

Oilseeds Domestic Fundamentals:

Today's Update-

Today, the Indore Soybean plant prices went marginally up by 0.94% to INR 5,350/Qtl. as compared to the previous day amid decline in demand. However, weak Soy oil prices coupled with increased arrivals weighing on soybean seed prices.



CBOT

CBOT Soy bean Futures (\$/ Bushels)					05/Jun/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	+9'6 (+0.72%)	13.52	13.60	13.51	13.59
Aug/2023	+9'2 (+0.73%)	12.63	12.70	12.62	12.70
Sep/2023	+8'2 (+0.69%)	11.91	11.97	11.90	11.97
Nov/2023	+8'0 (+0.68%)	11.81	11.88	11.81	11.87

CBOT Soy Oil Futures (Cent/pounds)					05/Jun/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	+0.19 (+0.39%)	49.2	49.4	49.0	49.4
Aug/2023	+0.13 (+0.26%)	49.2	49.4	48.9	49.3
Sep/2023	+0.08 (+0.16%)	48.8	49.1	48.7	49.0
Oct/2023	+0.12 (+0.25%)	48.5	48.7	48.4	48.7

International market update:

As of the end of last week, the soybean harvest stood at 78%, which is lower compared to 91% at the same time last year and the average of 92%. This indicates a weekly progress of 9%. In the primary soybean production regions, the harvest is nearing completion, with approximately 95% of the crop already collected. In southern Argentina, about 50-60% of the soybeans have been harvested, while in northern Argentina, the figure stands at 45-55%. Regarding the planting schedules, the early-planted soybeans have reached an 86% harvest rate, whereas the later-planted ones are at 59% harvested.

According to the Ukrainian Grain Association (UGA), the production of sunflower is expected to see a notable increase of 14%, reaching 12.7 million metric tons. This growth is attributed to an expansion of planted areas by 800,000 hectares. As a result, there is a possibility of augmenting sunflower exports to 1.2 million metric tons, and domestic processing of sunflower to 11.5 million metric tons.

On the other hand, rapeseed output is projected to experience a modest growth of 3%, reaching 3.8 million metric tons. This expansion could potentially enable exports of 3.5 million metric tons.

The soybean production will rise to 4.4 million metric tons, a substantial increase of almost 19%

compared to the previous year. Consequently, the expected export potential for soybeans is anticipated to rise to 3 million metric tons.

As of 28th May, 2023, the most recent report from the USDA reveals that the progress of soybean planting has reached a total of 83% completion vs 64% previous year same period. This surpasses the typical five-year average of 65% for this period in the year.

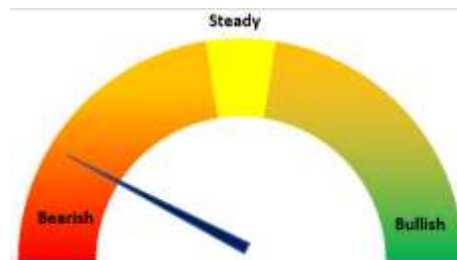
Currently, Indore Soybean plant prices is likely to remain subdued in the range of INR 5,200-5,500/Qtl in the short run.

RM seed

Today's Update-

The RM seed Jaipur prices went marginally down by 1% to INR 5,125/Qtl. as compared to previous day amid weak demand from millers. Across India, arrivals of RM seed were 5.5 lakh bags.

As per NAFED latest report, a total of 7,22,303 Metric tonnes of Mustard have been procured in multiple states, namely Haryana (3.47 Lakh tonnes), Madhya Pradesh (1.67 Lakh tonnes), Gujarat (0.62 Lakh tonnes), and Rajasthan (1.38 Lakh tonnes), Uttar Pradesh (0.07 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 favourable prices. However, this expansion is constrained by the similarly favourable 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% at INR 7650/Qtl. as compared to the previous day at INR 7450/Qtl. In upcoming days, Groundnut average prices is likely to trade range bound in the range of INR 7,400-8,000/Qtl in short run amid low availability and good export demand.



In contrast to the sharp decline in prices of other oilseeds, groundnut prices have remained robust due to increased export demand and low production. The weak performance of summer season crops, including groundnuts, further contributes to the sustained high prices. There has been a year-long increase of over 20 percent in groundnut prices, with a recent 2.5 percent surge within the past month. Despite a significant decrease in the prices of other oilseeds, groundnut prices have remained strong, primarily due to extensive exports to Gulf countries and China.

Sunflower:

Today, Sunflower seed in Maharashtra/Karnataka remained stable at INR 6,000/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	06-Jun-23		05-Jun-23		
	Low	High	Low	High	
Indore –Plant	5000	5350	5200	5300	50
Indore–Mandi	4800	5200	5070	5150	50
Nagpur-Plant	5000	5150	5000	5150	Unch
Nagpur – Mandi	4800	4925	4830	4975	-50
Latur – Mandi	4800	5100	4800	5040	60
Akola – Mandi	4800	4915	4600	4900	15
Kota-Plant	5100	5300	5100	5300	Unch
Kota – Mandi	4800	5100	4800	5100	Unch
Bundi-Plant	4800	5100	4800	5100	Unch
Bundi-Mandi	4600	4900	4600	4900	Unch
Baran-Plant	5000	5200	5000	5200	Unch
Baran-Mandi	4800	5050	4800	5050	Unch
Bhawani / Jhalawar–Plant	5020	5100	5150	5250	-150
Bhawani /Jhalwar-Mandi	4900	5040	5000	5140	-100
Rapeseed/Mustard					

Jaipur-(Condition)	5100	5125	5150	5175	-50
Alwar-(Condition)	5000	5075	5000	5025	50
Sri Ganganagar-(Non-Condition)	4400	4720	4300	4670	50
New Delhi-(Condition)	4850	4975	5000	5025	-50
Kota-(Condition)	4900	5100	5000	5200	-100
Agra-(Condition)	5214	5262	5238	5286	-24
Neewai-(Loose)	4700	4900	4750	4975	-75
Hapur (UP)-(Condition)	4900	4950	4900	4950	Unch
Groundnut Seed (with shell)					
Rajkot	6375	7650	7200	7450	200
Jasdan	5750	7400	5625	7500	-100
Bikaner	6500	7200	6500	7200	Unch
Groundnut (Bold Without shell 40/50)					
Bikaner	11500	11500	11500	11500	Unch
Sunflower Seed					
Maharastra/Karnataka	6000	6000	6000	6000	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	06-Jun-23	05-Jun-23	
Madhya Pradesh	80000	75000	5000
Maharashtra	60000	70000	-10000
Rajasthan	12000	12000	Unch
Indore(MP)	2000	1200	800
Latur(MH)	6000	8000	-2000
Kota (Raj)	3500	2500	1000
Rapeseed/Mustard			
All India	550000	725000	-175000
Rajasthan	250000	400000	-150000
Alwar	4000	5000	-1000
Sri Ganganagar	1200	700	500
Kota	3000	3000	Unch
Groundnut Seed			
Rajkot (Gujarat)	4500	6000	-1500
Sunflower Seed			

Sholapur (Maharashtra)	NA	NA	-
------------------------	----	----	---

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

Oilseeds	6-Jun-23	5-Jun-23	Change
Groundnut Kernel	7950	7950	Unch
Gr. Bolds 60/70	9700	9700	Unch
Gr. Javas 60/70	10800	10800	Unch
Gr Javas 70/80	10500	10500	Unch
Gr.Javas 80/90	10200	10200	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


Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2023 Indian Agribusiness Systems Limited