

Oilseeds Domestic Fundamentals:

Today's Update-

- Today, the Indore Soybean plant prices went down by 1.85% at INR 5,300/Qtl as compared to INR 5,400 the previous day amid potentially decline in soymeal export demand amid increase in spread between kandla and Argentina Soymeal spread. Additionally, weak Soy oil prices coupled with increased arrivals too weighing on soybean seed prices.



The anticipated El Nino predictions by IMD could potentially impact the oilseed yield, leading to reduced rainfall during the latter half of the monsoon season. This situation may particularly affect Maharashtra and Gujarat, which collectively account for 36-38% of the land dedicated to kharif oilseeds. Given the limited availability of irrigation facilities in these western regions, there is a concern regarding the potential impact on crop yields.

International market update:

CBOT Soy bean Futures (\$/ Bushels)					25/May/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	-2'6 (-0.21%)	13.24	13.26	13.19	13.21
Aug/2023	-4'4 (-0.36%)	12.57	12.58	12.52	12.54
Sep/2023	-3'0 (-0.25%)	11.95	11.96	11.90	11.92
Nov/2023	-3'2 (-0.27%)	11.85	11.85	11.79	11.81

CBOT Soy Oil Futures (Cent/pounds)					25/May/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	+0.08 (+0.17%)	48.0	48.1	47.9	48.0
Aug/2023	+0.09 (+0.19%)	48.1	48.2	48.0	48.1
Sep/2023	+0.11 (+0.23%)	48.0	48.1	47.9	48.1
Nov/2023	+0.16 (+0.33%)	47.8	47.9	47.7	47.9

As of late last week, the progress of soybean harvesting in Argentina for the 2022-23 season stood at 70%, which is lower compared to 85% at the same time last year and the historical average of 85%. This indicates a week-on-week advancement of 18%. In the primary production regions, approximately 90-95% of soybeans were harvested, while in southern Argentina, the range was 40-60%, and in the far northern regions, it ranged from 25-35%. Concerning specific planting times, early planted soybeans reached a harvesting rate of 80%, whereas the later planted soybeans were at 44%.

The overall condition of soybeans in Argentina was assessed as 56% poor/very poor, 40% fair, and 4% good/excellent, as of late last week. The percentage of soybeans rated as good/excellent remained unchanged compared to the previous week. In terms of soil moisture, 49% of the soybean-growing areas were rated as short/very short, while 51% were classified as

favorable/optimum. The favorable/optimum rating decreased by 3% compared to the prior week.

According to data released on Saturday, China experienced a 16% decline in its soybean imports from Brazil in April compared to the same month in the previous year. This drop in imports reflects the lingering impact of harvest delays in the South American nation, with China receiving significantly fewer supplies compared to the previous year. As the largest supplier of soybeans to China, Brazil exported 5.3 million tonnes of this oilseed, whereas the figure stood at 6.3 million tonnes during the same period last year, as reported by the General Administration of Customs.

According to the latest update from CONAB, the national entity responsible for commodity supply in Brazil under the Ministry of Agriculture, the progress of the soybean harvest in Brazil as of May 13th stands at 97.2%. This marks a significant increase from the previous week's rate of 95.4%. In comparison, during the corresponding period last year, the harvest rate was recorded at 96.8%.

As on 14th May, 2023, the most recent report from the USDA reveals that the progress of soybean planting has reached a total of 49% completion vs 27% previous year same period. This surpasses the typical five-year average of 36% for this period in the year.

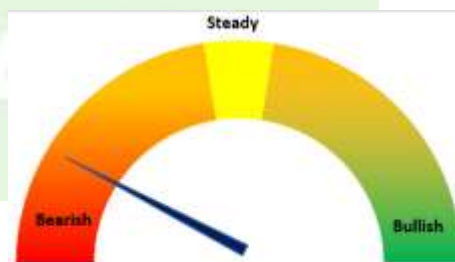
2022/23 Argentina Soybeans 36% Harvested vs. 64% Average.

Currently, Indore Soybean plant prices is likely to remain subdued in the range of INR 5,200-5,800/Qtl in the short run.

RM seed

Today's Update-

The RM seed Jaipur prices remained steady at INR 5,250/Qtl as compared to previous day at INR 5,225/Qtl. amid steady arrivals. Across India, arrivals of RM seed were 6 lakh bags.



As per NAFED latest report, a total of 6,43,604 Metric tonnes of Mustard have been procured in four states, namely Haryana (3.47 Lakh tonnes), Madhya Pradesh (1.47 Lakh tonnes), Gujarat (0.42 Lakh tonnes), and Rajasthan (1.02 Lakh tonnes).

International market update:

The canola area is projected to experience a slight increase to 8.8 million hectares in 2023-2024 due to favorable prices. However, this expansion is constrained by the similarly favorable prices of other crops like wheat and peas. If crop abandonment rates and yields continue to follow trends, the production is estimated to be around 18.5 million metric tons.

Both domestic crush and exports are forecasted to remain at similar levels as in 2022-23, with domestic crush predicted to be around 9.5 million metric tons and exports at 8.8 million metric tons. This projection is supported by the ongoing strong global demand for oilseeds, vegetable oils, and protein meals.

Assumptions for feed use, residue, and impurity levels are set at normal levels. Carry-out stocks are expected to slightly increase to 1.1 million metric tons, compared to 1.0 million metric tons in 2022-23 and the five-year average of 2.3 million metric tons.

The Canadian canola supply for the 2022-23 period is projected to reach 19.1 million metric tonnes (Mt), which is 22% higher compared to the previous year. This increase is primarily due to the

recovery in production following the drought in 2021-22, although it was somewhat balanced by existing stocks. Canola cultivation covered an area of 8.7 million hectares (Mha) in Canada, with 8.6 Mha successfully harvested. Yields returned to nearly normal levels, averaging 2.11 tonnes per hectare (t/ha). The estimated production for the year is 18.2 Mt.

Mustard outlook

Currently, RM seed is trading at three years low tracking weak demand from oil millers amid disparity due to weak mustard oil prices. As per Agriwatch primary sources, upon disparity, most of the expeller are shut and only few kacchi ghani are operational. Farmers are reluctant to offload their stock at current levels in anticipation of better prices in future. And millers are buying as per their daily need for crushing.

Jaipur mustard is likely to remain weak in the range of INR 5,000-5,500/Qtl in the short run.

Groundnut:

Groundnut bold premium at Rajkot market went up by 2.7% to INR 7,700/Qtl. as compared to previous day at INR 7,570/Qtl. In upcoming days, Groundnut average prices is likely to trade range bound in the range of INR 7,200-7,800/Qtl in short run amid low availability and good export demand.



The A.P. Seeds Corporation and the Department of Agriculture are coordinating preparations in Anantapur and Sri Sathya Sai districts for the sale of subsidized groundnut seeds at the Rythu Bharosa Kendras (RBKs) starting from either May 25 or 26. However, the planned sales volume for the current season has decreased from 100,000 quintals in the 2022 Kharif season to 78,000 quintals. In Sri Sathya Sai district, the government intends to sell 100,000 quintals.

In 2016, 3.9 lakh quintals of groundnut seeds were sold in Anantapur district. However, over the years, the demand has been declining as farmers have shifted their focus to other crops due to the decreasing profitability of groundnut cultivation. During the 2022 Kharif season, the maximum demand in the undivided Anantapur district was slightly above 2 lakh quintals. For the current season, the government has estimated the demand to be around 1.78 lakh quintals.

According to Joint Director (JD) of Agriculture, B. Chandra Naik, a total of 15,000 quintals of groundnut seed has been prepared and made available at the RBKs thus far. Additionally, registration has been completed for more than 15,000 quintals by 13,000 farmers.

Sunflower:

Today, Sunflower seed in Maharashtra/Karnataka remained stable at INR 6,200/Qtl. amid subdued trading activities.

Sesame

Today, sesame (White) sesame traded firm at INR 13,500/Qtl. amid subdued trading activities.

Oilseed Prices at Key Spot Markets:

Commodity / Centre	Prices (Rs/Qtl)				Change
Soybean	29-May-23		27-May-23		
	Low	High	Low	High	
Indore –Plant	5100	5300	5200	5400	-100
Indore–Mandi	4900	5100	5000	5200	-100
Nagpur-Plant	5000	5150	4900	5050	100
Nagpur – Mandi	4800	4900	4700	4800	100
Latur – Mandi	Closed	Closed	4800	5100	-
Akola – Mandi	4600	5000	4600	4950	50
Kota-Plant	5150	5300	5150	5250	50
Kota – Mandi	5000	5150	5000	5100	50
Bundi-Plant	5000	5200	5000	5200	Unch
Bundi-Mandi	Closed	Closed	4700	5000	-
Baran-Plant	5200	5300	5200	5300	Unch
Baran-Mandi	5000	5100	5000	5100	Unch
Bhawani / Jhalawar–Plant	5200	5400	5200	5300	100
Bhawani /Jhalwar-Mandi	5000	5230	5000	5180	50
Rapeseed/Mustard					
Jaipur-(Condition)	5225	5250	5225	5250	Unch
Alwar-(Condition)	5000	5050	5000	5050	Unch
Sri Ganganagar-(Non-Condition)	4600	4730	4600	4700	30
New Delhi–(Condition)	5000	5050	5050	5100	-50
Kota-(Condition)	5000	5200	4950	5150	50
Agra-(Condition)	5357	5405	5357	5405	Unch
Neewai-(Loose)	4800	4900	4850	4950	-50
Hapur (UP)-(Condition)	5100	5150	5100	5150	Unch
Groundnut Seed (with shell)					
Rajkot	6500	7700	6600	7500	200
Jasdan	NA	NA	NA	NA	-
Bikaner	6700	7300	6800	7400	-100
Groundnut (Bold Without shell 40/50)					
Bikaner	11000	11150	11200	11200	-50
Sunflower Seed					
Maharastra/Karnataka	6200	6200	6200	6200	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/100 kg, Sunflower Seed in Rs/qtl.

Oilseed Arrivals in Key Centers:

Commodity / Centre	Arrivals in Bags/Qtl		Change
Soybean	29-May-23	27-May-23	
Madhya Pradesh	55000	25000	30000
Maharashtra	60000	50000	10000
Rajasthan	12000	5000	7000
Indore(MP)	1300	1000	300
Latur(MH)	Closed	10000	-
Kota (Raj)	2500	2500	Unch
Rapeseed/Mustard			
All India	675000	600000	75000
Rajasthan	400000	350000	50000
Alwar	7000	5000	2000
Sri Ganganagar	500	400	100
Kota	2500	2500	Unch
Groundnut Seed			
Rajkot (Gujarat)	NA	900	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	29-May-23	27-May-23	Change
Groundnut Kernel	8075	8075	Unch
Gr. Bolds 60/70	10200	10200	Unch
Gr. Javas 60/70	11300	11300	Unch
Gr Javas 70/80	11000	11000	Unch
Gr.Javas 80/90	10700	10700	Unch
KardiSeed 2% Exp Qly	4500	4500	Unch
Sesame White 98/2/1 FM	13500	13500	Unch
Whitish 95/5/FFA/1FM	13300	13300	Unch
Brown 48/2 FFA/4 FM	12600	12600	Unch
Brown 48/3 FFA/4 FM	12400	12400	Unch
Brown 48/4 FM/* No FFA Guarantee	12000	12000	Unch
Sunflower Seed	5800	5800	Unch
Niger Seed (4% FM)	10500	10500	Unch

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