

Oilseeds Domestic Fundamentals:

Today's Update-

Today, the Indore Soybean plant prices went marginally down by 0.57% to INR 5,200/Qtl. as compared to the previous day amid subdued in demand. Overall the market traded with steady sentiments.



MSP for Kharif Season (2023-24)

Minimum Support Prices for Kharif Marketing Season (KMS) 2023-24							
Crops	MSP 2014-15	MSP 2022-23	MSP 2023-24	Cost* KMS 2023-24	Increase in MSP over 2022-23	Margin over cost in per cent	Increase in MSP over 2022-23 in %
Groundnut	4000	5850	6377	4251	527	50	9%
Sunflower Seed	3750	6400	6760	4505	360	50	6%
Soybean (Yellow)	2560	4300	4600	3029	300	52	7%
Sesamum	4600	7830	8635	5755	805	50	10%
Nigerseed	3600	7287	7734	5156	447	50	6%

Government has increased the MSP of Kharif Crops for Marketing Season 2023-24, to ensure remunerative prices to the growers for their produce and to encourage crop diversification.

CBOT

CBOT Soy bean Futures (\$/ Bushels)						12/Jun/2023
Contract	% Change	Open	High	Low	Close	
Jul/2023	+2'4 (+0.18%)	13.73	13.76	13.71	13.75	
Aug/2023	+0'4 (+0.04%)	12.91	12.94	12.89	12.93	
Sep/2023	+1'0 (+0.08%)	12.20	12.24	12.19	12.22	
Nov/2023	-0'4 (-0.04%)	12.08	12.10	12.05	12.08	

CBOT Soy Oil Futures (Cent/pounds)						12/Jun/2023
Contract	% Change	Open	High	Low	Close	
Jul/2023	+0.04 (+0.08%)	50.9	51.1	50.8	50.9	
Aug/2023	-0.03 (-0.06%)	50.5	50.7	50.4	50.5	
Sep/2023	-0.09 (-0.18%)	50.1	50.3	50	50.0	
Oct/2023	-0.07 (-0.14%)	49.6	49.8	49.5	49.6	

International market update:

In Argentina, the total soybean production is expected far below the previous year's yield at just 21 million metric tonnes. Although Argentina is the world's leading exporter of soybean, but due to an

unprecedented drought that commenced last year, expectations for the 2022/2023 harvest have been reduced by half.

As of 4th June, 2023, the most recent report from the USDA reveals that the progress of soybean planting has reached a total of 91% completion vs 76% previous year same period. This surpasses the typical five-year average of 76% for this period in the year.

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.

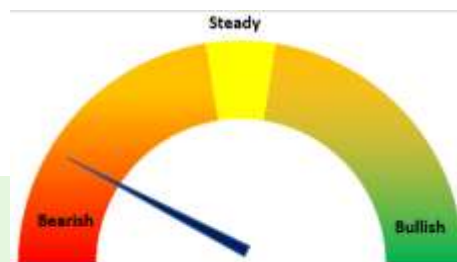
Currently, Indore Soybean plant prices is likely to remain subdued in the range of INR 5,200-5,500/Qtl in the short run.

RM seed

Today's Update-

The RM seed Jaipur prices remained steady at INR 5,200/Qtl. as compared to previous day amid decrease in arrivals. Across India, arrivals of RM seed were 7.25 lakh bags.

As per NAFED latest report, a total of 7,55,472 Metric tonnes of Mustard have been procured in four states, namely Haryana (3.47 Lakh tonnes), Madhya Pradesh (1.67 Lakh tonnes), Gujarat (0.68 Lakh tonnes), and Rajasthan (1.61 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 Rajkot market remained closed. 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 Chin.

The groundnut production is estimated to be lower this year in Argentina due to lower yield. The market price reference has been steadily rising over the past few months due to the continuous decline in production expectations. While substantial volumes of Crop 2022 are still being exported from Argentina, the full impact on availability has yet to be observed. Determining when the market will fully comprehend the situation is challenging. However, it is highly likely that Argentina will experience a 40 to 50% reduction in exported volume compared to the past three years.

Groundnut Kharif Sowing Progress (as on 2nd June '23)			
State	2023	2022	% Change
Uttar.Pradesh	1.26	1.15	10%
Maharashtra	0.85	0.86	-1%
Karnataka	0.84	1.01	-17%
West.Bengal	0.70	0.64	10%
Gujarat	0.54	0.61	-12%
Others	0.82	1.24	-34%
Total	5.01	5.51	-9%
Source: MoA		in Lakh Ha	

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	13-Jun-23		12-Jun-23		
	Low	High	Low	High	
Indore –Plant	5000	5200	5050	5230	-30
Indore–Mandi	4900	5040	4900	5090	-50
Nagpur-Plant	5000	5150	5000	5150	Unch
Nagpur – Mandi	4900	5000	4875	5020	-20
Latur – Mandi	4800	5400	5000	5300	100
Akola – Mandi	4600	4950	4600	4950	Unch
Kota-Plant	5000	5200	5000	5200	Unch
Kota – Mandi	4600	4900	4600	4950	-50
Bundi-Plant	4550	5000	4630	5050	-50
Bundi-Mandi	4400	4850	4500	4900	-50
Baran-Plant	4800	5000	4800	5000	Unch
Baran-Mandi	4500	4800	4700	4800	Unch
Bhawani / Jhalawar–Plant	5000	5150	5000	5150	Unch
Bhawani /Jhalwar-Mandi	4800	5100	4900	5025	75
Rapeseed/Mustard					
Jaipur-(Condition)	5175	5200	5175	5200	Unch
Alwar-(Condition)	4900	4950	4900	4950	Unch
Sri Ganganagar-(Non-Condition)	4500	4660	4400	4620	40
New Delhi–(Condition)	4850	4900	4850	4900	Unch
Kota-(Condition)	4850	5050	4850	5050	Unch
Agra-(Condition)	5286	5333	5262	5310	24
Neewai-(Loose)	4750	4850	4750	4800	50
Hapur (UP)-(Condition)	4950	5000	4900	4950	50
Groundnut Seed (with shell)					
Rajkot	Closed	Closed	6325	7700	-
Jasdan	NA	NA	5625	7455	-
Bikaner	6500	7200	6500	7200	Unch
Groundnut (Bold Without shell 40/50)					

Bikaner	11500	11500	11500	11500	Unch
Sunflower Seed					
Maharastra/Karnataka	5720	5720	5720	5720	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	13-Jun-23	12-Jun-23	
Madhya Pradesh	80000	100000	-20000
Maharashtra	70000	80000	-10000
Rajasthan	12000	12000	Unch
Indore(MP)	1400	1400	Unch
Latur(MH)	5000	6000	-1000
Kota (Raj)	7000	4000	3000
Rapeseed/Mustard			
All India	725000	750000	-25000
Rajasthan	425000	450000	-25000
Alwar	5000	5000	Unch
Sri Ganganagar	1500	1500	Unch
Kota	2500	2500	Unch
Groundnut Seed			
Rajkot (Gujarat)	Closed	1260	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	13-Jun-23	12-Jun-23	Change
Groundnut Kernel	8125	8125	Unch
Gr. Bolds 60/70	9900	9900	Unch
Gr. Javas 60/70	11000	11000	Unch
Gr Javas 70/80	10700	10700	Unch
Gr.Javas 80/90	10400	10400	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

14th June, 2023

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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