

**Oilseeds Domestic Fundamentals:** In Indore, soybean plant average prices went up by 1.27% at Rs. 7950/qtl amid low arrivals. Jaipur RM seed average prices went up by 1.8% at Rs 7,112/qtl amid decrease in arrivals from peak and strong RM seed demand by oil millers. In Rajasthan RM seed remained at 4 Lakh bags.

USDA April'22 Estimate				
Brazil 2021-22	April'22 estimates	March'22 estimates	% Change	Absolute Change
Soymeal Exports	16500	17250	-4%	-750
Soy bean Exports	82750	85500	-3%	-2750
USA 2021-22	April'22 estimates	March'22 estimates	% Change	Absolute Change
Soymeal Exports	12,882	13,063	-1%	-181
Soy bean Exports	57,561	56,880	1%	681
India's 2021-22	April'22 estimates	March'22 estimates	% Change	Absolute Change
Sunflower Oil Import	2,100	2,400	-13%	-300
Soy bean Production	11,900	11,900	0%	0
Soybean Crush	10200	10200	0%	0
Soybean oil Import	3650	3550	3%	100
Soybean oil Domestic Consumption	5400	5300	2%	100
China's 2021-22	April'22 estimates	March'22 estimates	% Change	Absolute Change
Soybean Import	91,000	94,000	-3%	-3000
Soybean Crush	89,000	92,000	-3%	-3000
Soybean Ending stock	89000	92,000	-3%	-3000
Source: USDA				In Thousand
Metric Tons				

- Upon low soymeal export demand, there is sluggish Soy demand by the crushers, arrivals has declined to seven months low. Farmers are still not releasing their holdings. Traders are more interested to buy Rabi crops such as mustard than Soybean at higher level, However stock limit is a hurdle to buy new stuff beyond 2000 Qtl.
- GOI has extended the period of stock limit, imposed on edible oils and oilseeds till 31st December, 2022 which was previously extended till 30th June 22. Exceptions have been given for exporters and importers. This will impact the prices in long term. The quantity specified are-

- India imports usually 1.75-2 Lakh tonnes of sunflower oil per month from Russia and Ukraine. The Russia-Ukraine conflict has disturbed Sunflower oil supply. Additionally, Indonesia announced to increase limit of domestic sell from 20% to 30% on 9th March. Tight domestic edible oil supply pushed higher Soy prices too. However, In the Upcoming week, any negotiation talks between Russia and Ukraine may ease domestic soy prices in tandem with CBOT soybean prices and crude oil prices.
- Arrivals are decreasing and despite firm prices, farmers are still holding Soybean in anticipation of better prices.
- Amid Russia Ukraine negotiation talks soybean may ease on the back of expectation of sunflower oil import and decline in crude oil prices.
- Amid high inflation and decrease in forex, Argentina has raised the export tax rate on soy oil and meal by two percentage points to 33% until the end of the year.
- Solvent Extractors Association (SEA) reported India's Soy oil imports in Feb'22 up by 32% to 3,76,594 tonne as compared to 2,85,973 tonne in Feb'21. Additionally, soy oil import in Nov-Feb'22 went up by 74% to 16,34,383 tonne as compared to 9,38,233 tonne previous year same period. The import of soybean oil is up due to decline in domestic crushing triggered by low soymeal demand and tight crush margin. We expect higher imports in upcoming months too due to sunflower oil import disruption because of Russia-Ukraine conflict.
- According to SOPA estimates, soymeal demand in food sector is up by 33% to 8 lakh tonne in MY 2021-22 from previous year at 6 lakh tonne. In the Oct'21-Feb'22, soymeal offtake in food sector was estimated at 3.45 lakh tonne from 2.55 lakh tonne in same period last year.

**International updates**

- As per latest data, Argentina soybeans were 4.4% harvested as of late last week compared to 0% last year and 7.2% average.
- According to USDA planting report, in 2022 Soybean growers intend to plant a record 91.0 million acres in 2022, up 4 percent from last year. The report also pushed China's soymeal prices lower.
- According to CONAB, Brazil's 2021-22 soybean harvesting has reached to 80.4% as compared to 76.2% last year same period.
- According to China's customs data, China soybean import from Brazil in the first two months of 2022 rose by 241% to 3.51 MMT from 1.03 MMT.

**RM seed**

- In upcoming months, crushing could lose momentum, as farmers are expected to hold back their produce in anticipation of better prices.
- USDA, in its April'22 reports, kept India's 2021-22 production estimate at 108 lakh tonne, crushing estimate at 96.50 lakh tonne as compared to 75 lakh tonne.
- Amid Russia Ukraine conflict, India may face 25% or 4-6 lakh tonnes sunflower oil shortage, around 70% crude sunflower oil is imported from Ukraine and 20% from Russia. Refined sunflower oil constitutes 10% of the country's total consumption of 230-240 Lakh tonnes of edible oil annually and around 60% of demand is met from imports. However, Mustard oil is expected to fill the gap as this season Mustard oil production is estimated up by 27% at 43.6 Lakh tonnes as compared to previous year at 36.4 Lakh tonnes.
- Upon supply crunch in edible oils, there is good demand of RM seed from oil millers and are running at full pace, currently, 65-70% of arrivals getting crushed.
- Madhya Pradesh government has decided to buy 3.48 lakh tonne of mustard in MY 2021-22.
- USDA has estimated India's 2021-22 ending stock higher at 5.19 lakh tonne against last year at 3.69 lakh tonne.
- Trade body Central Organization for Oil Industry and Trade (COOIT) has estimated mustard Rabi 2022 crop at 113 lakh tonne marginally up from 110 lakh tonne last month, total production includes taramira too. COOIT has estimated mustard crop production in Rajasthan at 51 lakh tonne, 17 lakh tonne in Uttar Pradesh, 12.5 lakh tonne in Madhya Pradesh.
- Mustard traders are seeking for stock limit removal, as arrivals are picking up in mandis and between 15<sup>th</sup> March to 30<sup>th</sup> April around 60% of produce arrives in the market. In Oct'21 Rajasthan government had imposed stock holding limit of 2000 qtl for whole seller and 200 qtl for retailer till 31<sup>st</sup> March 2022.
- Upon higher acreage, for MY 2022-23 RM seed production, AgriWatch estimated a 25% higher production at 107.1 lakh tonne, this compares with 85.40 lakh tonne in 2021-22.
- As per 2nd Advance Estimates, released by the Department of Agriculture and Farmers Welfare, the estimated production of RM seed during 2021-22 is 114.59 lakh tonne vs 102.1 lakh tonne last year.
- According to GOI, as on 04<sup>th</sup> Feb'22, All India Mustard sowing is up by 25.3% at 91.63 Lakh Ha compared with 73.12 Lakh Ha last year.
- USDA in its April'22 report, estimated Canada canola production estimates at 12.6 MMT Vs 19.48 MMT previous year, China at 14 MMT Vs 14 MMT last year, EU at 17.15 MMT Vs 16.2 MMT previous year.
- Canada canola exports estimated down to 5.3 MMT Vs 10.58 MMT last year.
- Lower canola production in Canada has disrupted exports and major importers likely turn to Australia to offset displaced imports.
- According to Agriculture and Agri-Food Canada's (AAFC) For 2021-22, canola supplies have tightened as compared to last year, declining 37% to 14.5 MMT, due to a 49% drop in carry-in stocks and 35% lower production following last summer's drought-reduced production in Canada.

- Moreover, tight supplies and strong demand in Canada is underpinning record high prices for canola processing of canola is estimated down by 18% from last year to 8.5 Mt, by comparison exports are expected to fall by 49%, to 5.4 Mt, due to the tight supplies.
- Global rapeseed production is estimated at 71.18 MMT in USDA's April report on y-o-y comparison it is at downward compared to the 73.61 MMT last year. Production is down for the year due to prolonged heat stress in Canada.

**Outlook:** Soybean (plant delivery, Indore) prices are expected to be in the range of 7700-8000/qty levels in the near-term. RM seed prices are expected to correct from higher level amid new crop arrivals. Jaipur RM seed expected to trade in the range of 6800-7200 in near term.

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qty)				Change
Soybean	11-Apr-22		09-Apr-22		
	Low	High	Low	High	
Indore –Plant	7900	8000	7800	7900	100
Indore–Mandi	7400	7750	7400	7700	50
Nagpur-Plant	7000	7690	7000	7700	-10
Nagpur – Mandi	6300	7440	6100	7450	-10
Latur – Mandi	NA	NA	7200	7450	-
Akola – Mandi	NA	NA	6800	7325	-
Kota-Plant	7500	7860	7400	7800	60
Kota – Mandi	7100	7660	7000	7600	60
Bundi-Plant	7400	7950	7300	7900	50
Bundi-Mandi	7300	7550	7200	7500	50
Baran-Plant	7450	7950	7400	7900	50
Baran-Mandi	7050	7700	7000	7650	50
Bhawani Mandi Jhalawar–Plant	7450	7950	7400	7900	50
Jhalwar-Mandi	7250	7850	7200	7800	50
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	7100	7125	6975	7000	125
Alwar-(Condition)	6500	6600	6500	6600	Unch
Sri Ganganagar-(Non-Condition)	5700	6200	5800	6200	Unch
New Delhi–(Condition)	6650	6700	6750	6800	-100
Kota-(Condition)	6400	6600	6400	6600	Unch
Agra-(Condition)	7048	7143	7048	7143	Unch
Neewai-(Condition)	6300	6700	6300	6700	Unch

Hapur (UP)-(Condition)	6600	6700	6600	6700	Unch
<b>Groundnut Seed</b>					
Rajkot	1050	1050	1150	1150	-100
<b>Sunflower Seed</b>					
Gulbarga	6000	6500	6000	6500	Unch
Latur	7100	7300	7000	7200	100
Sholapur	7100	7300	7000	7200	100
Soybean Prices are in INR/qtl. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/qt (1 bag=85 kg) C – Condition (42%), *Groundnut seed in Rs/20 kg, Sunflower Seed in Rs/qtl.					

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