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**Oilseeds Domestic Fundamentals:****Today's Update-**

In Indore, soybean plant average prices went down by 0.96% to Rs. 7775/qtl. In other cash markets too prices traded with mixed sentiments. In MP arrivals stood at 0.4 Lakh bags Vs 0.5 Lakh Bags previous day and in MH arrivals stood at 0.5 Lakh bags Vs 0.6 Lakh bags previous day.

Solvent Extractor Association of India has said the storage control order of government is not serving the purpose of checking price of edible oil, but it is creating problems in maintaining a smooth supply chain and suggested to revisit norms of storage for whole sellers and retailers and fix a limit of 15 days of storage based on average sale of retailer or whole seller for the last six months sales based on GST returns filed by them.

**Previous Updates-**

- According to Solvent Extractor Association of India, country's March'2022 soymeal exports declined by 25% to 2,42,043 metric tonnes compared to 3,22,850 metric tonnes in the same period last year. Low arrivals, tight crush margin and weak export demand has resulted into decline in exports, in April and May too, exports likely to remain weak.
- SOPA reported Soybean Crushing low by 24% to 6.5 Lakh tonnes as compared to 8.5 Lakh tonnes previous years. Crushing remained low on low export demand and tight crush margin.
- However, arrivals recorded 26% higher at 6 lakh tonnes as compared to 4.75 Lakh tonnes previous years. Farmers released stocks on better prices in March.
- Skymet has forecasted South west Mon soon 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.

**International updates**

- As per latest data, Argentina soybeans were 14.4% harvested as of late last week compared to 7.2% last year and 27% average. High fuel cost attributed to the slow harvesting.
- According to USDA latest planting report USA Soybean sowing progress stood at 1% Vs 3% previous year and 2% five year average.
- China's 2022 Soybean demand may fall up to 6% on dip in feed requirement. Negative crush margin since Feb'22 too attributed to dip in demand.
- According to China's General Administration of Customs data, world's top importer of soybeans, China brought in 3.37 million tonnes, down sharply from 7.18 million a year earlier.
- According to NOPA, Soy crushing in US is up by 10.1% to (181.75 Million Bushels) from Feb'22 and 2.1% up from March'22.
- According to CONAB, Brazil's 2021-22 soybean harvesting has reached to 80.4% as compared to 76.2% last year same period.

## **RM seed**

### **Today's Update-**

Jaipur RM seed average prices went marginally up by 0.3% to Rs 7,212/qtl. In Rajasthan RM seed arrivals remained at 3 Lakh bags as compared to 3 Lakh bags previous day. Farmers are continued holding crop produce which has resulted into low arrivals. ICE canola trading near all time high on tight global supply.

According to of Agriculture and Agri-Food Canada's (AAFC), Demand for Canadian Canola remains firm on a strong world oilseed crush and high prices for competing oilseeds and vegetable oils. Disruption of Black Sea exports of sunflowerseed oil as a result of the Russian invasion of Ukraine is tightening world supplies and supporting world prices. Domestically, processing of canola is estimated to fall to 8.5 Mt, a drop of 18% from last year, while exports are expected to fall by 49% to 5.4 Mt, as commercial buyers outbid exporters for the tight supplies. For the crop year, the major importers of Canadian canola to-date are China, Japan, Mexico and the European Union.

### **Previous Updates-**

In order to check blending of mustard oil with other edible oil, FSSAI has directed state food safety officials. And has also sought an action taken report from the states by May 15, 2022, and added that the enforcement department should be informed at regular intervals about the same.

Firm RM seed oil prices in last few days has improved crush margin and crushing may gain momentum.

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 tonnes, crushing estimate at 96.50 lakh tonne as compared to 75 lakh tonnes.

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.

**Outlook:** Soybean (plant delivery, Indore) prices are expected to be in the range of 7800-8000/qtl 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 7,100-7400 in near term.

**Oilseed Prices at Key Spot Markets:**

| Commodity / Centre  | Prices (Rs/Qtl) |      |           |      | Change |
|---|-----------------|------|-----------|------|--------|
| Soybean   | 22-Apr-22       |      | 21-Apr-22 |      |        |
|   | Low             | High | Low       | High |        |
| Indore –Plant   | 7625            | 7725 | 7700      | 7800 | -75    |
| Indore–Mandi  | 7400            | 7700 | 7400      | 7700 | Unch   |
| Nagpur-Plant  | 6900            | 7500 | 7100      | 7630 | -130   |
| Nagpur – Mandi  | 6000            | 7300 | 6300      | 7430 | -130   |
| Latur – Mandi   | 6505            | 7415 | 7150      | 7450 | -35    |
| Akola – Mandi   | 6500            | 7335 | 6600      | 7385 | -50    |
| Kota-Plant  | 7400            | 7650 | 7300      | 7500 | 150    |
| Kota – Mandi  | 7200            | 7500 | 7100      | 7300 | 200    |
| Bundi-Plant   | 7000            | 7600 | 6800      | 7400 | 200    |
| Bundi-Mandi   | 7000            | 7300 | 6500      | 7100 | 200    |
| Baran-Plant   | 6700            | 7500 | 6600      | 7350 | 150    |
| Baran-Mandi   | 6800            | 7300 | 6700      | 7150 | 150    |
| Bhawani Mandi Jhalawar–Plant  | 6900            | 7700 | 6700      | 7500 | 200    |
| Jhalwar-Mandi   | 6700            | 7600 | 6500      | 7450 | 150    |
| <b>Rapeseed/Mustard</b>   |                 |      |           |      |        |
| Jaipur-(Condition)  | 7200            | 7225 | 7175      | 7200 | 25     |
| Alwar-(Condition)   | 6800            | 6900 | 6800      | 6900 | Unch   |
| Sri Ganganagar-(Non-Condition)  | 6400            | 6900 | 6500      | 6950 | -50    |
| New Delhi–(Condition)   | 6900            | 7000 | 6950      | 7050 | -50    |
| Kota-(Condition)  | 6600            | 6925 | 6850      | 7050 | -125   |
| Agra-(Condition)  | 7095            | 7286 | 7143      | 7333 | -48    |
| Neewai-(Condition)  | 6475            | 6975 | 6650      | 7150 | -175   |
| Hapur (UP)-(Condition)  | 6900            | 6950 | 6950      | 7000 | -50    |
| <b>Groundnut Seed</b>   |                 |      |           |      |        |
| Rajkot  | 1100            | 1100 | 1050      | 1050 | 50     |
| <b>Sunflower Seed</b>   |                 |      |           |      |        |
| Gulbarga  | 4500            | 5500 | 4500      | 5500 | 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/ctl.

**Oilseed Arrivals in Key Centers:**

| Commodity / Centre      | Arrivals in Bags/Qt |                  | Change |
|-------------------------|---------------------|------------------|--------|
| <b>Soybean</b>          | <b>22-Apr-22</b>    | <b>21-Apr-22</b> |        |
| Madhya Pradesh          | 40000               | 50000            | -10000 |
| Maharashtra             | 50000               | 60000            | -10000 |
| Kota                    | 7000                | 7000             | Unch   |
| Bundi (Raj)             | 700                 | 1200             | -500   |
| Baran (Raj)             | 600                 | 500              | 100    |
| Jhalawar (Raj)          | 1200                | 1700             | -500   |
| <b>Rapeseed/Mustard</b> |                     |                  |        |
| Rajasthan               | 300000              | 300000           | Unch   |
| Alwar                   | 1500                | 3000             | -1500  |
| Sri Ganganagar          | 1000                | 1200             | -200   |
| Kota                    | 9000                | 5000             | 4000   |
| <b>Groundnut Seed</b>   |                     |                  |        |
| Rajkot (Gujarat)        | 6112.5              | 5975             | 137.5  |
| <b>Sunflower Seed</b>   |                     |                  |        |
| Sholapur (Maharashtra)  | 500                 | 500              | Unch   |

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

| Oilseeds                         | 22-Apr-22 | 21-Apr-22 | Change |
|----------------------------------|-----------|-----------|--------|
| Groundnut Kernel                 | 8200      | 8200      | Unch   |
| Gr. Bolds 60/70                  | 8800      | 8800      | Unch   |
| Gr. Javas 60/70                  | 9900      | 9900      | Unch   |
| Gr Javas 70/80                   | 8900      | 8900      | Unch   |
| Gr.Javas 80/90                   | 9400      | 9400      | Unch   |
| KardiSeed 2% Exp Qly             | 5700      | 5700      | Unch   |
| 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     | 6800 | 6800 | Unch |
| Niger Seed (4% FM) | 8500 | 8500 | Unch |

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