

Oilseeds Domestic Fundamentals:

Today's Update-

Today, the Indore Soybean plant prices went marginally up by 0.10% at INR 5,255/Qtl. as compared to the previous day. However in other markets soybean traded with weaker note amid correction in soy oil 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	

According to the most recent government data, India's soybean sowing for the year 2023 is currently 70% behind compared to the previous year, with a total of 0.21 lakh hectares compared to 0.68 lakh hectares. Decline in soybean acreage may be attributed to Late monsoon which has delayed Kharif Sowing of soybean; As of 20th

Madhya Pradesh	Cumulative Rainfall Departure (%) 1st June to 20th June'22	Maharashtra	Cumulative Rainfall Departure (%) 1st June to 20th June'22	Rajasthan	Cumulative Rainfall Departure (%) 1st June to 20th June'22
Rajgah	-89%	Nagpur	-91%	Kota	-58%
Videsha	-83%	Latur	-71%	Jhalawar	-67%
Dewas	-81%	Yavatmal	-88%	Bundi	193%
Shajahpur	-71%	Parbhani	-81%	Pratapgarh	-100%
Mandsaur	-72%	Amaravati	-90%	Baran	-2%
Ashok nagar	-82%	Washim	-80%	Chittaurgarh	148%
Ratlam	-75%	Jalna	-99%	Rajasthan	320%
Ujjain	-71%	Buldhana	-89%		
Indore	-73%	Hingoli	-100%		
Dhar	-88%	Akola	-93%		
MP	-78%	Maharashtra	-88%		

June, MP and Maharashtra Experiences -78% and -88% rainfall deficiency. Most of the soybean growing districts of MP and Maharashtra are experiencing rainfall deficiency. However, Rajasthan is experiencing 320% of excess rainfall. Additionally, farmers are expected to shift their focus towards pulses and maize cultivation due to the attractive prices.

CBOT

Chicago Board of Trade (CBOT) soybean futures experienced a significant increase of 2.55% on Wednesday. This rise was attributed to a government report indicating that U.S. crops were in worse condition than anticipated due to a recent dry spell. CBOT November soybean futures, which represent the currently planted crop and are the most actively traded, saw a rise of 34-1/4 cents, reaching \$13.77 per bushel. Intraday, the contract peaked at \$13.78 per bushel, the highest level since March 8. Data from the week of June 18 revealed that the U.S. soybean growth rate had declined to 54%, a decrease of 5 percentage points compared to the previous week. This figure fell below market expectations of 57% and the 68% recorded during the same period in the previous year. The soybean emergence rate in the U.S. stood at 92% for the current week, an improvement from 86% the previous week and 81% during the same period last year. The five-year average for soybean emergence is 81%.

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.

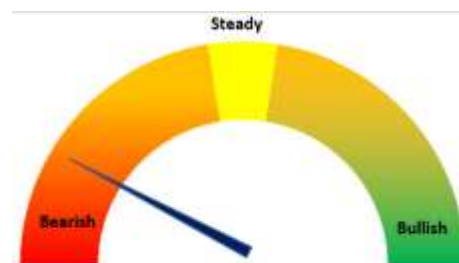
Currently, Indore Soybean plant prices is likely to remain subdued in the range of INR 5,200-5,500/Qtl in the short run.

RM seed

Today's Update-

The RM seed Jaipur prices remained steady at INR 5,300/Qtl. as compared to previous day amid weak demand in the market. Across India, arrivals of RM seed were 4.5 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 went marginally up at INR 7,990/Qtl. as compared to previous day at INR 7,940/Qtl. 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 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	22-Jun-23		21-Jun-23		
	Low	High	Low	High	
Indore –Plant	5070	5255	5050	5250	5
Indore–Mandi	4950	5125	4900	5100	25
Nagpur-Plant	5000	5140	5080	5220	-80
Nagpur – Mandi	4875	5000	4950	5100	-100
Latur – Mandi	4900	5200	4900	5200	Unch
Akola – Mandi	4800	4950	4900	5050	-100
Kota-Plant	4950	5200	4950	5250	-50
Kota – Mandi	4800	5050	4800	5100	-50
Bundi-Plant	4870	5200	4920	5230	-30
Bundi-Mandi	4750	5050	4800	5100	-50
Baran-Plant	4900	5100	4950	5150	-50
Baran-Mandi	4750	4950	4800	5000	-50
Bhawani / Jhalawar–Plant	4900	5100	4950	5150	-50
Bhawani /Jhalwar-Mandi	4750	4950	4800	5000	-50
Rapeseed/Mustard					
Jaipur-(Condition)	5275	5300	5275	5300	Unch
Alwar-(Condition)	4950	5000	5000	5050	-50
Sri Ganganagar-(Non-Condition)	4400	4800	4400	4800	Unch
New Delhi–(Condition)	5000	5050	5000	5050	Unch
Kota-(Condition)	4900	5100	5000	5200	-100
Agra-(Condition)	5381	5429	5357	5405	24
Neewai-(Loose)	4800	4900	4800	4900	Unch
Hapur (UP)-(Condition)	5150	5200	5125	5175	25
Groundnut Seed (with shell)					
Rajkot	6625	7990	6800	7940	50
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/Qtl		Change
Soybean	22-Jun-23	21-Jun-23	
Madhya Pradesh	85000	85000	Unch
Maharashtra	75000	75000	Unch
Rajasthan	12000	12000	Unch
Indore(MP)	1800	1800	Unch
Latur(MH)	8000	4000	4000
Kota (Raj)	7000	6000	1000
Rapeseed/Mustard			
All India	450000	450000	Unch
Rajasthan	200000	200000	Unch
Alwar	7000	6000	1000
Sri Ganganagar	1500	1000	500
Kota	2000	1500	500
Groundnut Seed			
Rajkot (Gujarat)	1200	1300	-100
Sunflower Seed			
Sholapur (Maharashtra)	NA	NA	-

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

Oilseeds	22-Jun-23	21-Jun-23	Change
Groundnut Kernel	8350	8350	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
Brown 48/4 FM/* No FFA Guarantee	12000	12000	Unch
Sunflower Seed	5800	5800	Unch
Niger Seed (4% FM)	10700	10700	Unch

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