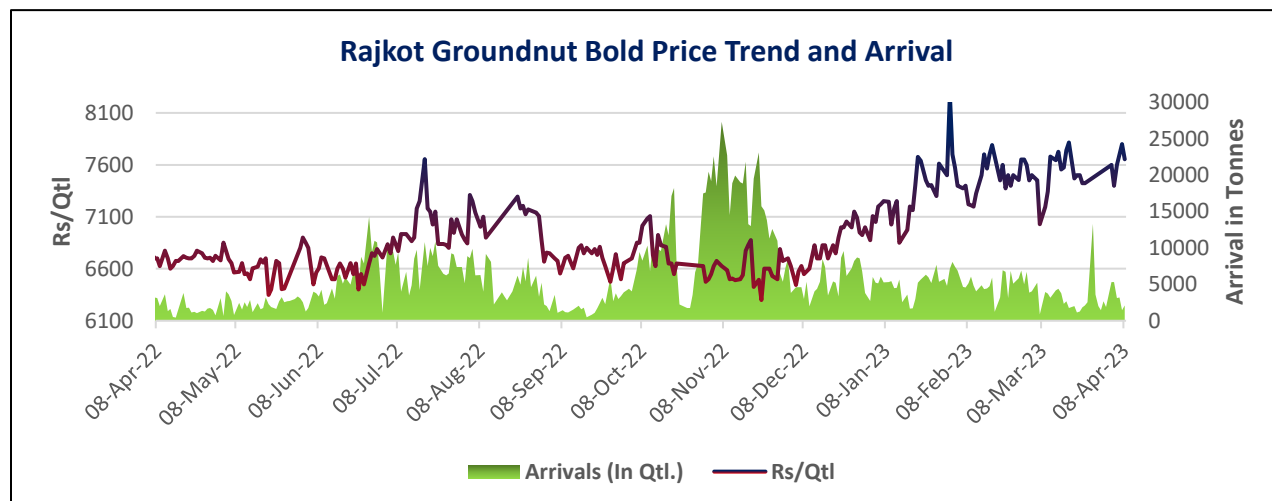


RM seed Price Outlook for coming week: In upcoming week RM Seed is expected to extend gains amid decrease in arrivals, and procurement from NAFED.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	5,638-5,813	5,813-5,913	5,700-6,000

Groundnut



During the week under review, Rajkot market weekly average prices remained elevated at INR 7,611/Qtl. amid improved groundnut oil prices and decreased arrivals. The weekly average prices of groundnut oil remained sideways at INR 1,705 from 1,690/10 Kg. All India arrivals recorded down by 20% to 0.20 Lakh tonnes as compared to 0.25 Lakh tonnes previous week.

Technical Analysis

(Based on Rajkot GN Bold Mandi prices)

Groundnut Bold – Technical Outlook

Rajkot -Weekly time frame

Technical Chart:



Technical Commentary:

- As depicted in the above chart, during the week under review, market closed up to 7,655 made low of 7,400, high of 7,800.

- Market is trading above 18, 50 and 100 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support.
- RSI has declined from 62 to 57 indicating weakening in buying strength, However, MACD is indicating firm momentum.
- Immediate support is at 7,500, next support is at 7,200 and immediate resistance is at 7,800, next resistance is at 8,000.

Recommendation-

Market participants are recommended to buy in the range of 7000-7500 and sell above 7500.

Groundnut Price Outlook for coming week: Rajkot groundnut bold prices expected to remain elevated amid lower availability in the market and good demand.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	7,425-7,815	7,400-7,800	7,400-7,800

Annexure

	% Change over previous week	Today	Week Ago	Month Ago	Year Ago	
Soy DOC Rates at Different Centers		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Centres		Ex-factory rates (Rs/ton)				parity To
Indore - 45%, Jute Bag	0%	45000	45000	43800	61500	Gujarat, MP
Kota - 45%, PP Bag	-1%	47000	47500	46000	65500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	1%	48000	47500	46500	63000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	0%	45700	45500	44500	63000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	1%	46500	46000	45500	63000	Andhra, AP, Kar, TN
Latur	0%	46500	46500	45500	62500	-
Sangli	3%	44200	43000	42500	59800	Local and South
Solapur	1%	46800	46500	46000	61000	Local and South
Akola – 45%, PP Bag	2%	45500	44500	44000	61000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	2%	47000	46000	45500	63500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	-1%	46800	47300	45800	65300	-
Soy DOC at Ports						
Centers		Port Price				
		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Kandla (FOR) (INR/MT)	-	-	NA	45700	63500	
Kandla (FAS) (USD/MT)	-	-	NA	570	840	
CNF Indonesia – Yellow SBM (USD/MT)	-	-	NA	590	-	

Rapeseed Meal		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
FAS Kandla (USD/MT)	-	270	-	-	-	
FOR Kandla (Rs/MT)	-	21400	-	-	-	
FOR Mundra (Rs/MT)	-	NA	-	-	-	
CNF Indonesia (USD/MT)	-	290	-	-	-	
International Soy DOC						
Argentina FOB USD/MT		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Soybean Pellets	-	508	-	-	-	
Soybean Cake Flour	-	508	-	-	-	
Soya Meal	-	NR	-	-	-	
Soy Expellers	-	NR	-	-	-	
Sunflower (DOC) Rates		Ex-factory rates (Rs/ton)				
Centers		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Adoni	6%	34000	32000	33000	36000	
Khamgaon	-	NA	-	-	-	
Parli	-	NA	-	-	-	
Latur	-	NA	-	-	35000	
Groundnut Meal (Rs/MT)		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Basis 45%, Saurashtra	-	38000	0	37000	41000	
Basis 40%, Saurashtra	-	34500	0	36000	37000	
GN Cake, Gondal	-	41500	0	40000	42000	
Mustard DOC		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
Jaipur (Plant delivery)	0%	20500	20500	19200	23000	
Kandla (FOR Rs/MT)	0%	21400	21500	20000	23700	

Mumbai Oil Meal Quotes:						
Rs/M.T.		08-Apr-23	01-Apr-23	09-Mar-23	08-Apr-22	
G.N. Extr (45%)	1%	38000	37500	38500	41000	
Kardi Extr	-	NA	-	-	-	
Undec Cottonseed Exp	2%	31500	31000	29000	38000	
Rice Bran Extr.	-	NA	-	-	-	
Sunflower Extr.	3%	30000	29000	29000	29000	
Rapeseed Extr.	-	NA	-	-	-	
Soymeal 48%	-1%	47478	48000	46070	64174	
Castor Extr.	1%	7250	7150	8050	10450	

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