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

In Indore, soybean plant prices went up by 1.32% to Rs. 7,700/qtl. The Ministry of Consumer, Food and Public Distribution, will allow import of GM soya mills for balance quantity of 5.50 lakh tonnes out of the estimated 12 lakh metric tonnes of August 2021 till 30 September 2022, reviewing the imported quantity and domestic prices at regular intervals. Necessary clearances etc. should be obtained by Animal Husbandry and Dairying Department and DGFT notification can take care of operational aspects, with the effect of this, soya plants have reduced soybean prices by up to Rs 100/250 on Friday.

In other cash markets prices traded with weak sentiments. Farmers are likely to offload on account of kharif sowing and arrivals may rebound. In MP arrivals stood at 0.5 Lakh bags and in MH arrivals stood at 0.55 Lakh bags. Soybean (plant delivery, Indore) prices are expected to trade with weak bias on the back of Soymeal import in the range of 7500-7800/qtl levels in the near-term.

Previous Updates-

SOPA has urged the Central government not to allow the import of genetically modified (GM) soyabean meal citing that it will adversely impact the local processors and farmers since the country does not allow cultivation of GM food crops. However, the major concern is import parity from Argentina, as soymeal FOB Argentina prices are high with 33% export tariff.

- 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.

- 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

- According to USDA latest planting report USA Soybean sowing progress stood at 3% Vs 7% previous year and 5% five year average.
- 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.
- 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-

Domestic demand coupled with shrinking arrivals and export ban by Indonesia driving the mandi prices above MSP. Today Jaipur RM seed prices went up by 1.4% at Rs 7,500/qtl. In Rajasthan RM seed arrivals recorded at 3.25 Lakh bags. Farmers are holding crop produce which has resulted into low arrivals. ICE canola continued trading near all time high on tight global supply. RM seed prices are expected to trade with firm bias tracking palm oil and CPO export ban by Indonesia in the range of 7,400-7600 in near term.

Previous Updates-

Indonesia's flip-flops in export ban policy have sent global prices into turmoil. Indonesia is the world's biggest producer of palm oil-producing 59% of the global supply. Indonesia's Minister for Economic Affairs Airlangga Hartarto cleared in a media briefing on 27th April, that Indonesia has widened its export ban and has included Crude Palm Oil (CPO) and Refined Palm Oil (RPO) in addition to Refined Bleached Deodorized Palm Oil (RBDPO) in its new export policy. Upon palm oil export ban by Indonesia, oilseed complex likely to remain bullish.

Statistics Canada on Tuesday pegged Canada's 2022 canola plantings at 20.9 million acres, down 7% from last year, 6% below the five-year average and lighter than analyst expectations of 22.1 million.

In Haryana, government agencies have not procured even a single quintal of mustard so far, as private players have offered rates much more than the MSP (Rs 5,050 /qtl).

According to 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 sunflower seed 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.

- 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.

- 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.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	29-Apr-22		28-Apr-22		
	Low	High	Low	High	
Indore –Plant	7400	7700	7400	7600	100
Indore–Mandi	7200	7600	7200	7500	100
Nagpur-Plant	6900	7300	7000	7405	-105
Nagpur – Mandi	6100	7100	6200	7205	-105
Latur – Mandi	NA	NA	NA	NA	-
Akola – Mandi	NA	NA	6405	7200	-
Kota-Plant	7500	7570	7650	7700	-130
Kota – Mandi	7200	7470	7350	7600	-130
Bundi-Plant	7100	7600	7270	7700	-100
Bundi-Mandi	7000	7300	7170	7400	-100
Baran-Plant	7100	7700	7260	7820	-120
Baran-Mandi	7200	7500	7330	7620	-120
Bhawani Mandi Jhalawar–Plant	7200	7680	7340	7850	-170
Jhalwar-Mandi	7000	7580	7160	7750	-170

Rapeseed/Mustard					
Jaipur-(Condition)	7475	7500	7375	7400	100
Alwar-(Condition)	6800	7000	6700	6900	100
Sri Ganganagar-(Non-Condition)	6760	7060	6600	6900	160
New Delhi-(Condition)	7100	7200	6900	7000	200
Kota-(Condition)	6850	7200	6700	7050	150
Agra-(Condition)	7381	7476	7333	7429	48
Neewai-(Condition)	6500	7100	6400	7000	100
Hapur (UP)-(Condition)	7300	7350	7200	7250	100
Groundnut Seed					
Rajkot	1025	1025	1051	1051	-26
Sunflower Seed					
Gulbarga	4800	5400	4550	5600	-200
Latur	7600	7800	7600	7800	Unch
Sholapur	7600	7800	7600	7800	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	29-Apr-22	28-Apr-22	
Madhya Pradesh	50000	55000	-5000
Maharashtra	50000	50000	Unch
Kota	7000	7000	Unch
Bundi (Raj)	800	700	100
Baran (Raj)	800	600	200
Jhalawar (Raj)	1300	1000	300
Rapeseed/Mustard			
Rajasthan	325000	325000	Unch
Alwar	2500	2000	500
Sri Ganganagar	3000	1200	1800
Kota	7000	5000	2000
Groundnut Seed			
Rajkot (Gujarat)	5900	5980	-80
Sunflower Seed			

Sholapur (Maharashtra)	700	600	100
------------------------	-----	-----	-----

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

Oilseeds	29-Apr-22	28-Apr-22	Change
Groundnut Kernel	8375	8375	Unch
Gr. Bolds 60/70	8800	8700	100
Gr. Javas 60/70	9900	9800	100
Gr Javas 70/80	8900	8800	100
Gr.Javas 80/90	9400	9300	100
KardiSeed 2% Exp Qly	5500	5500	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)	8400	8400	Unch

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2022 Indian Agribusiness Systems Limited