

Oilseeds Domestic Fundamentals: *In Indore, soybean plant average prices went marginally down by 0.63% at Rs. 7900/qtl amid low arrivals. In MP and MH arrivals recorded at 50000 bags each. CBOT soybean went up by 0.98%. Jaipur RM seed average prices remained stable at Rs 7,112/qtl amid decrease in arrivals from peak and strong RM seed demand by oil millers. In Rajasthan RM seed arrivals remained at 4 Lakh bags. In upcoming months, crushing could loose momentum, as farmers are expected to hold back their produce in anticipation of better prices.*

- Skymet has forecasted South west Monsoon for 2022. Skymet expects the upcoming monsoon to be normal to the tune of 98% of LPA. In terms of geographical risk, Skymet expects Rajasthan, Gujarat, Nagaland, Manipur, Mizoram, and Tripura to be at risk of being rain deficit throughout the season.
- 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

- Union Ministry of Consumer Affairs, Food and Public Distribution has stated "Inspections have revealed very large hoardings of soyabean and mustard seeds in Dewas, Shajapur & Guna districts of Madhya Pradesh. Besides, large quantities of edible oils have been found in excess of the prescribed quantities of the control order in Maharashtra and Rajasthan. Upon hoarding of large quantities, prices went up in the domestic markets.
- 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 countries 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 is picking up in mandis and between 15th March to 30th 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 31st 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 04th 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/qrtl 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 6900-7200 in near term.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	12-Apr-22		11-Apr-22		
	Low	High	Low	High	
Indore –Plant	7850	7950	7900	8000	-50
Indore–Mandi	7500	7800	7400	7750	50
Nagpur-Plant	7000	7750	7000	7690	60
Nagpur – Mandi	6300	7500	6300	7440	60
Latur – Mandi	7270	7480	6900	7515	-35
Akola – Mandi	NA	NA	7060	7585	-
Kota-Plant	7550	7920	7500	7860	60
Kota – Mandi	7200	7720	7100	7660	60
Bundi-Plant	7450	7980	7400	7950	30
Bundi-Mandi	7350	7580	7300	7550	30

Baran-Plant	7500	7975	7450	7950	25
Baran-Mandi	7100	7725	7050	7700	25
Bhawani Mandi Jhalawar-Plant	7500	8000	7450	7950	50
Jhalwar-Mandi	7300	7900	7250	7850	50
Rapeseed/Mustard					
Jaipur-(Condition)	7100	7125	7100	7125	Unch
Alwar-(Condition)	6500	6600	6500	6600	Unch
Sri Ganganagar-(Non-Condition)	5600	6200	5700	6200	Unch
New Delhi-(Condition)	6850	6900	6650	6700	200
Kota-(Condition)	6600	6800	6400	6600	200
Agra-(Condition)	7143	7238	7048	7143	95
Neewai-(Condition)	6350	6750	6300	6700	50
Hapur (UP)-(Condition)	6700	6800	6600	6700	100
Groundnut Seed					
Rajkot	1000	1000	1050	1050	-50
Sunflower Seed					
Gulbarga	6000	6500	6000	6500	Unch
Latur	7100	7300	7100	7300	Unch
Sholapur	7100	7300	7100	7300	Unch
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.					

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	12-Apr-22	11-Apr-22	
Madhya Pradesh	50000	50000	Unch
Maharashtra	50000	50000	Unch
Kota	7000	7000	Unch
Bundi (Raj)	130	60	70
Baran (Raj)	500	180	320
Jhalawar (Raj)	1000	500	500
Rapeseed/Mustard			
Rajasthan	350000	400000	-50000
Alwar	6000	5000	1000
Sri Ganganagar	7000	6000	1000
Kota	2000	4000	-2000
Groundnut Seed			

Rajkot (Gujarat)	2800	9450	-6650
Sunflower Seed			
Sholapur (Maharashtra)	800	800	Unch

Other Oilseed Prices at Mumbai (INR/100 Kg):

Oilseeds	12-Apr-22	11-Apr-22	Change
Groundnut Kernel	8000	8050	-50
Gr. Bolds 60/70	8800	8800	Unch
Gr. Javas 60/70	9900	9900	Unch
Gr Javas 70/80	9800	9800	Unch
Gr.Javas 80/90	9400	9400	Unch
KardiSeed 2% Exp Qly	5800	5900	-100
Sesame White 98/2/1 FM	10000	10000	Unch
Whitish 95/5/FFA/1FM	9800	9800	Unch
Brown 48/2 FFA/4 FM	9400	9400	Unch
Brown 48/3 FFA/4 FM	9100	9100	Unch
Brown 48/4 FM/* No FFA Guarantee	8800	8800	Unch
Sunflower Seed	6600	6600	Unch
Niger Seed (4% FM)	8500	8500	Unch

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