

Oilseeds Domestic Fundamentals:

Today's Update-

On Saturday, in Indore, soybean plant prices extended previous day's loss and went marginally down by 0.81% at Rs. 6,150/qtl. However, in other cash markets most of the mandis remained closed due to protest against GST Council imposition of 5% GST on pre-packed and labelled food items from July 18. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 6000-6500/qtl levels in the near-term tracking soy meal import and weak demand from crushers amid squeeze in crush margin.

Soybean Sowing Updates: Cumulative rainfall departure from 1st June '22 to 17th July '22 was recorded above average by +43% in Maharashtra, in Rajasthan by +52%, and in Madhya Pradesh by +17%. As of July 08th, '22, all India Kharif soybean sowing progress is up by 10% to 99.35 lakh

State wise Soybean sowing progress as on 15th July'22 (Lakh Ha)				
State	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 17th July'22
Maharashtra	41.26	38.36	8%	43%
Madhya Pradesh	40.65	38.98	4%	17%
Rajasthan	9.88	5.56	78%	52%
Karnataka	3.70	3.60	3%	40%
Telangana.	1.30	1.28	2%	123%
Others	2.55	2.54	0%	
Total	99.35	90.32	10%	

hectares as compared to 90.32 lakh hectares last year in the same period. Agri Watch expects soybean acreage to decline by 5–8% due to acreage shift to cotton and maize.

International market update:

USDA has slashed USA's 2022-23 Soybean production estimate in its June 22 report, by -2.91% to 122 MMT as compared to 126 MMT previous month. However, Soy production is still up by 2% as compared to previous year. Whereas Brazil's 2022-23 Soybean production estimate kept unchanged at 149 MMT

		Jun	July		
	2021/22	2022/23	2022/23	% Change Over Previous Month	% Change over previous Year
Brazil	1,26,000	1,49,000	1,49,000	0.00%	18%
USA	1,20,707	1,26,280	1,22,606	-2.91%	2%
Argentina	44,000	51,000	51,000	0.00%	16%
China	16,400	17,500	17,500	0.00%	7%
India	11,900	11,500	11,500	0.00%	-3%
Paraguay	4,200	10,000	10,000	0.00%	138%
Canada	6,272	6,300	6,000	-4.76%	-4%
Other	23,265	23,790	23,790	0.00%	2%
Total	3,52,744	3,95,370	3,91,396	-1.01%	11%

MoM and 18% up as compared to last year. Argentina's 2022-23 Soybean production estimates too kept unchanged at 51 MMT as compared to previous month estimates whereas 16% up as compared to previous year. India's 2022-23 Soybean production kept unchanged as compared to previous month estimates while 3% lower production estimates at 11.5 MMT as compared to 11.9 MMT previous year.

Overall, there is 1% of production cut at 391 MMT as compared to 395 MMT previous month estimates. However, there is an 11% increase in total soybean production estimates as compared to previous year.

Overall global supply seems comfortable, however crop condition in USA, crude oil prices and export demand from China likely to set the tone of the market.

According to USDA's latest report, 62% of the soybean crop is in good to excellent condition vs 63% previous week and 59% previous year.

RM seed

Today's Update-

Today Jaipur RM seed prices extended previous day loss and went down by 1.1% Rs. 6,850/qlt. However, other mandis remained closed due to protest against the decision of imposition of 5% GST on all types of pre-packed and labelled food items including pulses and food grains from July 18. In Bharatpur, upon less availability of RM seed, out of 90 approximately half of the mills are shut and 30% are running in half shift. Mustard is currently premium over competing oils such as soy oil and CPO. Hence, there is weak demand of Mustard in the market and has kept RM seed prices under pressure.

Expellers are running at slow pace and crushing is shifted to kachhi ghani. There is subdued demand from oil millers on disparity whereas, farmers are unwilling to sell their produce at discounted price. Moreover, traders are not able to aggressively buy due to stock limits and strict inspections/stock checks by the government. RM seed prices are expected to trade with weak bias in the range of 6,800-7200 in near term tracking weak demand from crushers and weak cues from global markets.

Previous Updates-

- 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.
- 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 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, the 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:

Amid lag in sowing progress, Groundnut bold 60/70 continued to gain and traded with firm sentiments. However, there is sluggish export demand this year on high freight charges to the potential destinations, but there is good domestic demand. 60/70 Groundnut bold average prices are likely to trade with firm bias in the range of INR 9,000-9,500/Qtl. in the short run.

As on 15th July'22 All India Kharif Groundnut sowing progress is lagging by 3% to 28.8 Lakh hectare as compared to 29.7 Lakh hectare last year in the same period. From 1st June'22 to 17th

Statewise Groundnut sowing progress as on 15th July'22 (Lakh Ha)				
	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 17th July'22
Gujarat	14.26	15.402	-7%	79%
Rajasthan	6.398	6.456	-1%	52%
Karnataka	1.435	1.726	-17%	40%
Andhra Pradesh	1.469	1.118	31%	20%
Others	5.329	5.02	6%	
Total	28.891	29.722	-3%	

July'22 cumulative rainfall departure is up by 79% in Gujarat, 52% in Rajasthan, 40% in Karnataka and 20% in Andhra Pradesh. Agriwatch expects Groundnut 2022-23 Kharif sowing acreage is likely to decline by 8-12%. Acreage is likely to shift to cotton on lucrative prices.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	16-Jul-22		15-Jul-22		
	Low	High	Low	High	
Indore –Plant	6050	6150	6000	6200	-50
Indore–Mandi	Closed	Closed	Closed	Closed	-
Nagpur-Plant	6200	6850	6300	6950	-100
Nagpur – Mandi	Closed	Closed	5400	6550	-
Latur – Mandi	Closed	Closed	6005	6350	-
Akola – Mandi	Closed	Closed	5250	6255	-
Kota-Plant	5740	6140	5800	6200	-60
Kota – Mandi	Closed	Closed	5700	6100	-
Bundi-Plant	5620	5970	5700	6050	-80
Bundi-Mandi	Closed	Closed	5800	6000	-
Baran-Plant	5830	6230	5900	6300	-70
Baran-Mandi	Closed	Closed	5500	6100	-
Bhawani Mandi Jhalawar–Plant	5900	6150	6000	6250	-100
Jhalwar-Mandi	Closed	Closed	6100	6230	-
Rapeseed/Mustard					
Jaipur-(Condition)	6825	6850	6900	6925	-75
Alwar-(Condition)	Closed	Closed	6500	6550	-
Sri Ganganagar-(Non-Condition)	Closed	Closed	NA	NA	-
New Delhi–(Condition)	6450	6500	6450	6500	Unch
Kota-(Condition)	Closed	Closed	6400	6500	-
Agra-(Condition)	Closed	Closed	6810	6905	-
Neewai-(Condition)	Closed	Closed	6600	6800	-
Hapur (UP)-(Condition)	Closed	Closed	6650	6700	-
Groundnut Seed					
Rajkot	1165	1165	1135	1135	30
Sunflower Seed					
Gulbarga	Closed	Closed	4400	5400	-
Latur	Closed	Closed	6600	6700	-
Sholapur	Closed	Closed	6600	6700	-
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	16-Jul-22	15-Jul-22	
Madhya Pradesh	NA	85000	-
Maharashtra	NA	80000	-
Kota	NA	15000	-
Bundi (Raj)	Closed	300	-
Baran (Raj)	Closed	700	-
Jhalawar (Raj)	Closed	1800	-
Rapeseed/Mustard			
Rajasthan	NA	100000	-
Alwar	Closed	800	-
Sri Ganganagar	Closed	NA	-
Kota	Closed	400	-
Groundnut Seed			
Rajkot (Gujarat)	6537.5	6427.5	110
Sunflower Seed			
Sholapur (Maharashtra)	Closed	600	-

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

Oilseeds	16-Jul-22	15-Jul-22	Change
Groundnut Kernel	8225	8100	125
Gr. Bolds 60/70	9500	9300	200
Gr. Javas 60/70	10600	10400	200
Gr Javas 70/80	9550	9350	200
Gr.Javas 80/90	10050	9850	200
KardiSeed 2% Exp Qly	5300	5300	Unch
Sesame White 98/2/1 FM	10000	10000	Unch
Whitish 95/5/FFA/1FM	9800	9800	Unch
Brown 48/2 FFA/4 FM	9600	9600	Unch
Brown 48/3 FFA/4 FM	9200	9200	Unch
Brown 48/4 FM/* No FFA Guarantee	8500	8500	Unch
Sunflower Seed	7000	7000	Unch
Niger Seed (4% FM)	8000	8000	Unch

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