

Oilseeds Domestic Fundamentals:

Today's Update-

Today, the Indore Soybean plant prices went down by 1.12% at INR 5,300/Qtl. as compared to the previous day amid weak demand and steady arrivals in the market.



The Department of Revenue under the Ministry of Finance has issued Notification No. 39/2023-Customs dated 14th June 2023 notifying the cut in import duty of refined soy oil and refined sunflower oil to match it with the import duty of RBD palm olein and RBD palm oil. India mainly imports crude soy oil and crude sunflower oil; however, it may shift the demand toward import of refined soft oils, weighing on edible oil basket prices.

Soybean Kharif Sowing Progress (as on 16th June '23)			
State	Area Covered		% Change
	(Lakh Ha)		
	2023	2022	
Nagaland	0.132	0.131	1%
Uttarakhand	0.04	0.03	33%
Karnataka	0.019	0.477	-96%
Mizoram	0.008	0.006	33%
Gujarat	0.004	0.022	-82%
Maharashtra	0.002	0.007	-71%
Tamil Nadu	0.001	0.004	-75%
Total	0.21	0.68	-70%
Source: MoA		in Lakh Ha	

CBOT

CBOT Soy bean Futures (\$/ Bushels)					19/Jun/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	+11'2 (+0.77%)	14.72	14.83	14.71	14.77
Aug/2023	+8'4 (+0.60%)	14.13	14.21	14.10	14.16
Sep/2023	+8'4 (+0.63%)	13.64	13.78	13.64	13.66
Nov/2023	+8'6 (+0.65%)	13.52	13.64	13.49	13.51

CBOT Soy Oil Futures (Cent/pounds)					19/Jun/2023
Contract	% Change	Open	High	Low	Close
Jul/2023	+0.06 (+0.10%)	59.9	60.0	59.4	59.7
Aug/2023	+0.04 (+0.07%)	59	59.1	58.5	58.8
Sep/2023	+0.02 (+0.03%)	58.3	58.5	58.0	58.2
Oct/2023	-0.03 (-0.05%)	58.0	58.2	57.7	57.9

International market update:

In June Crop Report, Conab increased the 2022/23 Brazil soybean estimate 0.92 million tons to 155.73 million.

According to National Oilseed Processors Association (NOPA), U.S. May soybean crush rose by 2.70 percent m-o-m to 177.915 million bushels from 173.232 million bushels last month. Soy oil stocks in the U.S. at the end of May declined by 4.34 percent m-o-m to 1.875 billion lbs compared to 1.957 billion lbs in previous month. Stocks of soy oil in May'23 is up by 6 percent y-o-y, which was reported at 1.765 million lbs. Soy oil stocks is in lower than trade expectation of 1.942 million lbs.

As of 11th June, 2023, the most recent report from the USDA reveals that the progress of soybean planting has reached a total of 96% completion vs 87% previous year same period. This surpasses the typical five-year average of 86% for this period in the year.

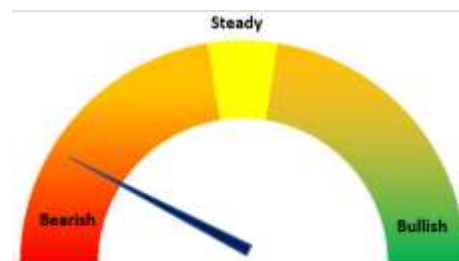
Currently, Indore Soybean plant prices is likely to remain subdued in the range of INR 5,200-5,500/Qtl in the short run.

RM seed

Today's Update-

The RM seed Jaipur prices remained sideways and went marginally up by 0.5% to INR 5,375/Qtl. as compared to previous day amid weak demand in the market. Across India, arrivals of RM seed were 5 lakh bags.

As per NAFED latest report, a total of 8,14,555 Metric tonnes of Mustard have been procured in five states, namely Haryana (3.47 Lakh tonnes), Rajasthan (2.09 Lakh tonnes), Madhya Pradesh (1.67 Lakh tonnes), Gujarat (0.73 Lakh tonnes) and Uttar Pradesh (0.16 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 5,200-5,500/Qtl in the short run.

Groundnut:

Groundnut bold Bikaner prices remained steady at INR 7,400/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.

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 16th June '23)			
State	Area Covered		Change
	(Lakh Ha)		
	2023	2022	
Uttar.Pradesh	0.061	0.037	65%
Rajasthan	2.651	1.698	56%
Nagaland	0.02	0.019	5%
Gujarat	0.651	1.003	-35%
Andhra Pradesh	0.067	0.133	-50%
Tamil Nadu	0.024	0.048	-50%
Karnataka	0.035	0.262	-87%
Total	3.51	3.20	10%
Source: MoA			in Lakh Ha

Sunflower:

Today, Sunflower seed in Maharashtra/Karnataka remained stable at INR 5,720/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	20-Jun-23		19-Jun-23		
	Low	High	Low	High	
Indore –Plant	5020	5300	5150	5360	-60
Indore–Mandi	4900	5190	5000	5250	-60
Nagpur-Plant	5050	5150	5180	5300	-150
Nagpur – Mandi	4915	5050	5020	5170	-120
Latur – Mandi	4800	5400	5100	5400	Unch
Akola – Mandi	4700	5050	4800	5110	-60
Kota-Plant	4960	5250	5000	5250	Unch
Kota – Mandi	4800	5125	4800	5100	25
Bundi-Plant	4930	5250	4850	5120	130
Bundi-Mandi	4800	5100	4700	5000	100
Baran-Plant	4950	5150	5000	5250	-100
Baran-Mandi	4800	5000	4800	5100	-100
Bhawani / Jhalawar–Plant	4920	5220	5130	5225	-5
Bhawani /Jhalwar-Mandi	4800	5080	5000	5100	-20
Rapeseed/Mustard					
Jaipur-(Condition)	5350	5375	5325	5350	25
Alwar-(Condition)	5100	5150	5050	5150	Unch
Sri Ganganagar-(Non-Condition)	4500	4900	4600	4840	60
New Delhi–(Condition)	5000	5100	4900	4950	150
Kota-(Condition)	5100	5300	5100	5300	Unch
Agra-(Condition)	5452	5500	5452	5500	Unch
Neewai-(Loose)	4900	5000	4900	5000	Unch
Hapur (UP)-(Condition)	5150	5200	5100	5150	50
Groundnut Seed (with shell)					
Rajkot	Closed	Closed	6325	7700	-
Jasdan	NA	NA	NA	NA	-
Bikaner	6800	7400	6800	7400	Unch
Groundnut (Bold Without shell 40/50)					
Bikaner	10600	10600	10600	10600	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/QtI		Change
Soybean	20-Jun-23	19-Jun-23	
Madhya Pradesh	100000	100000	Unch
Maharashtra	75000	75000	Unch
Rajasthan	12000	12000	Unch
Indore(MP)	2000	2000	Unch
Latur(MH)	4000	6000	-2000
Kota (Raj)	5000	5000	Unch
Rapeseed/Mustard			
All India	500000	500000	Unch
Rajasthan	225000	225000	Unch
Alwar	10000	4000	6000
Sri Ganganagar	2000	500	1500
Kota	2000	2000	Unch
Groundnut Seed			
Rajkot (Gujarat)	Closed	1260	-
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	20-Jun-23	19-Jun-23	Change
Groundnut Kernel	8450	8450	Unch
Gr. Bolds 60/70	9900	10000	-100
Gr. Javas 60/70	11000	12000	-1000
Gr Javas 70/80	10700	10800	-100
Gr.Javas 80/90	10400	10500	-100
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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