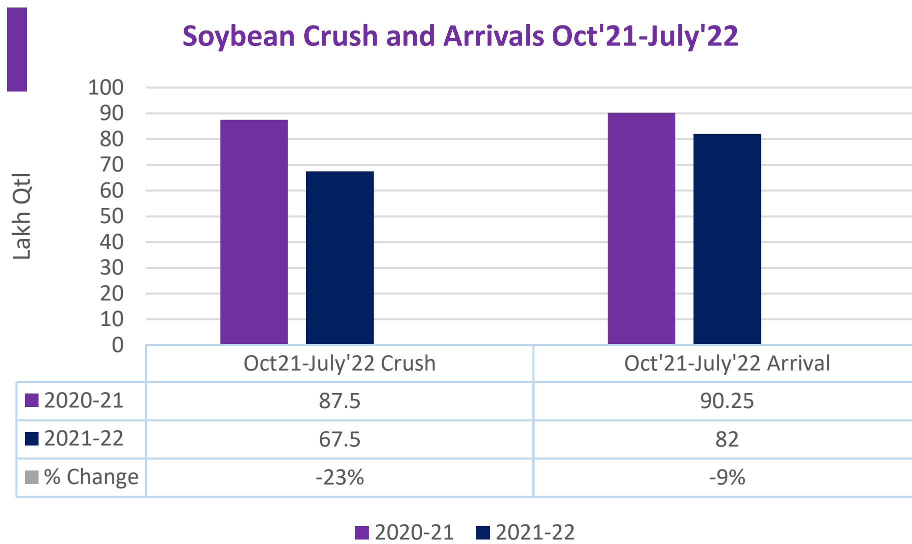
Oilseeds Domestic Fundamentals:

Today's Update-

Today in Indore, soybean plant prices extended previous day loss and down by 2.06% to Rs. 6,075/qtl. amid weak demand. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 6000-6300/qtl levels in the near-term tracking soy meal import and weak demand from crushers on squeeze in crush margin. However, crop loss due to weather anomalies may underpin soy prices in upcoming weeks.

According to SOPA, India's Oct-Jul soy arrivals fell to 82 Lakh tonnes from 90.25 Lakh tonnes year ago, crushing shrank to 67.50 Lakh tonnes from 87.50 Lakh tonnes year ago while stocks with millers, traders, farmers swell to 40.52 Lakh tonnes from only 8.82 Lakh tonnes a year ago. Low Soymeal export demand and squeeze in crush margin resulted into low crushing.



Soybean Sowing Updates: From 1st June'22- 21st Aug'22, cumulative rainfall recorded above average by 27% in Maharashtra, 20% in MP, in Rajasthan cumulative rainfall remained above average at 44%. As on 19th Aug'22 All India Kharif soybean sowing progress is up by 0.4% to 119.54 Lakh hectare as compared to 119.04 Lakh hectare last year in the same period. Agriwatch expects soybean acreage to decline by 5-8% amid acreage shift to cotton and Maize.

State wise Soybean sowing progress as on 19th Aug'22 (Lakh Ha)

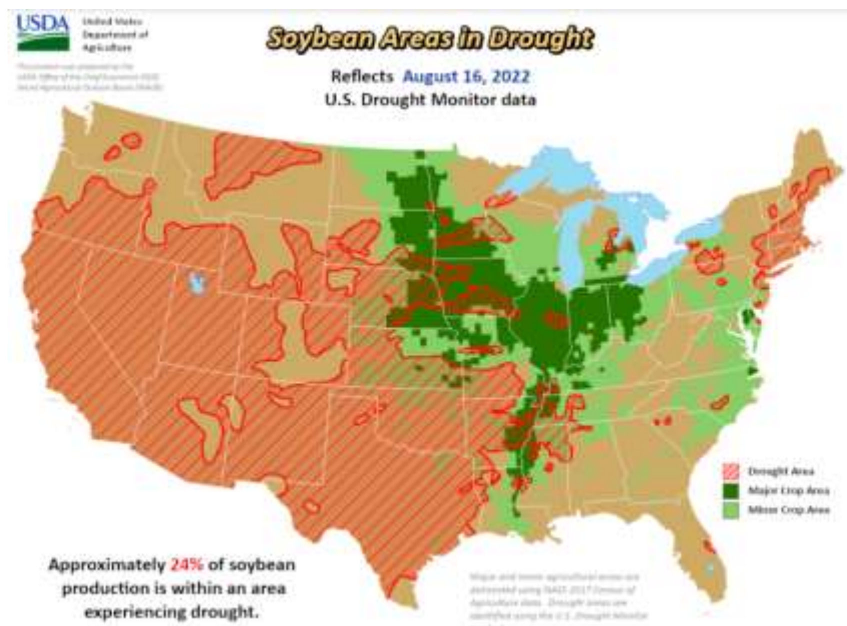
State	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 21st Aug'22
Maharashtra	48.33	45.50	6%	27%
Madhya Pradesh	50.00	53.87	-7%	20%
Rajasthan	11.51	10.63	8%	44%
Karnataka	4.28	3.83	12%	28%
Telangana.	1.56	1.41	10%	62%
Others	3.86	3.80	1%	
Total	119.54	119.04	0.4%	

As per sources, multiple crops including soybean have been damaged due to heavy rains, 1 lakh 31 thousand crops in Wardha districts and 1 lakh 22 thousand hectares in Yavatmal district have been affected. 55 thousand hectares in Chandrapur, 33 thousand hectares in Nagpur, 19 thousand hectares in Bhandara, 13 thousand hectares in Gadchiroli, 7 thousand hectares in Buldhana, 72 thousand hectares in Akola, 27 thousand hectares in Amravati, 16 thousand hectares in Hingoli, 3 thousand hectares in Pune district, 2 thousand hectares in Dhule., Nashik, two thousand hectares of crops have been affected.
Source: IMD

International market update:

Brazil's food supply and statistics agency CONAB said on Wednesday that Brazil's 2022-23 Soybean crop production to grow by 21% to a record 150.36 million tonnes.

Currently, 24% of the Soybean production is within an area experiencing drought as compared to 28% previous week.
According to USDA's latest report, 3% of Soybean crop is in very poor condition, unchanged as compared to previous week, 9% is in poor condition Vs 8% previous week, fair condition remained unchanged at 30% as compared to previous week, 48% in good condition Vs 49% in previous week and 10% in excellent condition, unchanged as compared to previous week.



RM seed

Today's Update-

Today Jaipur RM seed prices went marginally down by 0.7% Rs. 6,925/qtl. amid subdued demand in the cash market. In Newai, Rajasthan most of the expellers are shut and only kachhi ghani is operational amid disparity in crushing. 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. RM seed prices are expected to trade with weak bias in the range of 6,800-7000 in near term tracking weak demand from crushers.

International:

According to USDA latest production estimates, global canola production was increased by 14% from 72.31 MMT last year to 82.48 MMT this year due to increased output from Canada, Russia, USA and UK on higher yields resulting from favorable weather conditions.

USDA Global Rapeseed/ Canola Balance sheet				
Attribute	2021/2022	2022/2023	% Change over previous year	Unit Description
Area Harvested	37.72	39.81	6%	Million Ha
Beginning Stocks	6.38	4.62	-28%	MMT
Production	72.31	82.48	14%	MMT
Imports	14.27	16.76	17%	MMT
Total Supply	92.96	103.86	12%	MMT
Exports	14.26	17.88	25%	MMT
Crush	71.25	76.05	7%	MMT
Food Use Dom. Cons.	0.65	0.65	0%	MMT
Feed Waste Dom. Cons.	2.18	2.48	14%	MMT
Domestic Consumption	74.08	79.18	7%	MMT
Ending Stocks	4.62	6.81	47%	MMT
Total Distribution	92.96	103.86	12%	MMT
Yield	1.92	2.07	8%	(MT/HA)
Source: USDA Aug'22 estimates				

Top 10 Rapeseed/ Canola producing countries				
Country	2021/2022	2022/2023	% Change over previous year	Unit Description
Canada	12.6	20	59%	MMT
Russia	2.775	3.9	41%	MMT
United States	1.244	1.634	31%	MMT
United Kingdom	0.981	1.225	25%	MMT
Belarus	0.5	0.55	10%	MMT
Ukraine	3.015	3.3	9%	MMT
European Union	17.199	17.95	4%	MMT
India	11	11	0%	MMT
China	14.714	14.7	0%	MMT
Australia	6.35	6.1	-4%	MMT
Others	1.933	2.121	10%	MMT
Source: USDA Aug'22 estimates				

Previous Updates-

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, 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:

Low ending stock, lag in sowing progress, good domestic groundnut oil demand and rebound in groundnut oil export demand has kept Groundnut bold 60/70 prices elevated. 60/70 Groundnut bold average prices are likely to trade with firm bias in the range of INR 9,500-10,000/Qtl. in the short run.

As on 19th Aug'22 All India Kharif Groundnut sowing progress is lagging by 8% to 44.32 Lakh hectare as compared to 47.95 Lakh hectare last year in the same period. From 1st June'22 to 21st Aug'22 cumulative rainfall departure recorded up by 40% in Gujarat, 44% in Rajasthan, 14% in Karnataka and 14% 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.

Statewise Groundnut sowing progress as on 19th Aug'22 (Lakh Ha)				
	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 21st Aug'22
Gujarat	17.00	19.01	-11%	40%
Rajasthan	7.90	7.74	2%	44%
Karnataka	3.52	4.36	-19%	14%
Andhra Pradesh	5.19	6.16	-16%	14%
Others	10.71	10.69	0%	
Total	44.32	47.95	-8%	

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	**25-Aug-22**		**24-Aug-22**		
	Low	**High**	**Low**	**High**	
Indore –Plant	5850	5950	5975	6075	-125
Indore–Mandi	5675	5875	5800	6000	-125
Nagpur-Plant	5900	6080	5700	6055	25
Nagpur – Mandi	5150	5830	4950	5805	25
Latur – Mandi	5570	5955	5700	6020	-65
Akola – Mandi	5100	6140	5300	6055	85
Kota-Plant	5650	5860	5700	5925	-65
Kota – Mandi	5550	5830	5600	5895	-65
Bundi-Plant	5500	5760	5600	5845	-85
Bundi-Mandi	5200	5560	5300	5645	-85
Baran-Plant	5300	5580	5500	5675	-95
Baran-Mandi	5400	5555	5600	5650	-95
Bhawani Mandi Jhalawar–Plant	5300	5660	5400	5740	-80
Jhalwar-Mandi	5400	5640	5600	5720	-80
Rapeseed/Mustard					
Jaipur-(Condition)	6850	6875	6900	6925	-50
Alwar-(Condition)	6750	6800	6680	6730	70
Sri Ganganagar-(Non-Condition)	6380	6430	6230	6280	150
New Delhi–(Condition)	6575	6600	6575	6600	Unch
Kota-(Condition)	6000	6325	6200	6450	-125
Agra-(Condition)	6881	6952	6929	7000	-48

Neewai-(Condition)	6550	6650	6500	6600	50
Hapur (UP)-(Condition)	6575	6675	6600	6700	-25
Groundnut Seed					
Rajkot	1180	1180	1182	1182	-2
Sunflower Seed					
Gulbarga	NA	NA	5525	6450	-
Latur	6500	6600	6500	6600	Unch
Sholapur	6500	6600	6500	6600	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	**25-Aug-22**	**24-Aug-22**	
Madhya Pradesh	115000	115000	Unch
Maharashtra	90000	90000	Unch
Kota	15000	15000	Unch
Bundi (Raj)	900	800	100
Baran (Raj)	2200	1800	400
Jhalawar (Raj)	1000	700	300
Rapeseed/Mustard			
Rajasthan	95000	90000	5000
Alwar	1500	1300	200
Sri Ganganagar	3000	2000	1000
Kota	700	600	100
Groundnut Seed			
Rajkot (Gujarat)	6512.5	6557.5	-45
Sunflower Seed			
Sholapur (Maharashtra)	600	600	Unch

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

Oilseeds	25-Aug-22	24-Aug-22	Change
Groundnut Kernel	8575	8400	175
Gr. Bolds 60/70	10050	9950	100
Gr. Javas 60/70	10250	10150	100
Gr Javas 70/80	10850	10750	100

Gr.Javas 80/90	10300	10200	100
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	9700	9700	Unch
Brown 48/3 FFA/4 FM	9300	9300	Unch
Brown 48/4 FM/* No FFA Guarantee	8700	8700	Unch
Sunflower Seed	7000	7000	Unch
Niger Seed (4% FM)	8000	8000	Unch