

Oilseeds Domestic Fundamentals:
Today's Update-

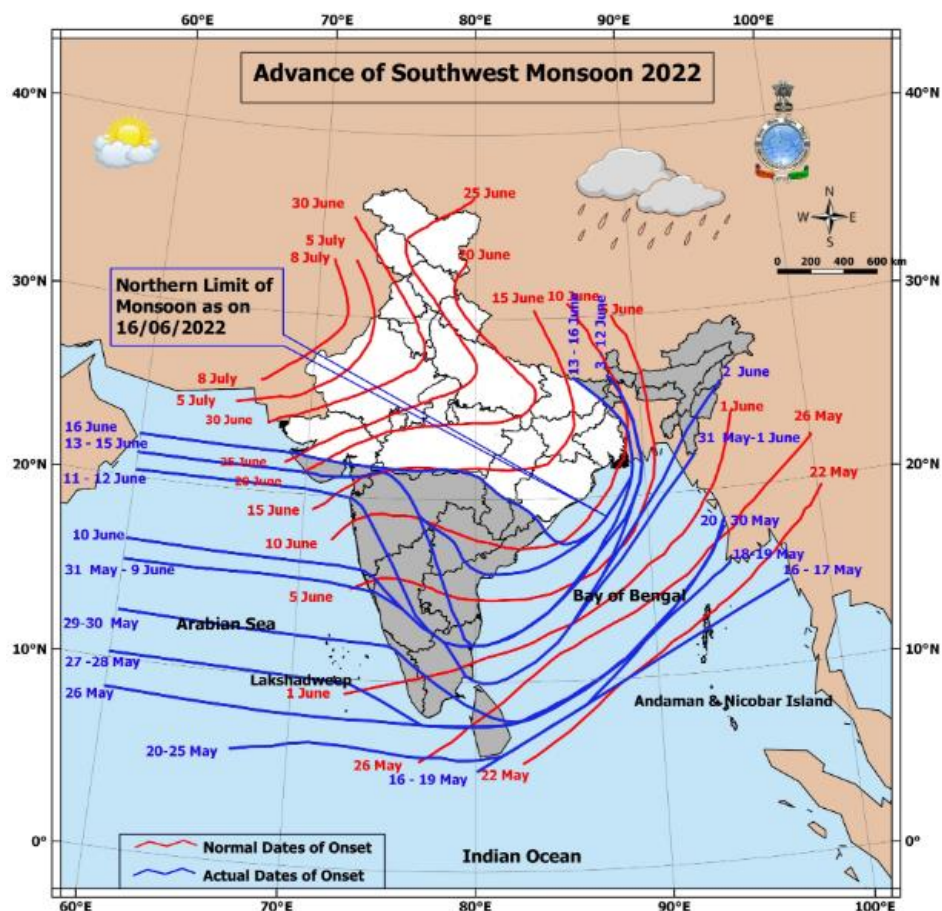
Today in Indore, soybean plant prices down up by 2.52% to Rs. 6,775 /qtl. However, in other cash markets, soybean traded with weak sentiments amid soymeal import. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 6600-7000/qtl levels in the near-term tracking soy meal import.

Weather Activity in the last 24 hours:

Monsoon has advanced further over part of Gujarat, most parts of Maharashtra, south Madhya Pradesh, Chhattisgarh and Odisha.

During the last 24 hours, moderate to heavy rain continued over Northeast India, parts of sub-Himalayan West Bengal and Sikkim.

Light to moderate rain with few heavy spells occurred over interior Tamil Nadu, parts of Lakshadweep and at one or two places over Southeast Rajasthan and western parts of Uttar Pradesh.



Light to moderate rain occurred over Bihar, Madhya Pradesh, Kerala, coastal Karnataka, Konkan and Goa, Rayalaseema, parts of coastal Andhra Pradesh, parts of Telangana, interior Odisha, Punjab, Himachal Pradesh, Uttarakhand and Jammu and Kashmir.

Light rain occurred over Jharkhand, east and Central Uttar Pradesh, east Haryana, Delhi, south Gujarat, Madhya Maharashtra, Chhattisgarh and Andaman and Nicobar Islands.

Weather Activity in the next 24 hours:

During the next 24 hours, moderate to heavy rain with isolated very heavy spell is possible over Northeast India.

Light to moderate rain with few heavy spells are possible for over sub-Himalayan west Bengal and Sikkim, Northeast Bihar, parts of Kerala, coastal Karnataka, south interior Karnataka, interior parts of Tamil Nadu, Rayalaseema and at one or two places over Telangana, Punjab and Lakshadweep.

Scattered light to moderate rain may occur over rest of Bihar, Jharkhand, Gangetic west Bengal, Odisha, Uttar Pradesh, Haryana, Delhi, north and East Rajasthan, Madhya Pradesh, Maharashtra, parts of Chhattisgarh, east Gujarat, Himachal Pradesh and Uttarakhand.

Previous Update:

Government has tightened the norms for importing crude soy and Sunflower oils at nil import duty. On May 24, the government had allowed annual import of 2 million tonnes of two edible oils for the next two year at nil duty. These imports are allowed only for oil processors based on their refining capacity. The government has now asked importers to submit details of turnover for processing of crude edible oils in the last three years. They will also have to submit GST returns, earlier only processing capacity was sought.

Oct-May'22 crushing remained low by 29% to 53 Lakh tonnes as compared to 75 Lakh tonnes previous year, weak soymeal export demand attributed to low crushing this season till May'22. And arrivals went down by 12% to 70 Lakh tonnes as compared to 79.75 Lakh tonnes previous same period.

International:

China plans to sell 500,000 tonnes of imported soybeans from its state reserves on June 10.

Argentina's soybean harvest is now seen at 43.3 million tonnes, up from 42 million previous due to better-than-expected yields, according to the Buenos Aires Grain Exchange.

According to USDA latest report, US Soybean planting progress reached at 78% vs 66% a week ago, 89% a year ago and 79% five-year average.

According to General Administration of Customs, China's soybean imports from Brazil in April surged from the previous month with the arrival of delayed cargoes. China, the world's top importer of soybeans, received 6.3 million tonnes of the oilseed from Brazil in April, up 120% from 2.87 million tonnes in March.

RM seed**Today's Update-**

Today Jaipur RM seed prices went marginally up by 1.4% to Rs. 7,150/qtl. However, In other cash markets, traded with mixed sentiments amid shrinking arrivals. In Rajasthan arrivals recorded at 1.40 Lakh bags vs 1.45 lakh bags previous day. Oil millers are currently doing need-based buying whereas, farmers are unwilling to sell their produce at discounted price. Moreover, traders are not aggressively buying due to stock limit and strict inspections/stock checks by the government. RM seed prices are expected to trade with weak bias in the range of 6,900-7200 in near term tracking weakness in Palm oil prices.

Previous Updates-

- In May'22 Palm oil futures went down by 14% and till 14th June'22 the Jun'22 is down by 7.22% as top producer Indonesia lowered its maximum export levy rate to boost exports. Indonesia issued regulations backing recently announced changes on a palm oil export tax policy, including lowering the maximum levy rate to \$200 a tonne from \$375 and charging special rates for its export acceleration programme. Indonesia's export allocation for palm oil products that is tied to domestic cooking oil distribution has been raised to 2.25 million tonnes from around 1 million previously. In upcoming week, RM seed prices likely to trade range bound with weak bias, amid correction in palm oil prices.
- As per Agriwatch estimates India's MY 2022-23 RM seed crushing, out of 102.5 Lakh tonnes available for crushing, 68% (69.7 Lakh tonnes) crushing is expected till June'22 this compares with 72% (57.8 Lakh tonnes) last year same period. And approx. 10 lakh tonnes are in the hands of crushers and traders and rest is still with the farmers.
- China has removed a three-year restriction on imports of Canadian canola seed. China, the world's top oilseed buyer, suspended two Canadian canola exporters in March 2019, alleging that pests had been detected in shipments.
- However, low stocks of canola, are expected to limit export to China. Canada, the world's biggest producer and exporter of canola, produced its smallest canola crop in 13 years in 2021, pushing buyers to look elsewhere for supplies, and supporting record global edible oil prices.
- For 2022-23, the area seeded to canola is expected to decrease by 7% to 8.5 million hectares (Mha) based on Statistics Canada's Seeding Intentions Survey.
- Statistics Canada has 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.
- 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 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.

Groundnut:

Groundnut bold 60/70 prices continued to trade above Rs. 8,800/qtl. on good domestic demand. However, there is sluggish export demand this year on high freight charges to the potential destinations. 60/70 Groundnut bold average prices are likely to trade with firm bias in the range of INR 8,800-9,100/Qtl. in short run.

In Oct'21-April'22, India's Groundnut export went down by 24% to 3.72 Lakh tonnes as compared to 4.89 Lakh tonnes same period last year. Low demand from China attributed to the lower exports, while there is good demand from South East Asian countries like Indonesia, Malaysia and Philippines. In Oct'21-May'22 we expect India's groundnut export at 3.9-4 Lakh tonnes.

In Oct-April'22, India's Groundnut oil export went down by 95% to 9,701 tonnes as compared to 2.11 Lakh tonnes previous year same period. In Groundnut oil too, the lower exports can be attributed to low demand from China. Last year China imported groundnut oil heavily from India on account of local crop damage. In Oct-June'22 we expect India's Groundnut oil export at 10000-12000 tonnes.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	17-Jun-22		16-Jun-22		
	Low	High	Low	High	
Indore –Plant	6650	6775	6700	6950	-175
Indore–Mandi	6300	6650	6600	6850	-200
Nagpur-Plant	6000	6660	6000	6740	-80
Nagpur – Mandi	5400	6460	5400	6540	-80
Latur – Mandi	6300	6680	6300	6700	-20
Akola – Mandi	5300	6545	6000	6570	-25
Kota-Plant	6100	6650	6200	6750	-100
Kota – Mandi	6000	6550	6100	6650	-100
Bundi-Plant	6200	6600	6200	6700	-100
Bundi-Mandi	6000	6400	6000	6500	-100
Baran-Plant	6000	6680	6100	6740	-60
Baran-Mandi	6100	6580	6000	6640	-60
Bhawani Mandi Jhalawar–Plant	Closed	Closed	6200	6800	-
Jhalwar-Mandi	Closed	Closed	6100	6750	-
Rapeseed/Mustard					

Jaipur-(Condition)	7125	7150	7025	7050	100
Alwar-(Condition)	6430	6480	6600	6650	-170
Sri Ganganagar-(Non-Condition)	6215	6315	6400	6500	-185
New Delhi-(Condition)	6750	6800	6750	6800	Unch
Kota-(Condition)	6200	6300	6300	6400	-100
Agra-(Condition)	7000	7095	7000	7095	Unch
Neewai-(Condition)	6750	6850	6650	6750	100
Hapur (UP)-(Condition)	6650	6850	6600	6800	50
Groundnut Seed					
Rajkot	1080	1080	1100	1100	-20
Sunflower Seed					
Gulbarga	5450	6100	5400	6100	Unch
Latur	7100	7200	7100	7200	Unch
Sholapur	7100	7200	7100	7200	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	17-Jun-22	16-Jun-22	
Madhya Pradesh	90000	85000	5000
Maharashtra	75000	80000	-5000
Kota	10000	8000	2000
Bundi (Raj)	1000	900	100
Baran (Raj)	500	600	-100
Jhalawar (Raj)	Closed	1300	-
Rapeseed/Mustard			
Rajasthan	140000	140000	Unch
Alwar	1300	1000	300
Sri Ganganagar	1200	1000	200
Kota	3000	2800	200
Groundnut Seed			
Rajkot (Gujarat)	6000	6075	-75
Sunflower Seed			
Sholapur (Maharashtra)	500	500	Unch

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

Oilseeds	17-Jun-22	16-Jun-22	Change
Groundnut Kernel	8000	8000	Unch
Gr. Bolds 60/70	8850	8950	-100
Gr. Javas 60/70	9950	10050	-100
Gr Javas 70/80	8900	9000	-100
Gr.Javas 80/90	9400	9500	-100
KardiSeed 2% Exp Qly	5300	5400	-100
Sesame White 98/2/1 FM	9900	9900	Unch
Whitish 95/5/FFA/1FM	9700	9700	Unch
Brown 48/2 FFA/4 FM	9500	9500	Unch
Brown 48/3 FFA/4 FM	9200	9200	Unch
Brown 48/4 FM/* No FFA Guarantee	8900	8900	Unch
Sunflower Seed	7000	6800	200
Niger Seed (4% FM)	8000	8400	-400

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