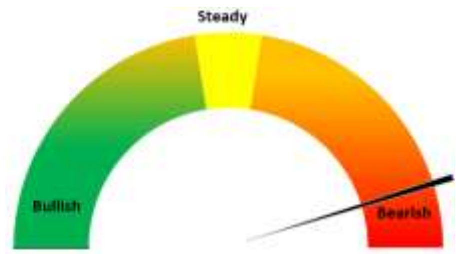
Oilseeds Domestic Fundamentals:

Today's Update-

Today in Indore, soybean plant prices went up by 2% to Rs. 5,100/qtl. amid new crop arrivals. In other cash market soybean traded with mixed bias. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 5,000-5,300/qtl levels in the near-term tracking weak soymeal demand, soy meal import and weak demand from crushers on squeeze in crush margin, high ending stock and decline in edible oil prices.



Soybean is currently trading with weak bias amid higher ending stock coupled with lower meal exports. In recent days, the decline in prices is mainly due to very high moisture (varies from 16-17 to 20-22 percent at various locations), weighing on prices. Once the quality improves which is likely from coming week, demand will increase and so as prices.

According to the 1st Advance Estimates of production of major Kharif crops for 2022-23 released by the Ministry of Agriculture and Farmers Welfare, total kharif oilseed production during 2022-23 is estimated at 235.73 lakh tonne. Under the Major Oilseeds, Groundnut production is estimated at 83.69 lakh tonne. Soybean and Sunflower production are estimated to be at 128.92 lakh tonne and 1.4 lakh tonne, respectively.

Crop	4th advance estimate 2021-22	1st advance estimate 2022-23	% Change over previous year
Groundnut	83.75	83.69	-0.1%
Soybean	129.95	128.92	-0.8%
Castorseed	16.11	15.08	-6.4%
Sesamum	7.62	6.34	-16.8%
Nigerseed	0.34	0.3	-11.8%
Sunflower	1.12	1.4	25.0%
Total	**238.88**	**235.73**	**-1.3%**
Source: MoA			Unit: Lakh Tonnes

Soybean Sowing Updates and crop condition:

State wise Soybean sowing progress as on 16th Sept'22 (Lakh Ha)				
State	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 21st Sept'22
Maharashtra	48.96	46.02	6%	26%
Madhya Pradesh	50.18	55.14	-9%	22%
Rajasthan	11.51	10.63	8%	34%
Karnataka	4.38	3.83	14%	36%
Telangana.	1.75	1.47	19%	48%
Others	3.92	3.69	6%	
Total	120.70	120.78	-0.1%	

From 1st June'22- 21st Sept'22, cumulative rainfall recorded above average by 26% in Maharashtra, 22% in MP, in Rajasthan cumulative rainfall remained above average at 34%. As on 16th Sept’22 All India Kharif soybean sowing progress is down by 0.1% to 120.70 Lakh hectare as compared to 120.78 Lakh hectare last year in the same period.

According to industry sources, Soybean crop all across India is in normal to good condition. Vegetative growth is excellent. Most crop is in flowering and pod formation stage. Soybean fields are mostly weed-free and there is no significant attack of insects or diseases. Due to excessive and continuous rains, in some districts of Maharashtra and Madhya Pradesh, water logging has been seen in low lying areas, causing yellowing of leaves and there may be some damage to crop and also yield loss in these areas. Yellow mosaic is not a major concern in any state. Overall rainfall is good in key growing districts of all the three states. Acreage in MP has declined by 9% due to acreage shift to maize and pulses. If the weather remains favourable in September and there is no sudden and significant variation in temperature and there are no continuous rains at pod filling stage or harvest time, it is expected to reap a good soybean crop this year.
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.

International market update:

Soybean production in Argentina is expected to reach 48 million tonnes in 2022/23, the Buenos Aires grains exchange said on Wednesday.

During the week under review CBOT Soybean (Nov’22 expiry) went down by 1.02% to $14.11 a bushel following broad declines in commodities tied to worries about global recession curbing demand.

As per sources, Soymeal prices in China, the world's top consumer of the animal feed ingredient, are at record highs as rising demand from farmers follows months of lacklustre soybean imports.

USA Soybeans Harvesting progress			
September 25, 2021	September 18, 2022	September 25, 2022	2017-2021 Average
15%	3%	8%	13%

Argentina Soybeans Planting progress		
2022-23	2021-22	2017-2022 Average
22.7%	22.7%	30%

China, largest soybean importer, bought 7.17 MMT in AUG22, -25% vs AUG 21 (9.49m), -9% vs JUL22 (7.88m), lowest imported quantity since 2014 for a month of August, decline explains by deteriorated demand of domestic market due to continuous lockdowns & negative crush margins.

RM seed
Today's Update-

Today Jaipur RM seed prices remained stable at Rs. 6,300/qtl. amid rebound in arrivals in cash market and weak mustard oil demand. In other market, RM seed traded with mixed bias. In Newai and nearby districts of 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 6,200-6400 in near term tracking weak demand from crushers.

International:

Statistics Canada lowered its production forecast to 19.1 million tonnes from the previous estimate of 19.5 million tonnes. ICE Canola in last two weeks went up by more than 6% amid lower production estimates.

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 favourable weather conditions.

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:

Crop loss due to excessive rains in key growing regions such as Kutchh, Porbandar, Dwarka, Gir Somnath and Junagarh, 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 10,000 -10,500/Qtl. in the short run.

As on 16th Sept'22 All India Kharif Groundnut sowing progress is lagging by 7% to 45.49 Lakh hectare as compared to 49.08 Lakh hectare last year in the same period. From 1st June'22 to 21st Sept'22 cumulative rainfall departure recorded up by 34% in Gujarat, 34% in Rajasthan, 39% in Karnataka and 17% 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 16th Sept'22 (Lakh Ha)

	2022	2021	% Change	Cumulative Rainfall Departure (%) 1st June to 21st Sept'22
Gujarat	17.09	19.10	-11%	32%
Rajasthan	7.90	7.77	2%	34%
Karnataka	3.70	4.76	-22%	36%
Andhra Pradesh	5.47	6.27	-13%	13%
Others	11.33	11.19	1%	
Total	45.49	49.08	-7%	

International:

With China being the largest producer of peanuts in the world, knowing the status of the crop is very important for the market. Out of the total production in Henan and Shandong in South China, 50% is the

production of Groundnut. Due to temperature rise in these 2 regions in the last week, 20% crop is estimated to be damaged. Groundnut production in China is estimated to decline by 20% in the current year. At present, the price of the new crop in comparison to the price of the old crop is higher by 200 yuan per ton as the sowing of peanuts in China is reduced by 10-15%. New arrivals of peanuts will start in China from 15th September. Due to heavy rainfall, there is news of crop damage.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	**01-Oct-22**		**30-Sep-22**		
	Low	**High**	**Low**	**High**	
Indore –Plant	5000	5100	4900	5000	100
Indore–Mandi	4100	4800	4000	4700	100
Nagpur-Plant	4900	5455	5200	5360	95
Nagpur – Mandi	4300	5255	4600	5160	95
Latur – Mandi	4500	5325	4400	5275	50
Akola – Mandi	4300	5100	4250	5100	Unch
Kota-Plant	4400	4875	4600	5150	-275
Kota – Mandi	4600	4825	4800	5100	-275
Bundi-Plant	4300	4600	4600	4900	-300
Bundi-Mandi	4200	4500	4500	4800	-300
Baran-Plant	3900	4700	4200	4950	-250
Baran-Mandi	4000	4600	4200	4850	-250
Bhawani Mandi Jhalawar–Plant	3200	4900	3500	5135	-235

Jhalwar-Mandi	3500	4800	3800	5000	-200
Rapeseed/Mustard					
Jaipur-(Condition)	6275	6300	6275	6300	Unch
Alwar-(Condition)	5900	6000	5800	5900	100
Sri Ganganagar-(Non-Condition)	5350	5550	5300	5500	50
New Delhi–(Condition)	6200	6250	6100	6150	100
Kota-(Condition)	5700	5900	5650	5850	50
Agra-(Condition)	6262	6452	6286	6476	-24
Neewai-(Condition)	5300	5800	5400	5900	-100
Hapur (UP)-(Condition)	6200	6300	6200	6300	Unch
Groundnut Seed					
Rajkot	950	950	1000	1000	-50
Sunflower Seed					
Gulbarga	NA	NA	4000	4725	-
Latur	5300	5500	5300	5500	Unch
Sholapur	5300	5500	5300	5500	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	**01-Oct-22**	**30-Sep-22**	
Madhya Pradesh	225000	225000	Unch
Maharashtra	150000	150000	Unch
Kota	22000	22000	Unch
Bundi (Raj)	900	600	300
Baran (Raj)	10000	3500	6500
Jhalawar (Raj)	8000	6000	2000
Rapeseed/Mustard			
Rajasthan	85000	85000	Unch
Alwar	2000	2000	Unch
Sri Ganganagar	1500	600	900
Kota	1500	1500	Unch
Groundnut Seed			
Rajkot (Gujarat)	5702.5	5750	-47.5
Sunflower Seed			

Sholapur (Maharashtra)	2000	2000	Unch

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

Oilseeds	1-Oct-22	30-Sep-22	Change
Groundnut Kernel	8125	8125	Unch
Gr. Bolds 60/70	NA	NA	-
Gr. Javas 60/70	10000	10200	-200
Gr Javas 70/80	9900	10100	-200
Gr.Javas 80/90	9700	9900	-200
KardiSeed 2% Exp Qly	5300	5300	Unch
Sesame White 98/2/1 FM	10300	10300	Unch
Whitish 95/5/FFA/1FM	10100	10100	Unch
Brown 48/2 FFA/4 FM	10000	10000	Unch
Brown 48/3 FFA/4 FM	9600	9600	Unch
Brown 48/4 FM/* No FFA Guarantee	9000	9000	Unch
Sunflower Seed	6700	6700	Unch
Niger Seed (4% FM)	8300	8300	Unch