

Oilseeds Domestic Fundamentals:

Today's Update-

Today in Indore, soybean plant prices went down by 1.54% to Rs. 6,400 /qtl. In other cash markets too, soybean traded with weak sentiments tracking weakness in global markets and GM Soymeal import. CBOT Soybean currently down by 6.40% in last one week and 5.32% down in June. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 6200-6600/qtl levels in the near-term tracking soy meal import and correction in oilseed complex.

Update on SW Monsoon Progress

As per the latest data of Indian Meteorological Department (IMD), the cumulative monsoon rainfall deficit which earlier was -32% country as a whole is now at par with the normal i.e. – 0% (as of June 22nd, 2022) and the condition for further advance of monsoon is said to be favorable.

Meanwhile, despite of early onset and good pace of progress currently, the distribution of the monsoon rains is a cause of concern (which can be seen from the chart below) as most of the districts of key agriculture states like Maharashtra, MP, UP, Rajasthan, Gujarat, Odisha and Chhattisgarh etc. are still.

Cumulative Rainfall Distribution Map (From 01-06-2022) -

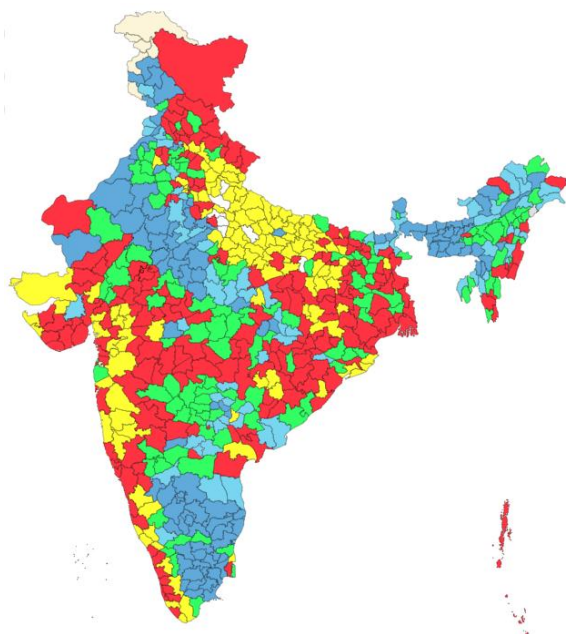
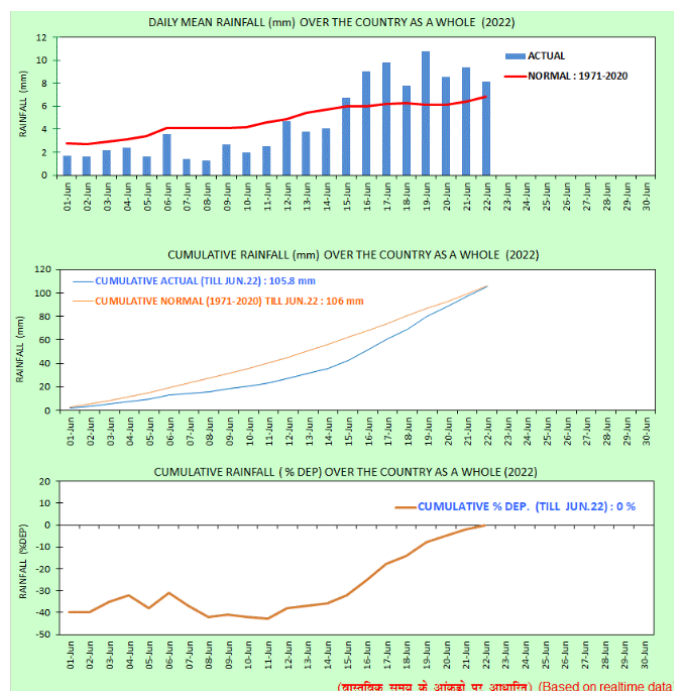
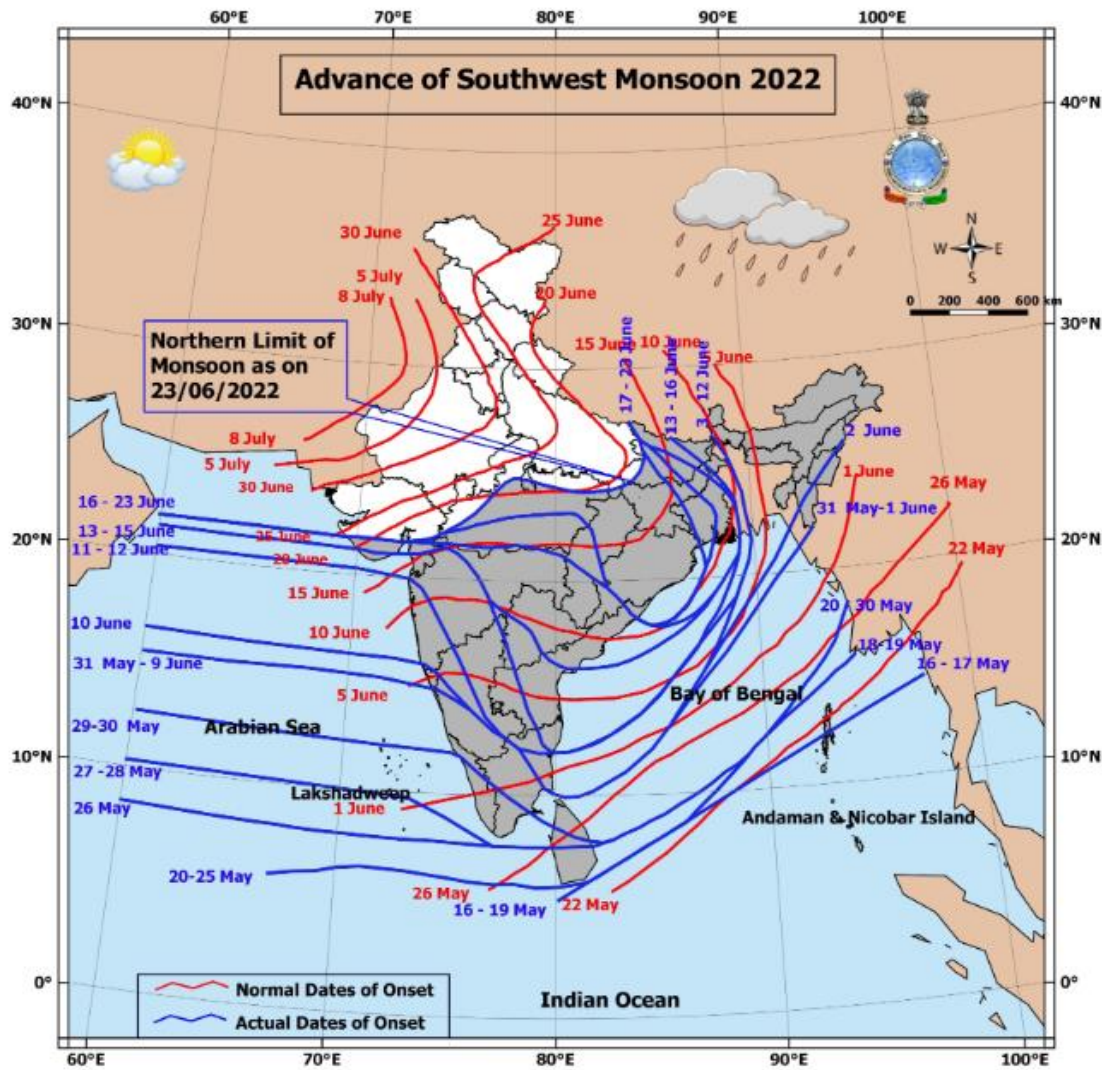


Image Source: IMD





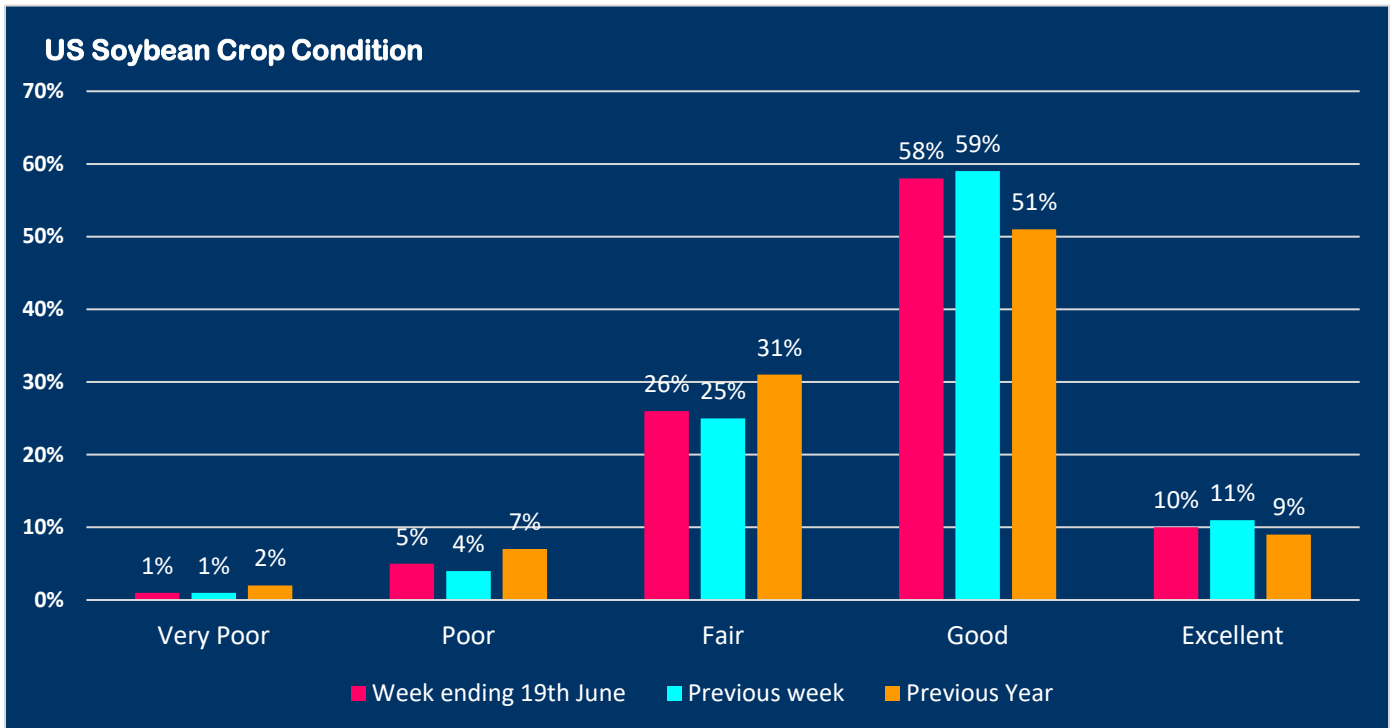
Soybean pre sowing intensions: According to Agriwatch, Soybean 2021-22 Kharif sowing acreage likely to decline by 5-8%. Acreage is likely to shift to cotton and Maize on lucrative prices.

	State-Wise Progress of Area Coverage Under Kharif Soyabean as on 17-Jun-2022				
S.No.	State	Area Covered		Difference in Area coverage with Current Week	
		(Lakh Ha)			
		2022	2021	2021	2020
1	Andhra Pradesh	0	-	-	-
2	Gujarat	0.022	0.004	0.018	-0.001
3	Karnataka	0.476	0.368	0.108	-0.082
4	Maharashtra	0.007	0.5	-0.493	-1.871
5	Nagaland	0.097	0.108	-0.011	0.046
6	Tamil Nadu	0.004	-	-	-
7	Telangana.	0.002	0.005	-0.003	-0.161
8	Uttarakhand	0.01	-	-	-
	Total	0.618	0.991	-0.372	-2.092

Previous Update:

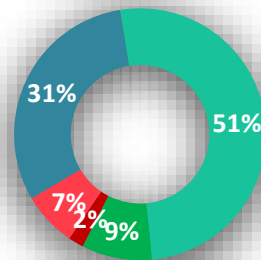
Oct-May'22 crushing remained low by 29% to 53 Lakh tonnes as compared to 75 Lakh tonnes previous year, weak soymeal export demand attributed to low crushing this season till May'22. And arrivals went down by 12% to 70 Lakh tonnes as compared to 79.75 Lakh tonnes previous same period.

International:



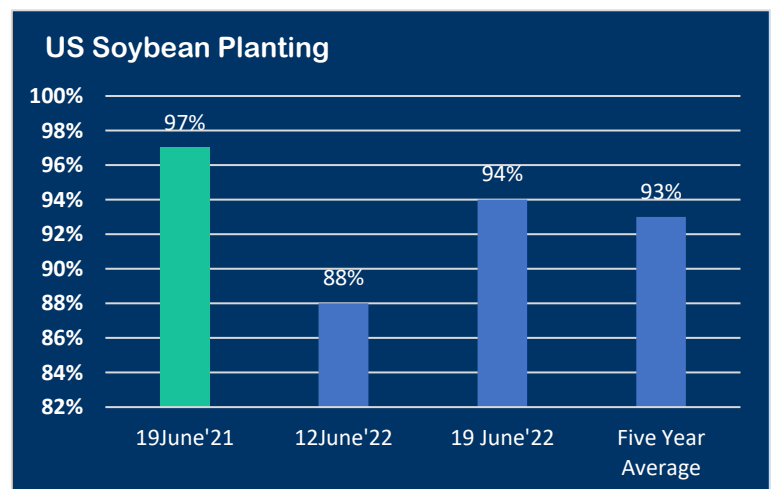
According to USDA latest report, 2% of Soybean crop is in very poor condition, 7% is in poor condition, 31% fair condition, 51% in good condition and 9% in excellent condition. Despite a bearish tone in, US weather and soybean crop condition is a key watch point moving forward.

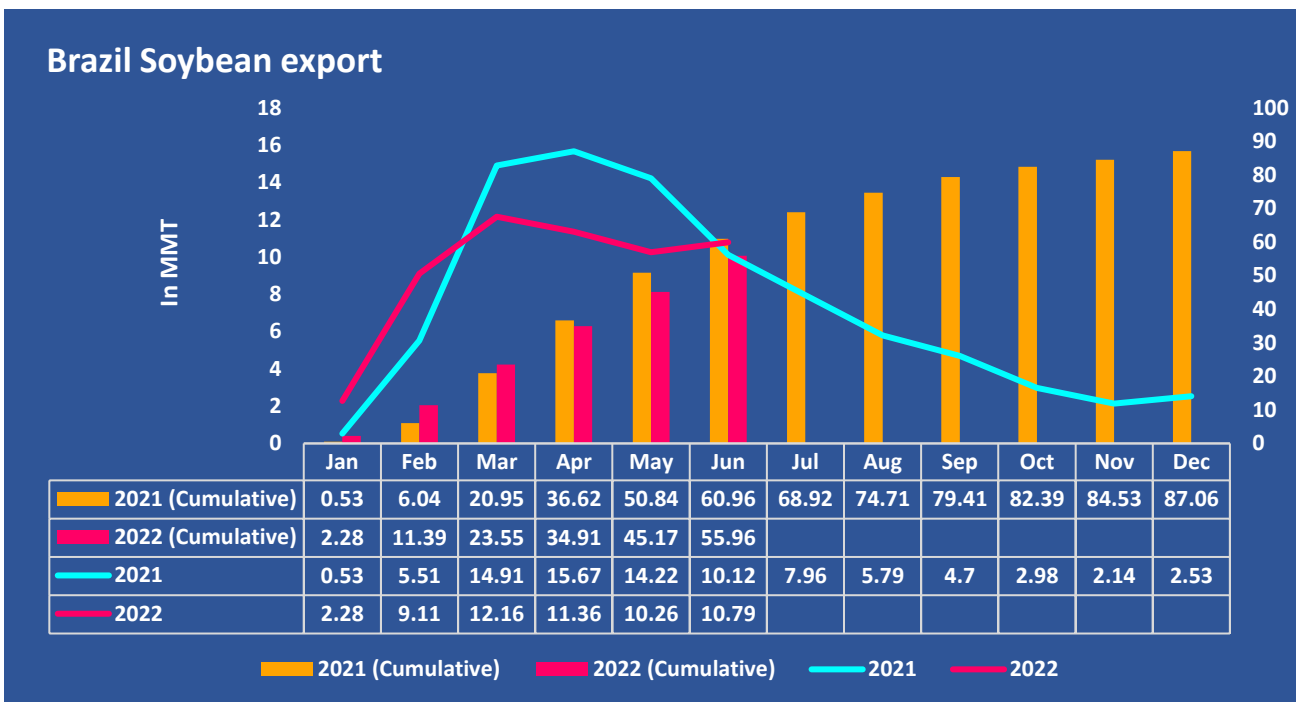
US Soybean Crop Condition Week Ending 19th June'22



Legend: Very Poor (Red), Poor (Pink), Fair (Blue), Good (Green), Excellent (Dark Green)

According to USDA latest report, US Soybean planting progress reached at 97% vs 88% a week ago, 94% a year ago and 93% five-year average.





RM seed

Today's Update-

Today Jaipur RM seed prices remained stable at Rs. 6,925/qtl. However in other cash markets, traded with mixed sentiments amid weakness in palm oil. In Rajasthan arrivals recorded at 1.40 Lakh bags vs 1.40 lakh bags previous day. There is subdued demand from oil millers on disparity 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 6,800-7100 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.

Groundnut pre sowing intentions: According to Agriwatch, Groundnut 2021-22 Kharif sowing acreage likely to decline by 5-10%. Acreage likely to shift to cotton on lucrative prices.

In Oct-May'22, India's Groundnut oil export went down by 95% to 10,139 tonnes as compared to 2.11 Lakh tonnes previous year same period. 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 10500-11000 tonnes.

State-Wise Progress of Area Coverage Under Kharif Groundnut as on 17-Jun-2022					
S.No.	State	Area Covered		Difference in Area coverage with Current Week	
		(Lakh Ha)			
		2022	2021	2021	2020
1	Andhra.Pradesh	0.133	0.132	0.001	-0.15
2	Gujarat	1.003	0.945	0.057	0.117
3	Karnataka	0.262	0.263	0.001	0.03
4	Maharashtra	0	0.07	0.07	0.257
5	Nagaland	0.005	0.005	0	0.001
6	Odisha	0.002	0.002	0	0
7	Punjab	0.006	0.005	0.001	0.004
8	Rajasthan	1.698	2.342	0.644	0.868
9	Tamil.Nadu	0.045	0.057	0.012	0.046
10	Telangana.	0.005	0.012	0.007	0.001
11	Uttar.Pradesh	0.037	0.128	0.092	0.013
12	West.Bengal	0.001	0.003	0.002	0.001
	Total	3.196	3.964	0.768	1.419

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	23-Jun-22		22-Jun-22		
	Low	High	Low	High	
Indore –Plant	6300	6400	6350	6500	-100
Indore–Mandi	6100	6250	6200	6400	-150
Nagpur-Plant	6000	6300	6000	6300	Unch
Nagpur – Mandi	5800	6250	5850	6250	Unch
Latur – Mandi	6075	6450	6150	6530	-80
Akola – Mandi	5400	6365	5450	6275	90
Kota-Plant	5900	6400	5900	6450	-50
Kota – Mandi	5800	6300	5800	6350	-50
Bundi-Plant	6000	6400	5900	6480	-80
Bundi-Mandi	5800	6000	5900	6180	-180
Baran-Plant	6000	6450	6000	6460	-10
Baran-Mandi	6000	6300	5900	6360	-60
Bhawani Mandi Jhalawar–Plant	Closed	Closed	Closed	Closed	-
Jhalwar-Mandi	Closed	Closed	Closed	Closed	-
Rapeseed/Mustard					
Jaipur-(Condition)	6900	6925	6900	6925	Unch
Alwar-(Condition)	6500	6600	6500	6550	50
Sri Ganganagar-(Non-Condition)	6200	6300	6250	6350	-50
New Delhi–(Condition)	6600	6650	6600	6650	Unch
Kota-(Condition)	6300	6400	6200	6300	100
Agra-(Condition)	6714	6810	6714	6810	Unch
Neewai-(Condition)	6350	6550	6400	6500	50
Hapur (UP)-(Condition)	6500	6600	6650	6700	-100
Groundnut Seed					
Rajkot	1050	1050	1070	1070	-20
Sunflower Seed					
Gulbarga	4000	5200	3900	5000	200
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	23-Jun-22	22-Jun-22	
Madhya Pradesh	80000	80000	Unch
Maharashtra	75000	75000	Unch
Kota	9000	9000	Unch
Bundi (Raj)	1000	1300	-300
Baran (Raj)	2500	1200	1300
Jhalawar (Raj)	Closed	Closed	-
Rapeseed/Mustard			
Rajasthan	140000	140000	Unch
Alwar	1200	1500	-300
Sri Ganganagar	500	800	-300
Kota	2000	3000	-1000
Groundnut Seed			
Rajkot (Gujarat)	5825	6000	-175
Sunflower Seed			
Sholapur (Maharashtra)	500	500	Unch

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

Oilseeds	23-Jun-22	22-Jun-22	Change
Groundnut Kernel	7750	7875	-125
Gr. Bolds 60/70	8950	8950	Unch
Gr. Javas 60/70	10050	10050	Unch
Gr Javas 70/80	9000	9000	Unch
Gr.Javas 80/90	9500	9500	Unch
KardiSeed 2% Exp Qly	5300	5300	Unch
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	7000	Unch
Niger Seed (4% FM)	8000	8000	Unch

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