

# **Oil Seed and Oil Meal Monthly Research Report**

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## Executive Summary

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During the month under review, Indore soybean plant monthly average prices went down by 4% to Rs. 5,155/Qtl as compared to previous month amid correction in soy oil prices.

The average monthly price of soybean meal at Indore plant went down by 4% to Rs. 43,061/MT amid increase in Ex-Rotterdam soymeal and Ex-Kandla price spread.

The average monthly price of RM seed at Jaipur remained sideways and went marginally up by 0.23% to Rs. 5,266 a quintal as compared to 5,254/qtl previous month amid weak demand from millers on disparity.

This month, the average monthly price of Groundnut bold at Rajkot remained elevated and went up by 4% to Rs. 7,574 a quintal amid good demand and low availability. As of now, Groundnut acreage is up by 13% to 22.80 lakh tonnes as compared to 20.20 lakh ha previous year same period. Good rainfall situation in Gujarat and Rajasthan encouraged groundnut sowing. 1<sup>st</sup> June'23-10<sup>th</sup> July'23 In Gujarat cumulative Rainfall departure is at 115% and in Rajasthan it is at 159%.



## Outlook – Cash Market

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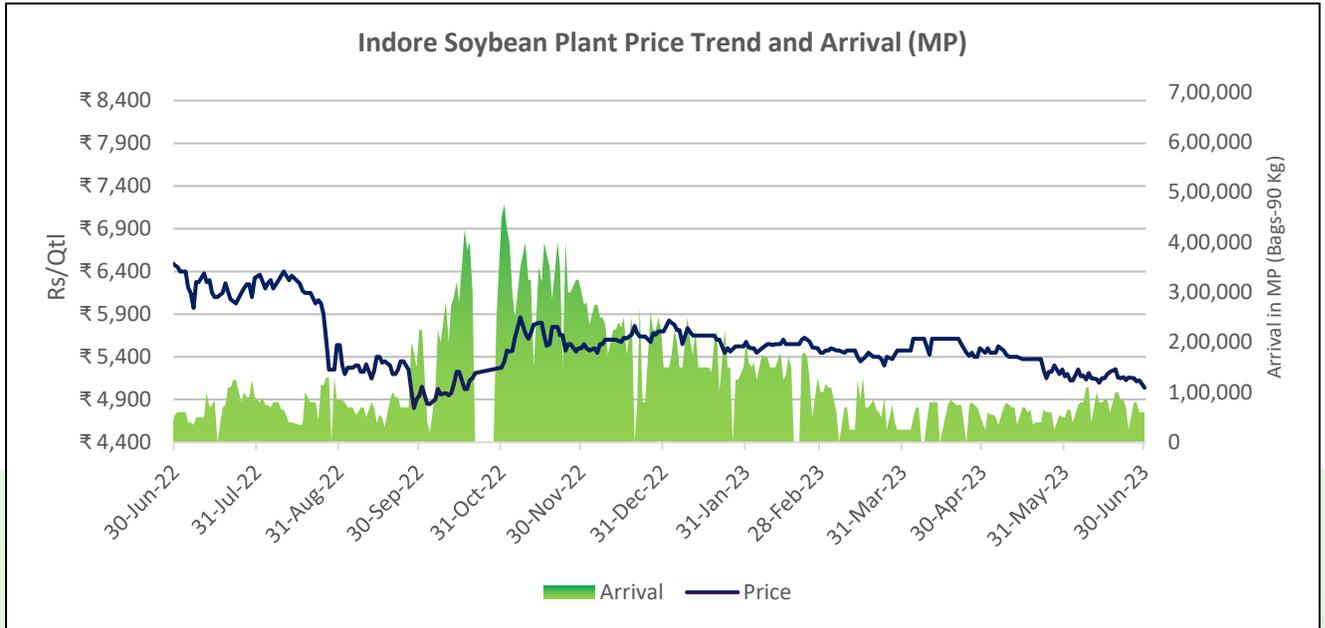
**Outlook - Soybean (Spot, Indore):** The soybean prices are expected to stay range bound with weak bias tracking high ending stock, weak demand from millers and weak soy oil prices. The prices (Indore, Plant basis) are likely to feature in the range of 4,900– 5,400 level.

**Outlook – Soy meal:** Soymeal prices are likely to remain sideways with weak bias amid increase in Ex-Rotterdam soymeal and Ex-Kandla price spread. The soy meal prices (Indore) are likely to stay in the range of Rs. 40,000 – 45,000 /MT in short run.

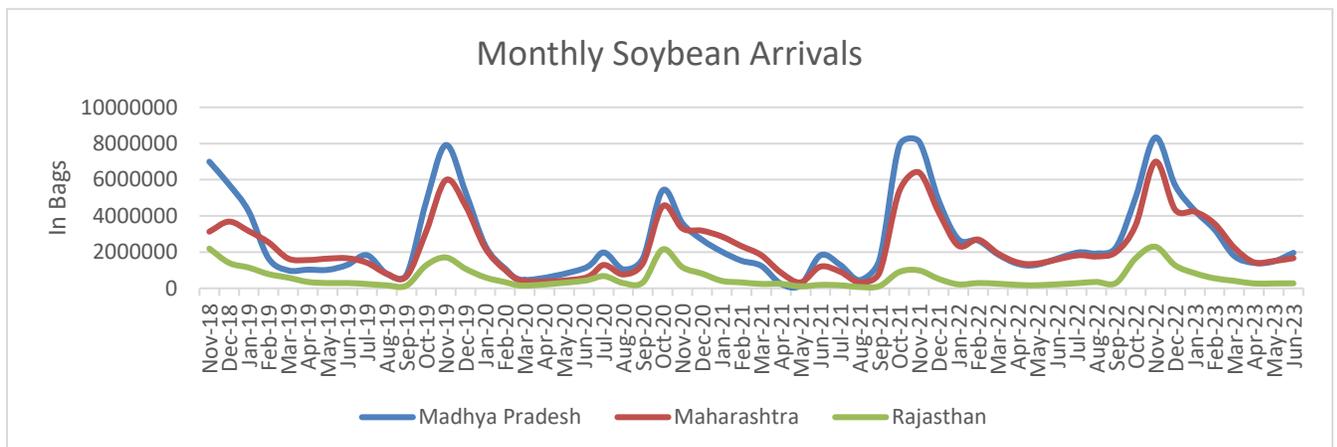
**Outlook - Rapeseed-Mustard (Spot, Jaipur basis):** Rapeseed-mustard is expected to trade range bound with weak bias amid weak demand from millers on disparity. Jaipur RM seed prices are likely to witness the price levels between 5,200 –5,800/Qtl. in the short-run.



# Soybean



During the month under review, Indore Soybean plant monthly average prices extended previous month's losses and went further down by 4% to INR 5,155/qtl. as compared to 5,360/qtl previous month. However, in June'23, monthly closing prices went down by 3% at INR 5,040/qtl as compared to previous month closing at INR 5,175/qtl. Soybean prices declined on the back of declining soy oil prices and weak demand from millers amid disparity. Additionally, correction in soymeal prices too weighed on soybean prices. Year-to-date soybean prices are down by 11.03% and in last one year Soybean is down by more than 20%. Furthermore, soy oil monthly average prices extended previous month losses and went down by 2% to INR 926/10 Kg as compared to previous month at INR 942/10 Kg. Decline in soy oil prices can be attributed to increase in edible oil imports and bearish global cues.



During the month under review, in Madhya Pradesh, soybean arrivals increased by 32% to 19.60 lakh bags as compared to 14.85 lakh bags in the previous month. In Maharashtra arrivals went up by 11% to 16.65 lakh bags as compared to 15.05 lakh bags previous month. And in Rajasthan arrivals recorded up by 2% to 2.77 lakh bags as compared to 2.77 lakh bags previous month. Amid increase in arrivals, soybean monthly average prices traded with weak bias.

According to USDA June'23 report, India's 2023/24, Soybean crush is estimated to be at 9.8 MMT as compared to previous year at 9.9 MMT and country's domestic Soy meal consumption is estimated to be at 7.15 MMT Vs 6.72 MMT previous year. Moreover, Soy meal exports is projected at 0.8 MMT as compared to 1.45 MMT previous year.

According to the most recent government data, India's soybean sowing for the year 2023 is currently 17% down compared to the previous year, with a total of 4.6 lakh hectares compared to 5.5 lakh hectares. Decline in soybean acreage may be attributed to late monsoon which has delayed Kharif Sowing of soybean; As on 29th June, MP and Rajasthan experienced 8% and 188% of excess rainfall respectively while Maharashtra received 50% deficient rainfall. Additionally, farmers are expected to shift their focus towards pulses and maize cultivation due to the attractive prices.

Madhya Pradesh	Cumulative Rainfall Departure (%) 1st June to 29th June'23	Maharashtra	Cumulative Rainfall Departure (%) 1st June to 29th June'23	Rajasthan	Cumulative Rainfall Departure (%) 1st June to 29th June'23
Rajgarh	-28%	Nagpur	-31%	Kota	30%
Vidisha	51%	Latur	-36%	Bhalawar	-39%
Dewas	30%	Yavatmal	63%	Bundi	79%
Shajapur	39%	Parbhani	-5%	Pratapgarh	-73%
Mandsaur	39%	Amaravati	62%	Baran	-11%
Ashok nagar	-2%	Washim	60%	Chittaurgarh	135%
Batlam	30%	Jalna	84%	Rajasthan	188%
Ujain	31%	Buldhana	78%		
Indore	30%	Hingoli	95%		
Dhar	33%	Akola	83%		
MP	8%	Maharashtra	-50%		

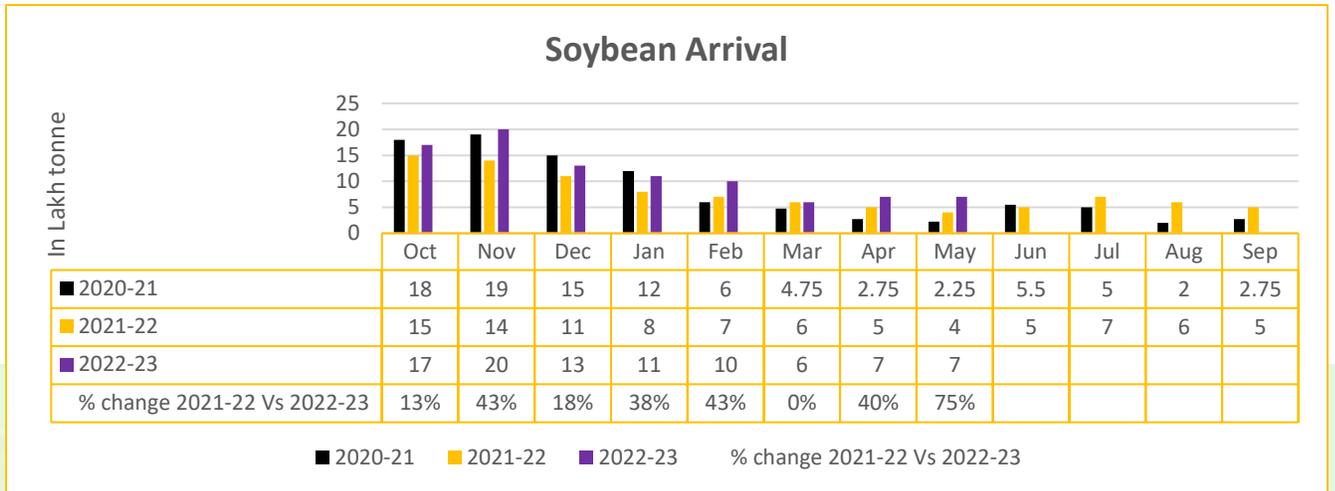
Soybean Kharif Sowing Progress (As on 30th June '23)			
State	Area Covered (Lakh Ha)		% Change
	2023	2022	
Karnataka	0.612	1.256	-51%
Gujarat	0.973	0.434	124%
Nagaland	0.132	0.132	0%
Uttarakhand	0.07	0.07	0%
Rajasthan	2.595	2.226	17%
Mizoram	0.008	0.011	-27%
Bihar	0.002	0.001	100%
Andhra Pradesh	0	0.002	100%
Madhya Pradesh	0.07	0.05	40%
Telangana	0.138	0.543	-75%
Maharashtra	0.008	0.838	-99%
Tamil Nadu	0.001	0.004	-75%
<b>Total</b>	<b>4.61</b>	<b>5.57</b>	<b>-17%</b>

Source: MoA in Lakh Ha

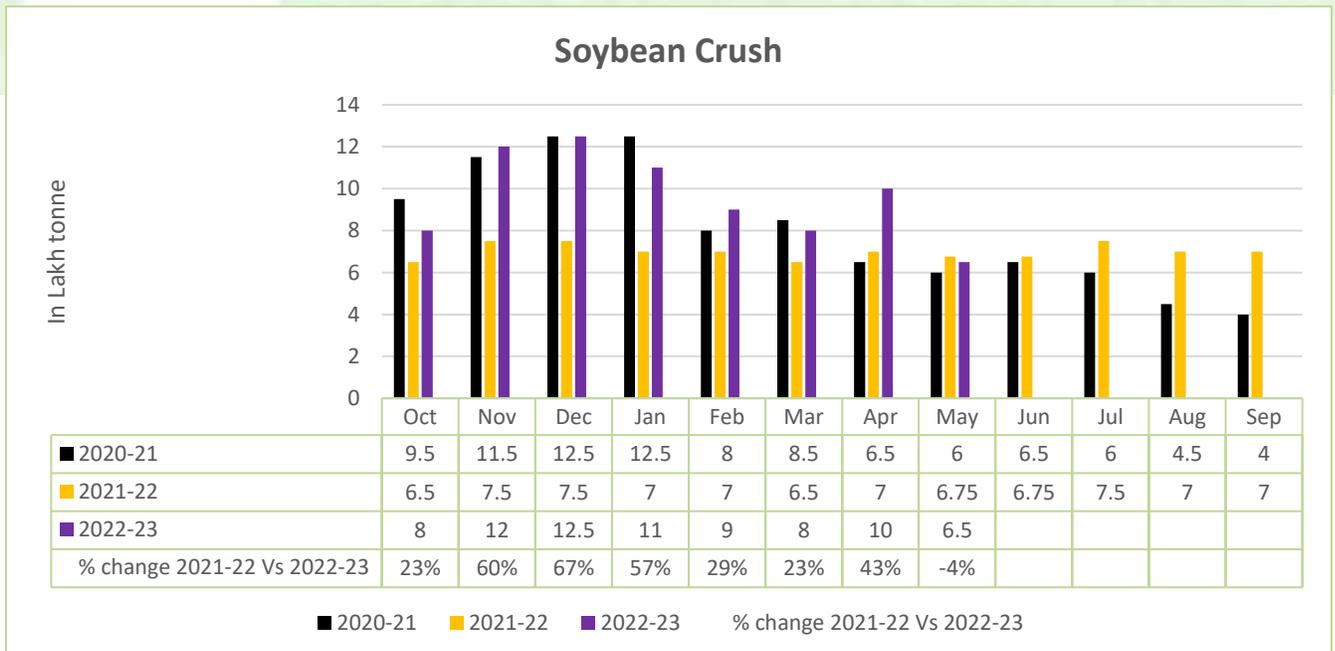
**SOPA Soy Crush and Arrivals-**

**Soybean Arrivals-**

As per latest available data from SOPA, Apr'23 Soybean arrivals was recorded 75% up at 7 Lakh tonnes as compared to 4 Lakh tonnes in the previous year same period. However, unchanged as compared to previous month.

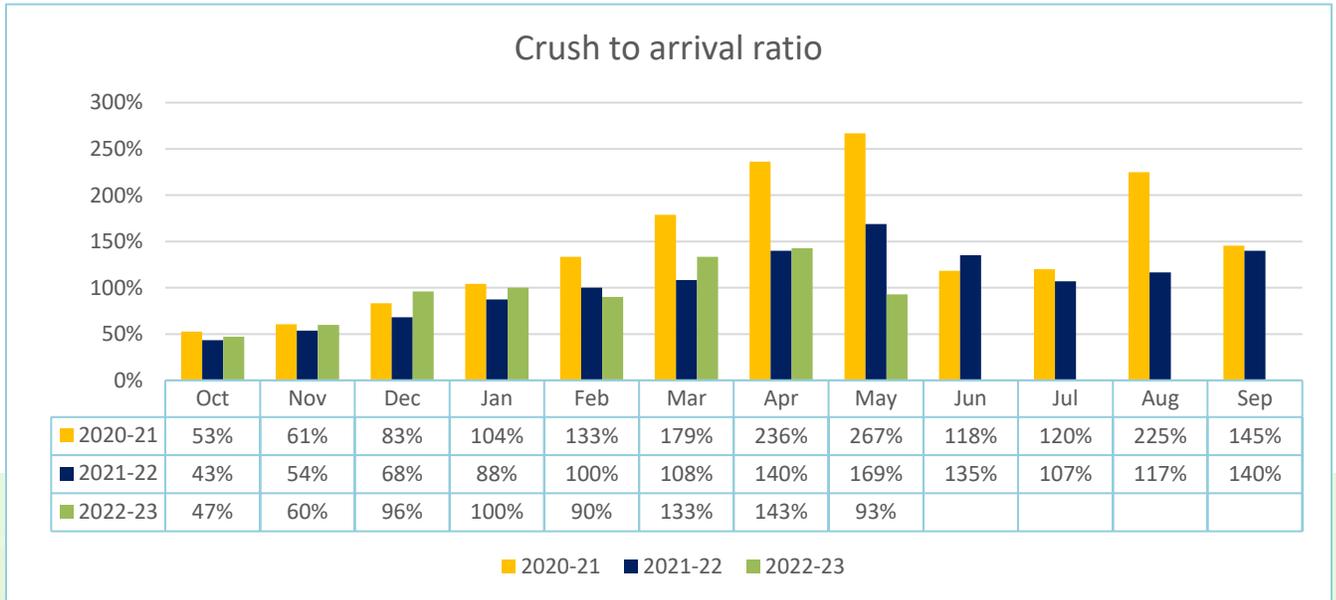


**Soybean Crushing:**



Soybean crushing went down by 4% in May'23 to 6.5 Lakh tonnes as compared to 6.75 Lakh tonnes previous year same period.

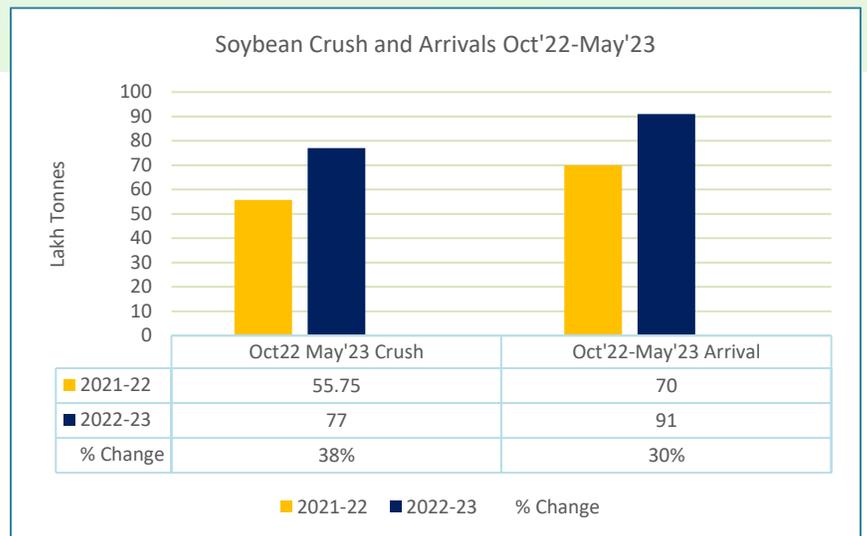
**Crush to arrival ratio:**



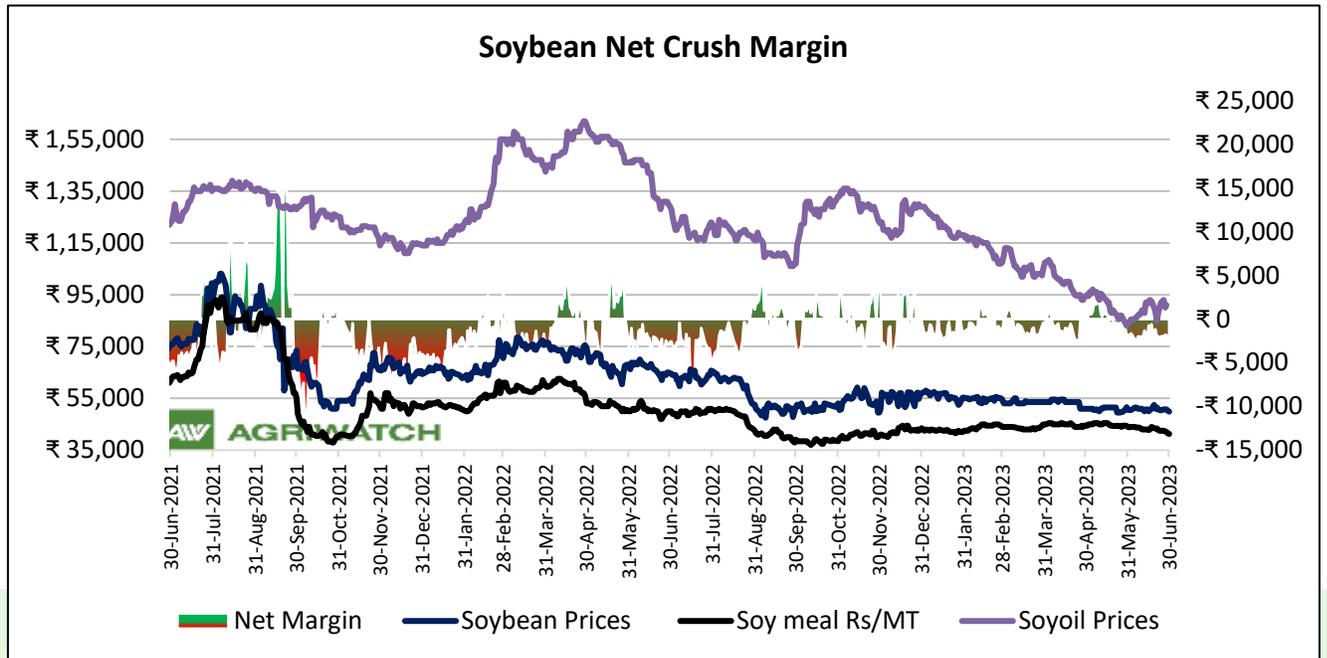
Crush to arrival ratio went up to Rs. 93% as compared to 169% previous year same period.

**Cumulative crush and arrivals-**

SOPA reported crushing up by 38% in Oct'22-May'23 at 77 Lakh Tonne. as compared to 55.75 Lakh Tonne. previous year same period and arrivals stood at 27% up at 84 Lakh Tonnes. as compared to 66 Lakh Tonnes. previous year same period.

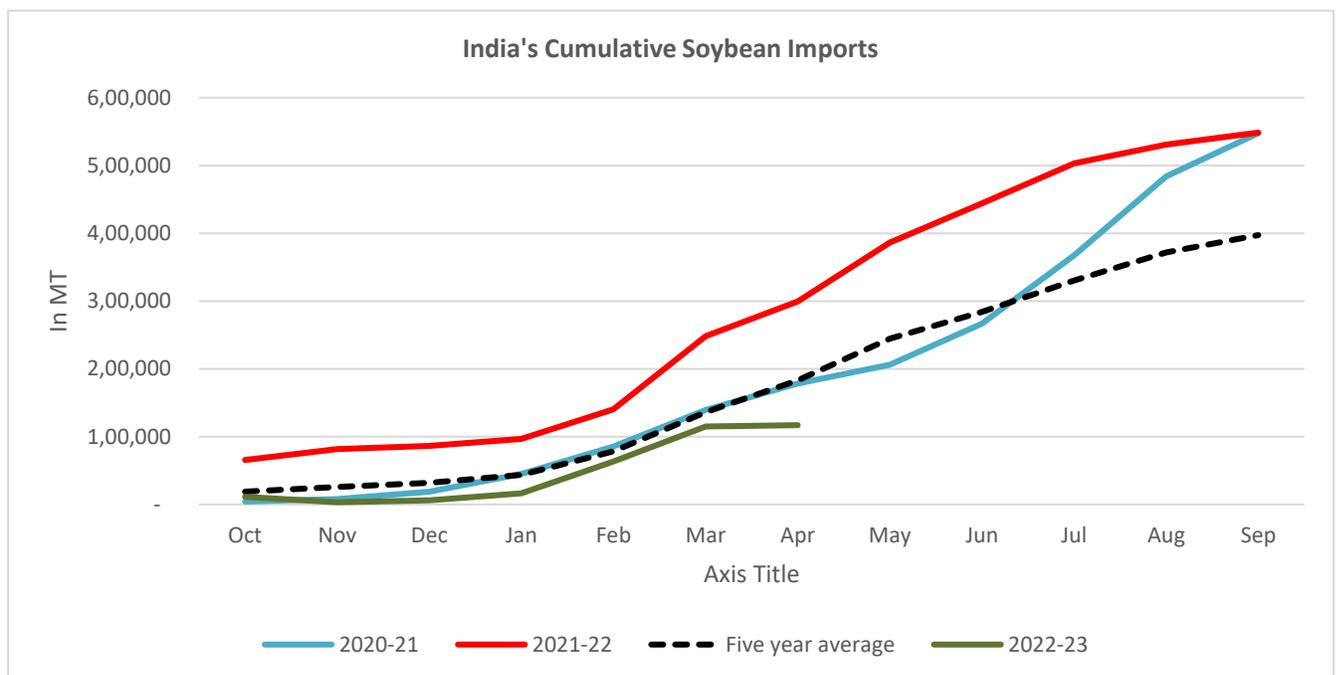


**Crush Margin-**

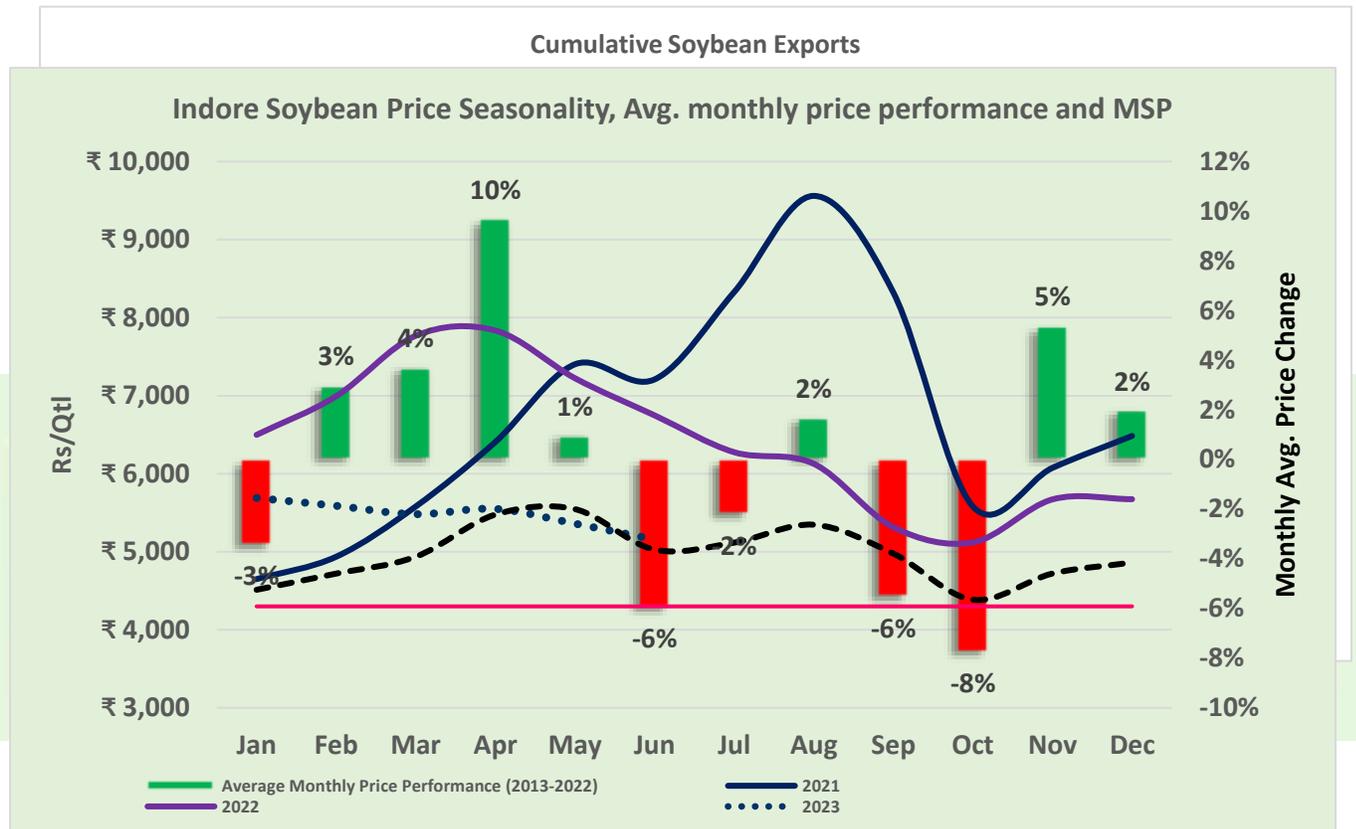


During the month under review, Soybean net crush margin improved at INR -1852/MT Vs 159 previous month amid correction in soy oil prices. Agriwatch expects soy net crush margin to remain on weaker note in upcoming month tracking weaker soy oil prices.

**Soybean Import-Export-**



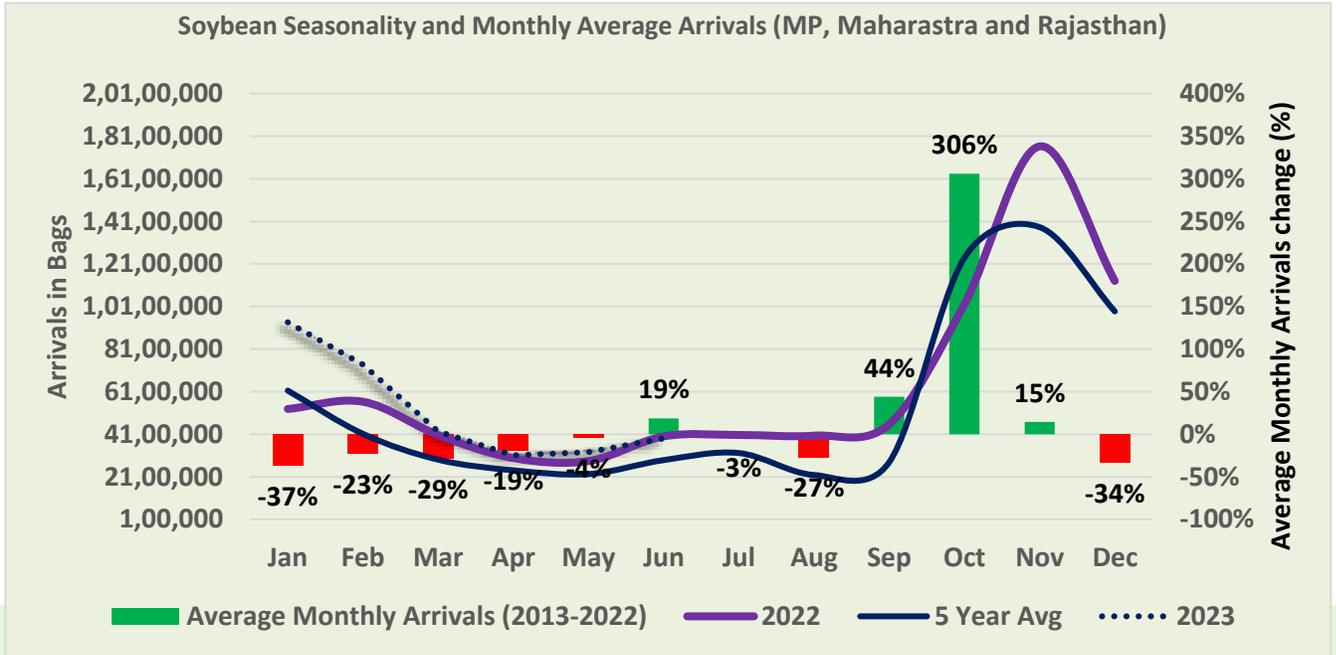
According to latest available data from Department of Commerce, India’s cumulative soybean import was up by 11% in the Oct’22 to Apr’23 at 3,32,056 tonnes as compared to 2,99,484 tonnes during same period last year and remains below from the five year’s average. Soybean exports were down In Oct’22-Apr’23 by 68% to 18,809 tonnes compared to previous year same period at 58,368.46 tonnes.



**Soybean Price Seasonality:**

As can be seen in the chart, Soybean Indore monthly average prices trading below five-year average. Based on past average data, in July, soybean monthly average prices are likely to stay sideways with weak bias.

**Soybean Arrival Seasonality:**



**Technical Analysis**

(Based on Indore Mandi prices, till June'23)

**SOYBEAN – Technical Outlook**

**Soybean Indore Spot -Monthly time frame**

**Technical Chart:**



(Red line- 9 EMA, Blue line 18 EMA and Green line 50 EMA)

**Technical Commentary:**

- During the month under review, Indore Soybean plant prices extended previous month’s losses and closed down at 5,040 as compared to previous month’s 5,175 and during the month, market made high of 5,555 and low of 5,040.
- Market is currently trading below 23.6% of Fibonacci retracement level which can be characterized as resistance, Additionally, market is currently trading below 9, 18 and 50 EMA, can be characterized as near-term resistance.
- Soybean Indore prices are expected to trade with range bound in the range of 4,900-5500.

**Recommendation-**

- Market Participants are recommended for buying in the range of 4,900-5,200 and wait for selling above 5,300-5,500.

**International Market Updates:**

Soy complex price performance			
Commodity	Month-to-date	Year-to-date	Last one year
Soybean Indore	-3%	-12%	-22%
Soy oil Indore	9%	-27%	-29%
Soymeal Indore	-6%	-3%	-17%
CBOT Soybean	11%	-5%	-8%
CBOT Soy oil	41%	3%	-1%
CBOT Soy meal	7%	-11%	-16%

As depicted in the above table during the month under review, US soy complex traded with firm bias amid dry weather condition in the US amid drought weather situation. As of now, 63% of the US soybean is under drought condition.

Brazil's soybean harvest in 2023 reached a new record of 155 million tonnes, exceeding the previous record by 11%. The U.S. Department of Agriculture predicts that the 2024 crop in Brazil will achieve another all-time high at 163 million tonnes, driven by a 4.3% expansion in harvested area. However, soybean profitability in Brazil for 2024 is expected to return to lower levels seen in the late 2010s. Despite declining prices, Brazilian farmers have been cautious in selling their 2023 soybean crop, with only 9% of the projected 2024 soybeans had been sold as of early May. The extent of the increase in soy acres harvested in Brazil remains uncertain. The United States is projected to reach a record 122.7 million tonnes of soybeans in 2023, contributing to a potential 11% global production increase compared to this year.

The USDA projects China's soy imports for 2023-24 at 100 million tonnes, a slight increase from previous years. Domestic demand in China is expected to reach a record 118 million tonnes in 2023-24, growing 4.7%. However, this growth is weaker than the projected global demand increase of 5.9%. China has been changing guidelines on soymeal use in animal feed to reduce import reliance. Excessive wheat supplies have also replaced corn and soymeal in feed rations. Heavy rainfall in China's wheat-producing provinces may have damaged a significant portion of the expected wheat crop. This could put more pressure on China's demand for soybeans and corn.

Argentina became the second largest destination for Brazilian Soybean after the shrink in Soybean production due to a severe drought. The export of soybean from Brazil to Argentina reached 1.92 million metric tonnes from January to May of 2023. The volume of shipment in May alone reached 9,78,500 metric tonnes. Argentina being the third largest producer of soybean after Brazil and USA saw a 43% shrink in crop production up to 25 million metric tonnes in 2022-23. However, according to USDA the estimated Soybean harvest of Argentina fell even smaller to just 20.5 million metric tonnes. Argentina, being one of the largest exporters of soy oil and meal, had to import soybean from Brazil to fulfill the demand from the domestic crushers.

According to the USDA report dated 26th June' 23, USA's soybean emergence stood at 96% as compared to 92% previous week, 90% previous year and 89% five year average, Whereas, 6% of the soybean crop is in excellent condition, 45% in good condition, 35% in fair condition, 11% poor condition and 3% very poor condition.

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.

### Technical Analysis

#### US Soybean ( Nov'23 Expiry) Monthly time frame



- During the month under review, US Soybean (Nov'23 contract) went down by 10.94% to \$14.42/ bushel and during the month market made high of \$14.53/ Bushel, low of \$12.16/ bushel.
- As depicted in the above chart, market is currently trading below 9, 18, 50 and 100 DMA and can be characterized as resistance.
- RSI is near 52 indicating steady buying strength and MACD is also indicating steady to weak momentum.
- Near term support is at 13.5 and next support is at 12.5 while near term resistance is at 15 and next resistance is at 15.5.

### India's Balance Sheet

			Q3	Q4	Q1	Q2
Soybean (Fig in Mn T) MY-Oct.-Sep.	2021-22	2022-23	Oct-Dec'21	Jan-Mar'22	Apr-Jun'22	July-Sep 22 F
Carry In	0.36	3.17	3.17	10.96	8.20	5.25
Production	11.72	11.00	11.00	0	0	0
Imports	0.55	0.53	0.07	0.06	0.20	0.2
Total Availability	12.63	14.70	14.24	11.02	8.40	5.45
Processing/Crushing	8.10	11.00	3.25	2.80	2.50	2.45
Exports & Direct Consumption	0.06	0.05	0.03	0.03	0.00	0.00
Seeding/Retained for Sowing	1.30	1.30	0	0	0.65	0.65
Total Usage	9.46	12.35	3.28	2.83	3.15	3.10
Carry Out	3.17	2.35	10.96	8.20	5.25	2.35
Stock/Consumption Ratio	34%	19%				

As per the above balance sheet, overall supply looks comfortable as during the ongoing season stock to use ratio is comfortable at 19% and last year too, stock to use ratio is high at 34%.

Carry-out stocks are significantly high due to holding back of stocks by farmers in anticipation of further increase in prices and lower demand for crushing.

### Global Soybean Balance Sheet- (In MMT)

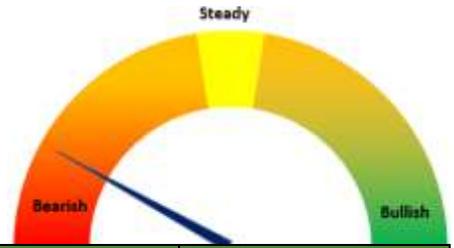
Attribute	2022/2023	2023/2024	% Change over previous year
Area Harvested	135	140	4%
Beginning Stocks	99	101	3%
Production	370	411	11%
Imports	165	170	3%
Total Supply	634	682	8%
Exports	168	172	2%
Crush	312	332	6%
Food Use Dom. Cons.	23	24	5%
Feed Waste Dom. Cons.	28	30	5%
Domestic Consumption	364	386	6%
Ending Stocks	101	123	22%

Source: USDA

**Outlook:** Soybean prices likely to trade range bound with weak bias tracking high ending stock, and weaker soy oil prices owing to squeezed crush margin.

Price Outlook Rs./Qtl.

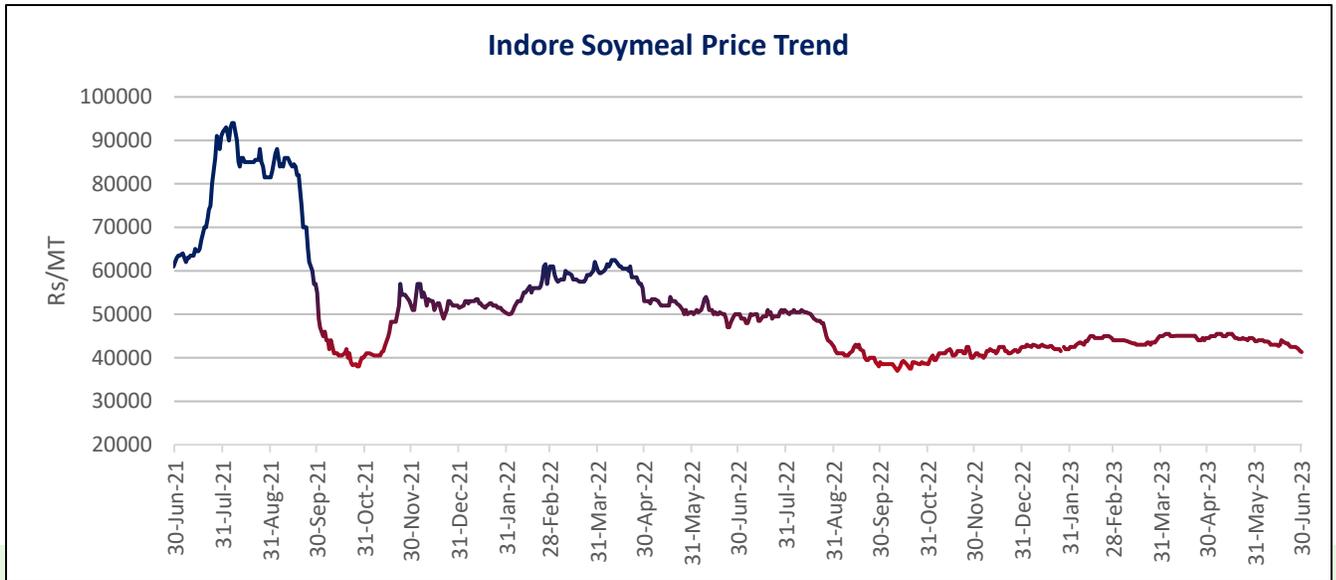
Indore Plant, (CMP: Rs. 5,040/Qtl)



Price Projections Indore Mandi Rs/Qtl	May'23	June'23	July'23
	5,150-5,525	5,040-5,255	4,900-5,400

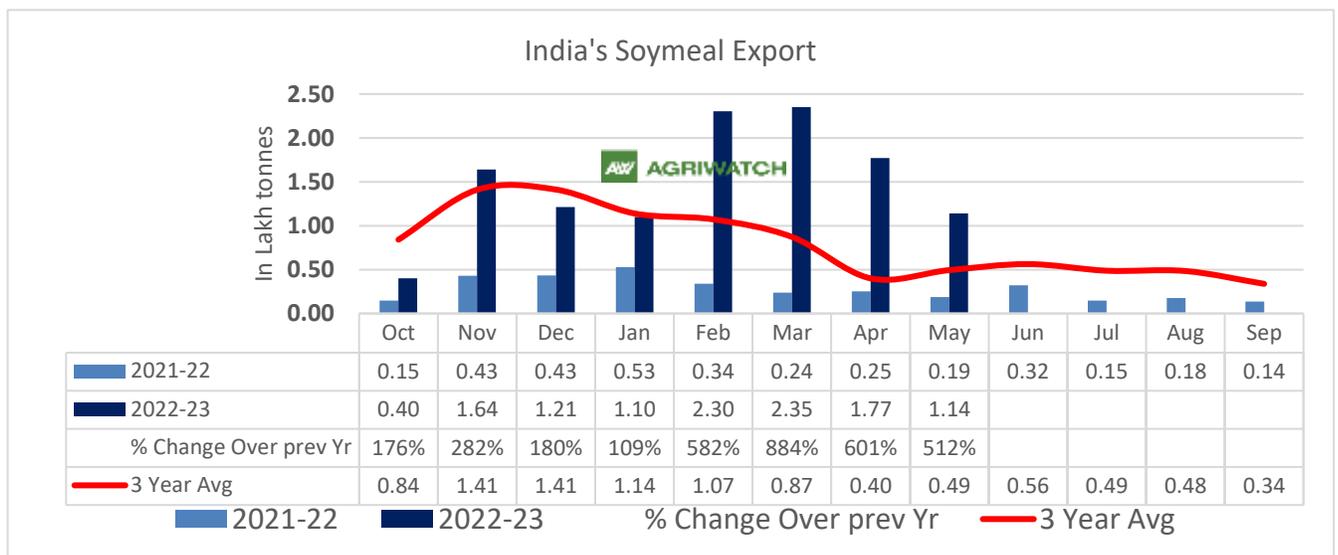


# Soymeal



During the month under review, Indore soymeal monthly average prices remained weak and went down by 4% to INR 43,061/MT as compared to previous month at INR 44,788/MT. Increase in Ex-Rotterdam soymeal and Ex-Kandla price spread weighed on Indian soymeal prices. During the month under review, Soymeal prices stayed in the range of 41,300-44,000/MT. Year to date soymeal prices are down by 2.8% and in last one year soymeal prices are down by 17%.

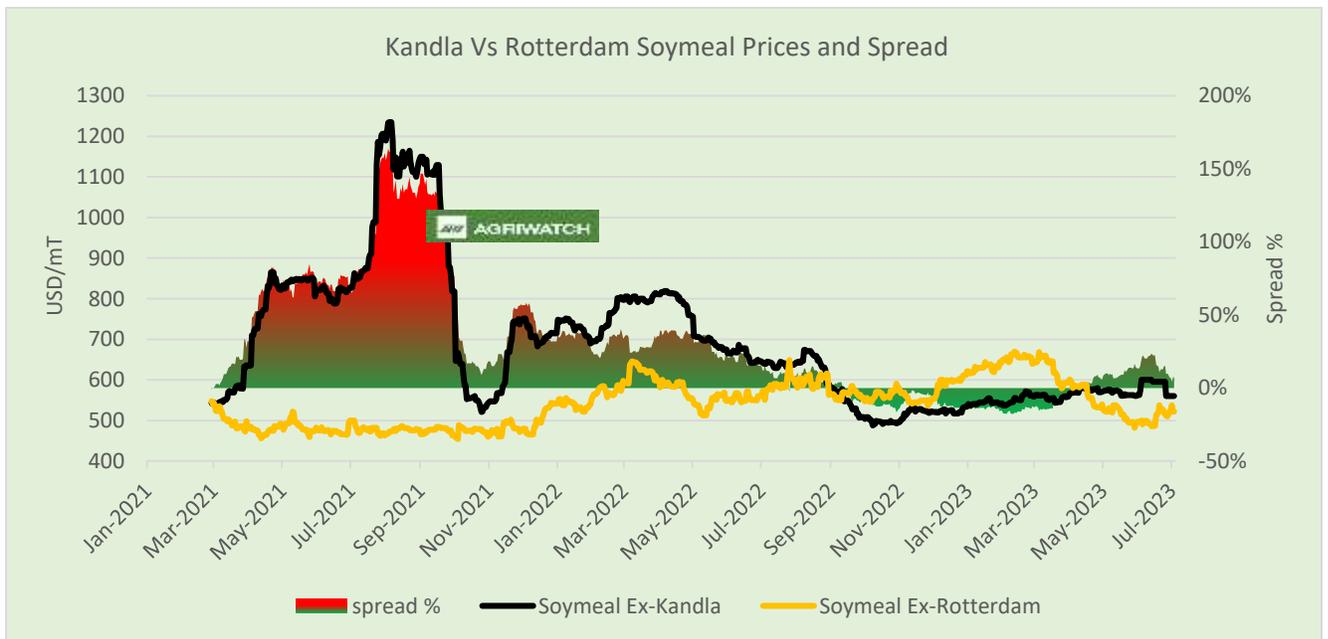
### Soy Meal Export:



Total Soy meal exports in Oct'22- May'23 went up by 367% to 11.92 Lakh tonnes vs 2.55 Lakh tonnes previous year same period, while Soymeal exports are up by 512% to 1.14 Lakh tonnes in May'23 Vs 0.19 Lakh tonnes previous year same period. Soymeal exports went up for the eighth straight month on good soymeal export demand from South East Asia tracking competitive prices in global markets. However, currently spread between Ex-rotterdam and Ex-kandla is 12-15%, which may limit export demand in upcoming months.

Soymeal export (In Lakh tonnes)	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Oct</b>	0.29	0.04	0.31	0.71	1.50	0.64	1.20	0.15	0.40
<b>Nov</b>	1.11	0.09	0.98	2.08	1.86	0.69	1.99	0.43	1.64
<b>Dec</b>	1.94	0.06	2.41	1.69	1.71	0.72	2.51	0.43	1.21
<b>Jan</b>	1.04	0.08	1.55	1.06	0.86	0.42	2.83	0.53	1.10
<b>Feb</b>	0.65	0.01	2.08	0.74	1.32	0.49	2.47	0.34	2.30
<b>Mar</b>	0.46	0.00	1.07	0.39	1.94	0.33	1.46	0.24	2.35
<b>Apr</b>	0.18	0.12	1.24	0.68	0.41	0.26	0.40	0.25	1.77
<b>May</b>	0.14	0.10	0.49	0.76	0.53	0.47	0.52	0.19	1.14
<b>Jun</b>	0.02	0.18	0.46	1.04	0.63	0.57	0.26	0.32	
<b>Jul</b>	0.01	0.12	0.81	0.64	0.77	0.62	0.27	0.15	
<b>Aug</b>	0.01	0.11	0.88	0.60	0.95	0.58	0.11	0.18	
<b>Sep</b>	0.07	0.12	1.02	0.45	0.35	0.69	0.06	0.14	

**SBM-FAS Kandla Vs FOB Argentina Parity**

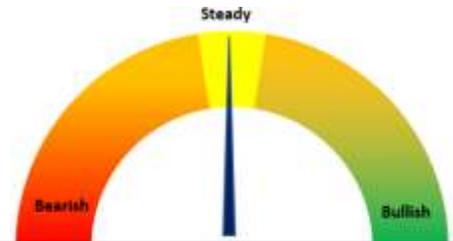


During the month under review, Indian Soymeal FOB Soymeal Ex-Kandla monthly average prices stood at \$588/MT, Ex-Rotterdam FOB prices stood at \$503/MT Ex-Rotterdam and spread stands at \$85/MT. In June, Ex-Kandla Soymeal prices are up by 9-24% as compared to Ex-Rotterdam. Upon increase in spread, soymeal export demand is likely to get affected if it continues for long duration.

**Outlook:** We expect Indore Soybean meal prices to trade sideways with slightly weak bias amid expectation of discourage in export demand due to increase in spread between soymeal prices of Ex-Rotterdam and Ex-Kandla.

**Price Outlook Rs./Qtl.**

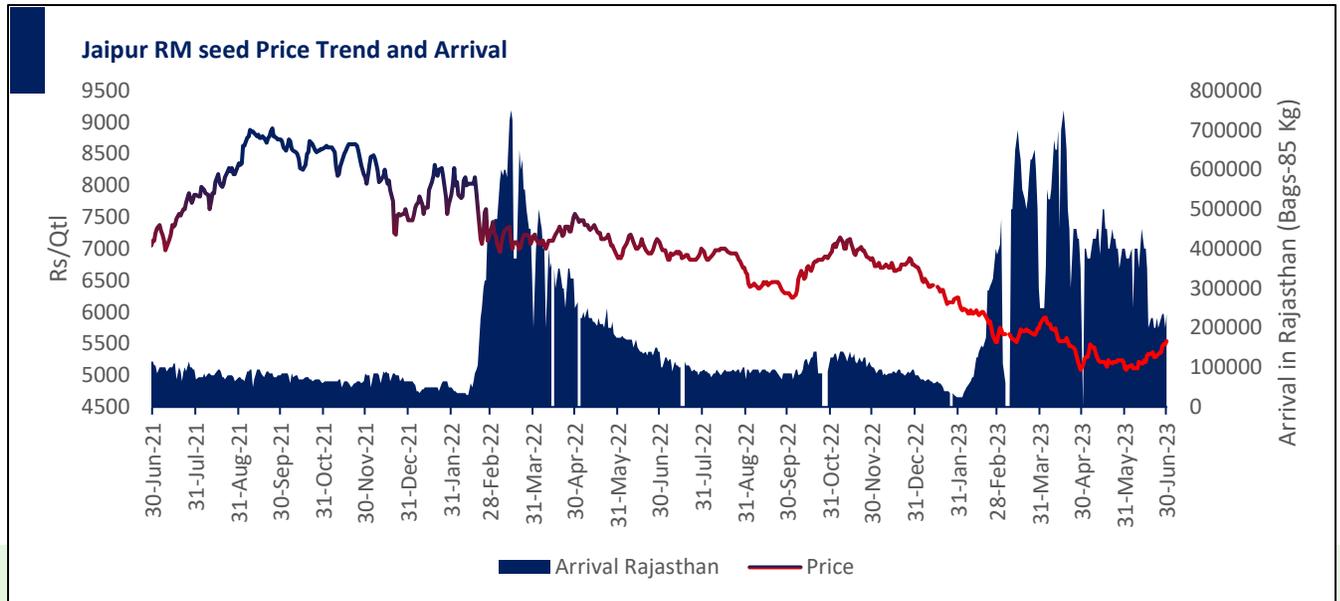
**Indore Soymeal, (CMP: Rs. 41,300/MT)**



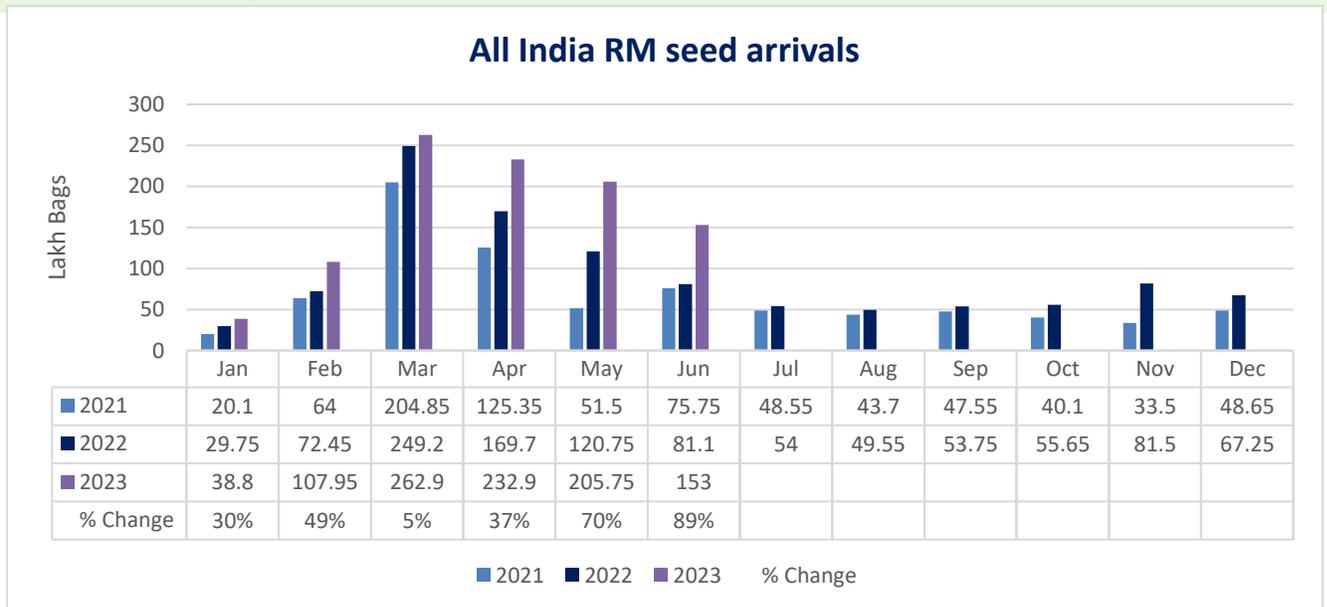
Price Projections	May'23	June'23	July'23
		43,800-45,500	41,300-44,000



## Rapeseed - Mustard Seed

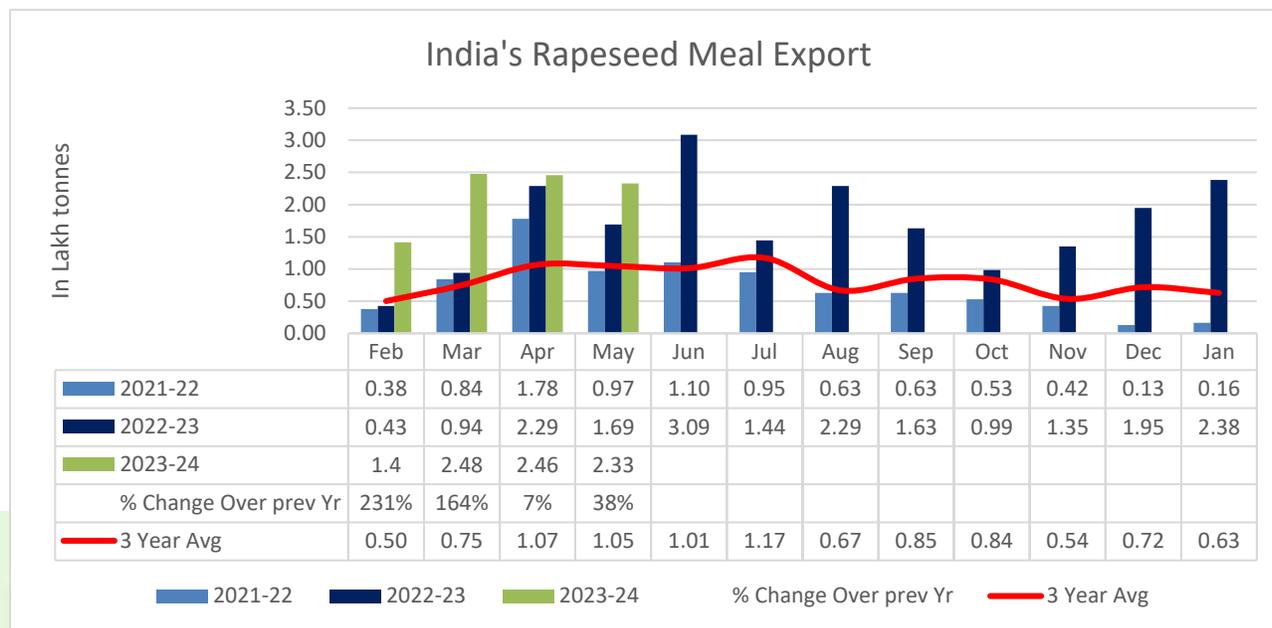


During month under review, Monthly average price of RM seed at Jaipur remained sideways and went marginally up by 0.23% to Rs. 5,266 a quintal, compared to Rs.5,254/qtl in previous month. However, as on 30th June'23 RM seed Jaipur prices closed up by 8% at 5,538/qtl compared to the previous month closing at 5,113/qtl. amid stable mustard oil prices. During the month under review, mustard oil monthly average prices remained sideways and went marginally up by 0.14% to INR 955/10 Kg as compared to INR 954/10 Kg previous month.



All India RM Seed arrivals went up, in June'2023 RM seed arrivals went up by 89% to 153 Lakh bags Vs 81 Lakh bags in June'22. However, arrivals recorded down by 26% as compared to previous month.

**Rapeseed Meal Export-**



There is a significant jump in export of rapeseed meal in May'23 and reported at 2.33 Lakh tons compared to 1.69 Lakh tons previous year same period i.e., up by 38%. Upon record crop of rapeseed and crushing resulted in the highest processing, availability of rapeseed meal and export. Currently India is the most competitive supplier of rapeseed meal to South Korea, Vietnam, Thailand and other Far East Countries. In upcoming months too, we expect good exports amid firm demand from South east Asia.

As of 30th June, 2023, NAFED's total procurement stands at 9,53,661.75 metric tonnes (MT), which holds a cumulative value of Rs. 5,197.46 Crores. The breakdown of the procurement reveals that NAFED has sourced 84,355.32 MT from Gujarat, 3,47,105.00 MT from Haryana 3,25,402.03 MT from Rajasthan, 1,67,591.09 MT from Madhya Pradesh, and 28,958.16 MT from Uttar Pradesh.

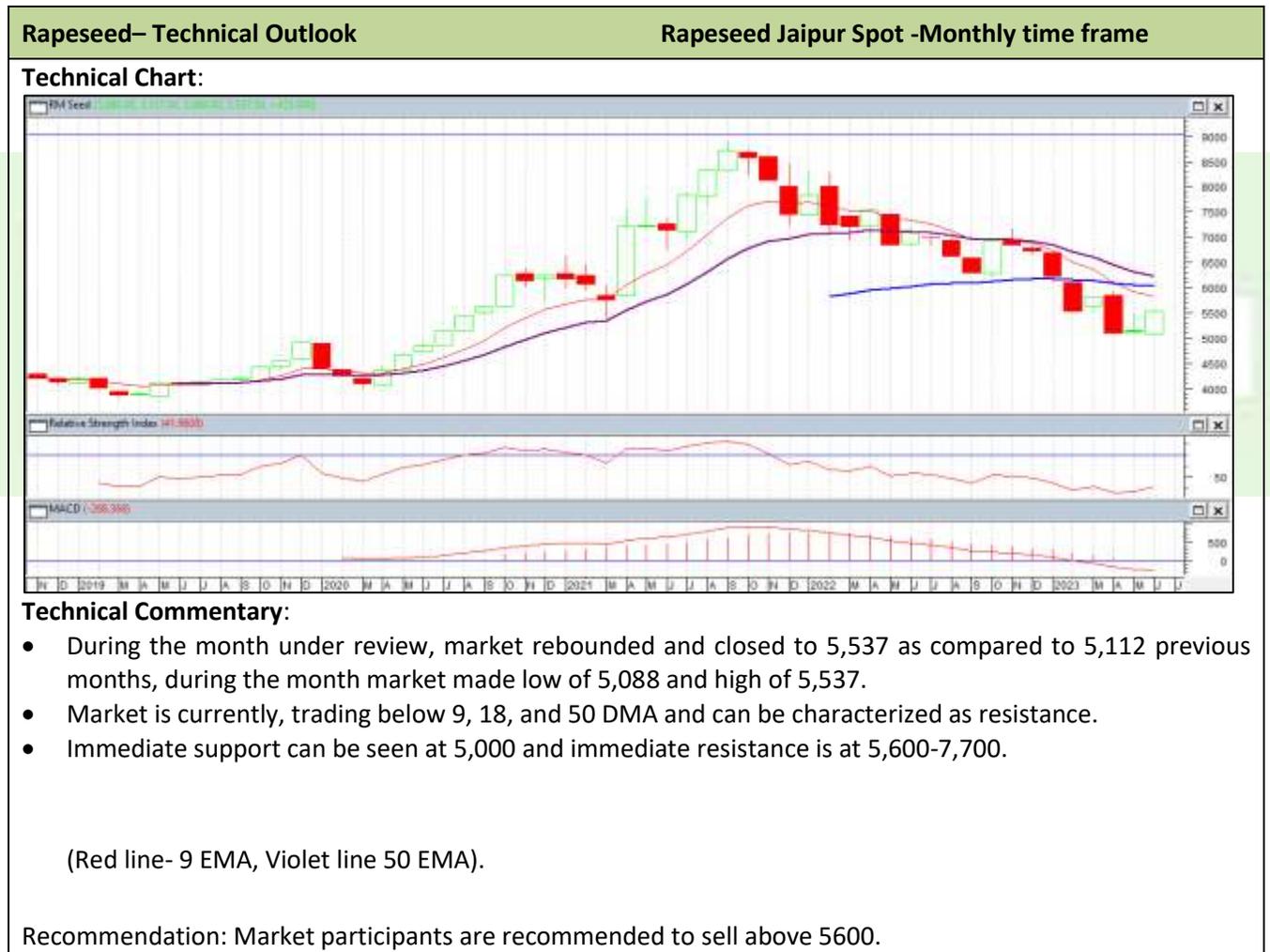
**International**

As per AFCC Canada, In the 2023-24 forecast, the canola area is projected to experience a slight increase, reaching 8.7 million hectares (Mha). Despite the attractive prices of wheat and peas, as well as lower canola prices observed until the end of the 2022-2023 season, growers are expected to maintain their crop rotations. Assuming average yields, the total production is estimated to be 18.4 million metric tons (Mt). The weather conditions in Western Canada during the beginning of the growing season were characterized by instability, with cold and dry weather in March and April followed by unusually warm weather in May. According to the

seasonal forecast, the upcoming summer is expected to be warmer than normal. Consequently, the supply is projected to increase only slightly due to tighter ending stocks compensating for the production increase.

The demand for canola is anticipated to remain stable, while both domestic crush volume and exports are forecast at 9.5 MT and 8.8 MT, respectively. This is attributed to the robust global demand for oilseeds, vegetable oils, and meals protein. The assumption is that the crush plant capacity for the next crop year will match that of the plants currently in operation. However, if a large canola plant were to commence operations in 2023-24, the national crush volume would be expected to rise to approximately 10.0 MT, while exports are predicted to decrease to around 8.3 MT.

**Technical Analysis** (Based on Jaipur Mandi prices)



**Balance Sheet – Rapeseed-Mustard Seed, India**

Rapeseed-Mustard (Fig in Mn T) MY-Feb.-Jan.	2022-23	2023-24	2023-24			
			Feb-Apr	May-Jul	Aug-Oct F	Nov-Jan F
Carry In	0.12	0.26	0.26	8.40	5.77	3.40
Production	10.71	11.13	11.13	0	0	0
Imports	0.00	0.00	0	0	0	0
Total Availability	10.82	11.38	11.38	8.40	5.77	3.40
Processing/Crushing	10.07	9.11	2.99	2.62	1.99	1.51
Exports	0.00	0.00	0	0	0	0
Retained for Sowing and direct consumption	0.50	0.55	0	0	0.39	0.16
Total Usage	10.57	9.66	2.99	2.62	2.38	1.67
Carry Out/Ending Stock	0.26	1.73	8.40	5.77	3.40	1.73
Monthly Use	0.00	0.00				
Stock/Consumption Ratio	2.44%	17.88%				

(Fig in MnT)

(Source: AgriWatch)

- Agriwatch has pegged India's 2023/24 Rapeseed-mustard at 11.38 million tonnes, higher by 4% compared to the 2022/23 production at 10.82 million tonnes.
- Amid higher production, ending stock is expected to be higher at 17.88%.
- India's production is above 5-year average of around 6.7 million tonnes.
- As evident from the supply & demand table, overall, the supply is very comfortable and the S/R is well above the last three years.

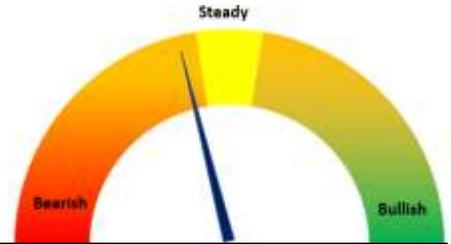
**Balance Sheet – Rapeseed-Mustard Seed, World**

Attribute	2020/2021	2021/2022	2022/2023	2023/2024	% Change over previous year
Area Harvested	35.26	38.29	41.81	41.81	0.01%
Beginning Stocks	7.67	6.40	4.25	6.26	47.41%
Production	74.55	74.89	88.13	87.21	-1.04%
Imports	16.66	13.89	19.31	16.40	-15.04%
Total Supply	98.88	95.18	111.68	109.87	-1.62%
Exports	18.11	15.09	20.57	17.71	-13.87%
Crush	71.80	71.91	80.81	81.11	0.37%
Food Use Dom. Cons.	0.67	0.67	0.72	0.75	3.47%
Feed Waste Dom. Cons.	1.91	3.27	3.33	3.37	1.32%
Domestic Consumption	74.37	75.84	84.85	85.22	0.44%
Ending Stocks	6.40	4.25	6.26	6.94	10.80%

**Outlook:** Based on fundamental and technical analysis RM seed is likely to trade with weak bias amid weak demand from oil millers due to disparity on weak mustard oil prices. However, procurement from govt. likely to limit the fall.

**Price Outlook Rs./Qtl.**

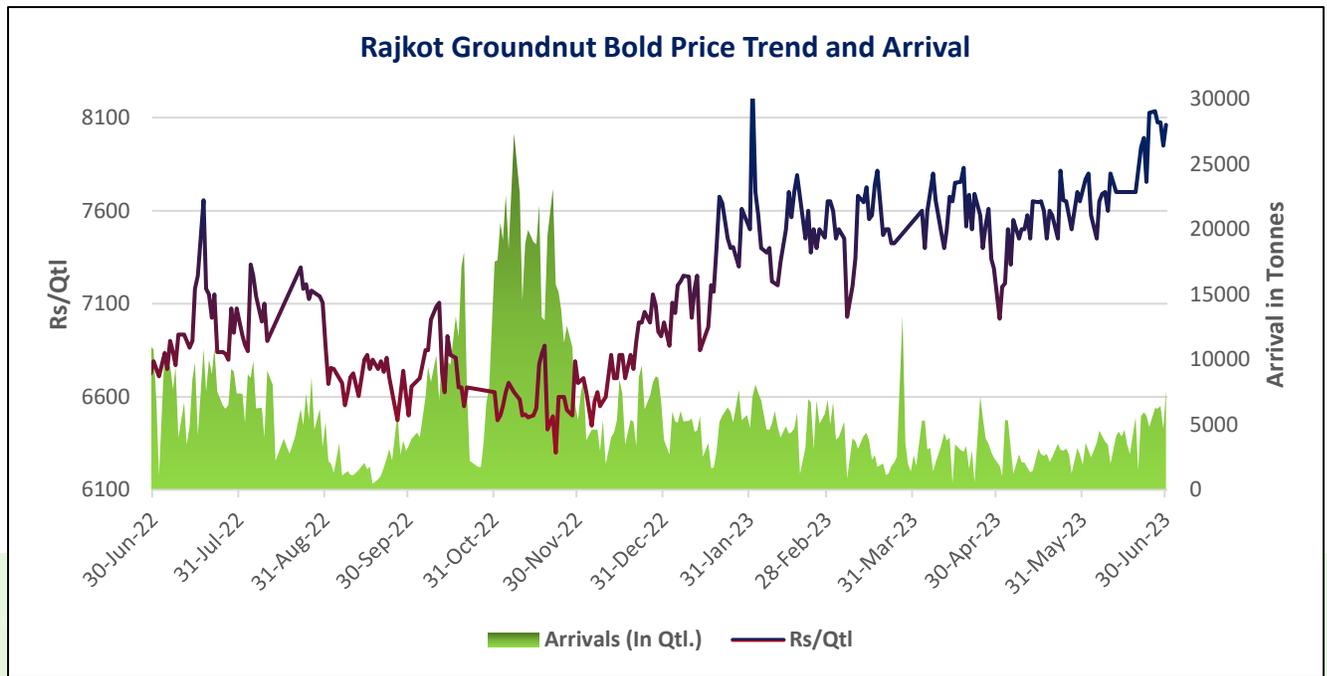
**Jaipur RM seed, (CMP: Rs.5,538/Qtl)**



Price Projections	May'23	June'23	July'23
		5,113-5,488	5,088-5,538



## Groundnut



This month, the average monthly price of Groundnut bold prices remained firm and went up by 4% to Rs. 7,515 a quintal, compared to Rs.7,574/qrtl previous month. The market made a low of 7,450 and high of 8,135 during the month. Prices remained elevated despite increase in arrivals, low production, good demand from stockists and good groundnut oil demand from China. During the month, All India arrivals increased by 64% to 1.14 Lakh tonnes as compared to 0.70 Lakh tonnes previous month.

This month, the average monthly price of Groundnut bold 60/70 remained sideways and went up by 1.7% at Rs.9,938/qrtl as compared to Rs. 10,111/qrtl previous month. During the month, market made a low of Rs. 9,700/qrtl and a high of Rs. 10,200/qrtl.



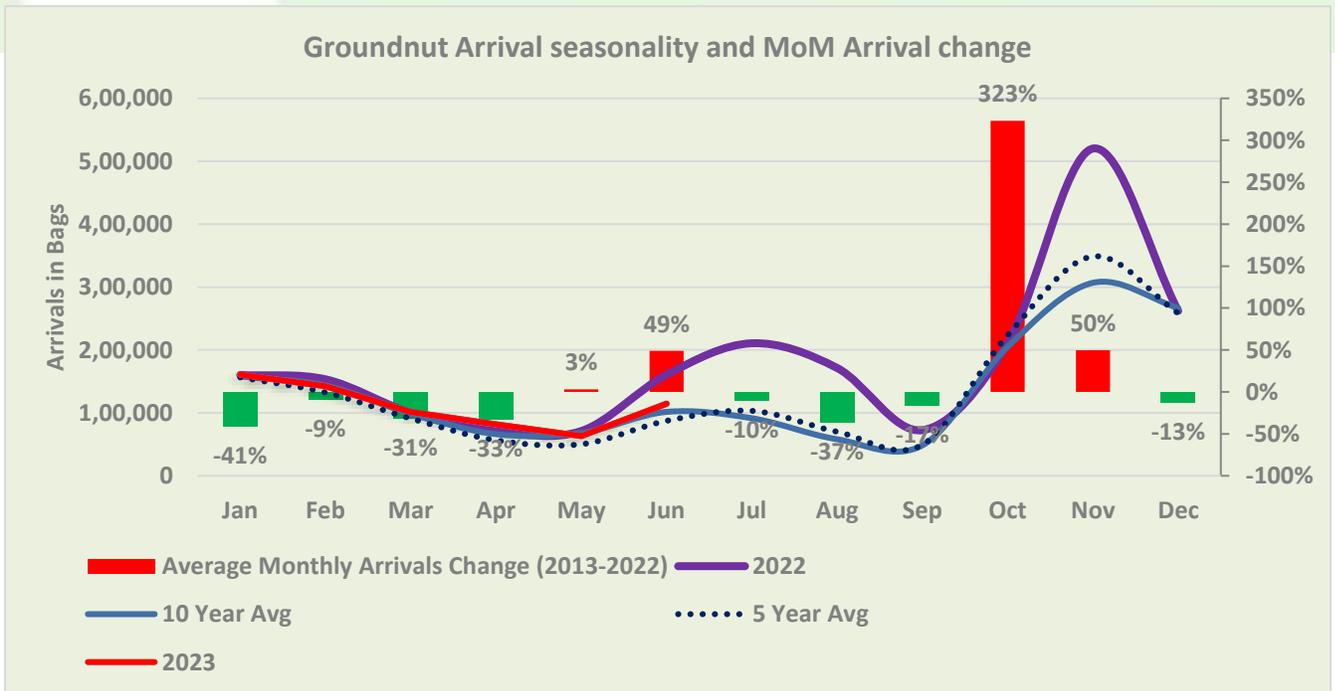
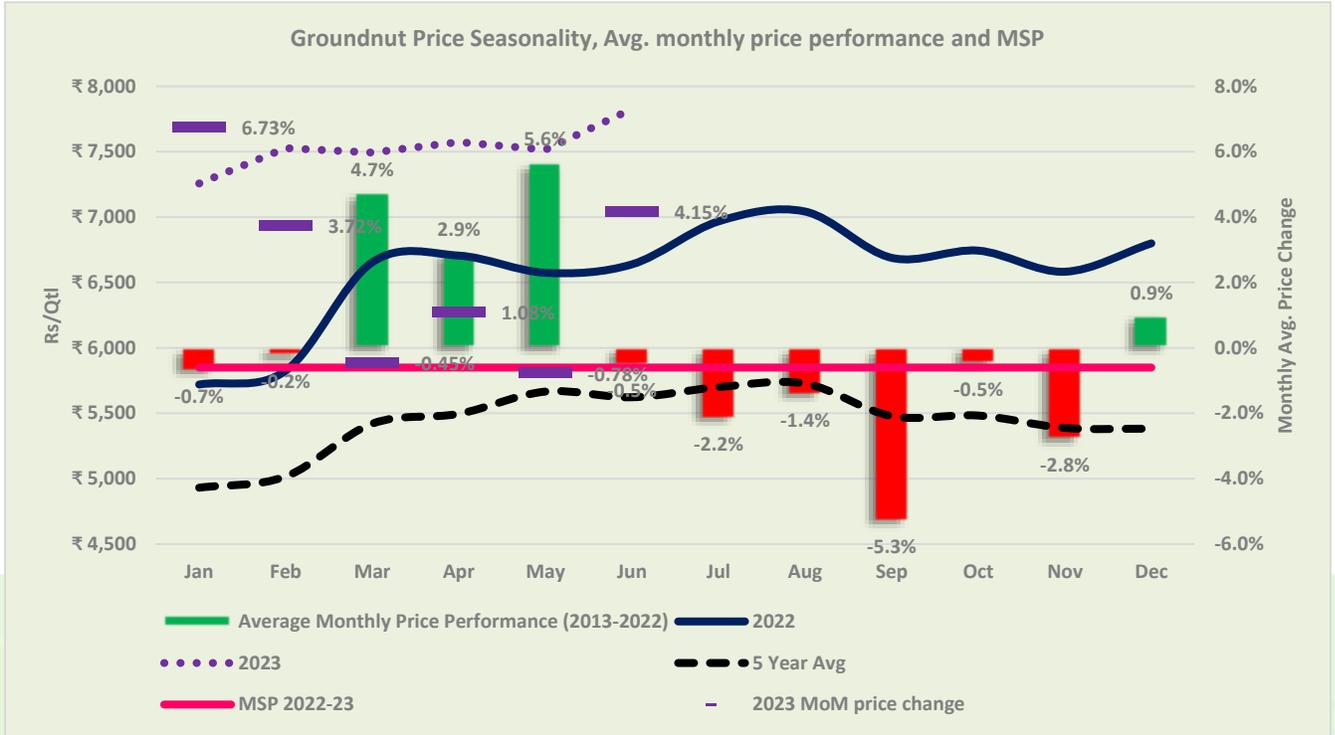
Groundnut Kharif Sowing Progress (As on 07th July '23)			
State	Area Covered (Lakh Ha)		Change
	2023	2022	
Gujarat	13.288	10.147	31%
Rajasthan	7.146	5.845	22%
Andhra Pradesh	0.495	0.742	-33%
Karnataka	0.348	1.136	-69%
Uttar Pradesh	0.16	0.102	57%
Tamil Nadu	0.45	0.587	-23%
Chattisgarh	0.012	0.056	-78%
Madhya Pradesh	0.54	0.811	-33%
Nagaland	0.021	0.02	5%
Uttarakhand	0.01	0.01	0%
Arunachal Pradesh	0.011	0.009	22%
Haryana	0.058	0.055	5%
Punjab	0.016	0.017	-6%
Telangana	0.003	0.011	-73%
Odisha	0.017	0.118	-85%
West Bengal	0.007	0.024	-71%
Maharashtra	0.218	0.508	-57%
Tripura	0	0.004	-100%
<b>Total</b>	<b>22.80</b>	<b>20.20</b>	<b>13%</b>

Source: MoA in Lakh Ha

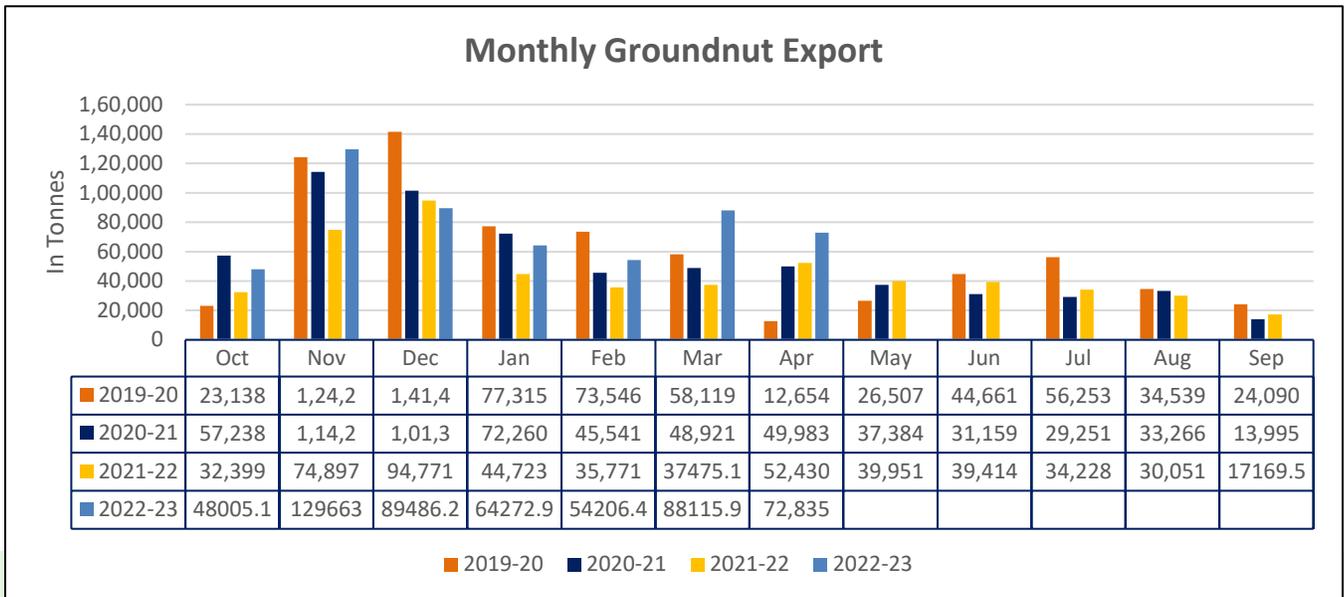
Gujarat	Cumulative Rainfall Departure (%) 1st June to 04th July'23	Rajasthan	Cumulative Rainfall Departure (%) 1st June to 04th July'23
Rajkot	124%	Bikaner	41%
Junagadh	170%	Jodhpur	243%
Devbhumi Dwarka	206%	Churu	1%
Amreli	91%	Jaipur	83%
Jamnagar	202%	Hanumangarh	6%
Banaskantha	209%	Sikar	32%
Bhavanagar	34%	Nagaur	172%
Gir Somnath	95%	Tonk	252%
Porbandar	51%	Dausa	36%
Sabarkantha	84%	<b>Rajasthan</b>	<b>142%</b>
Morbi	73%		
Kutch	200%		
Aravalli	35%		
Mahesana	60%		
Surendranagar	49%		
Botad	63%		
Gandhinagar	-18%		
<b>Gujarat</b>	<b>111%</b>		

According to the most recent government data, India's Groundnut sowing for the year 2023 is currently 34% ahead compared to the previous year, with a total of 15.77 lakh hectares compared to 11.74 lakh hectares. The gain in Groundnut acreage may be attributed to good monsoon which has, as on 4th July, Gujarat and Rajasthan experienced 111% and 142% excessive rainfall respectively. Farmers are expected to focus on groundnut sowing amid good prices in the market.

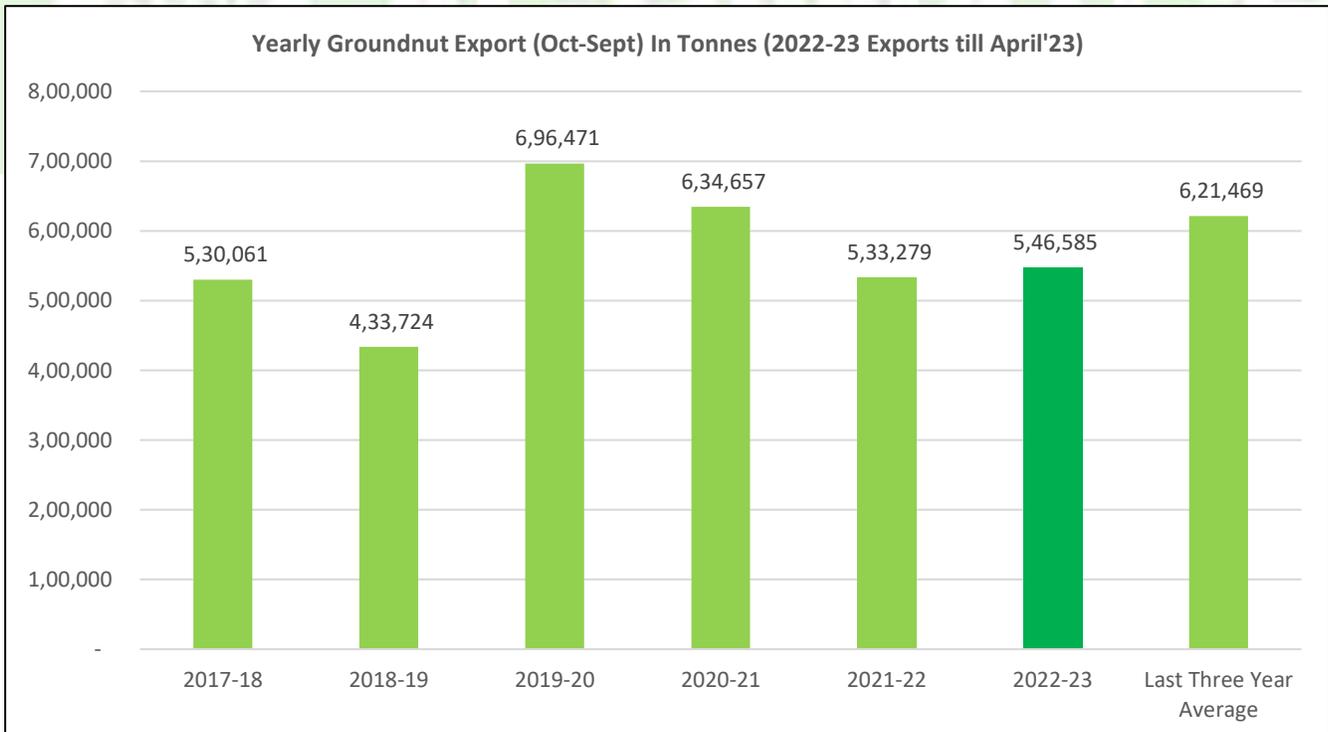
**Groundnut price and arrival seasonality**

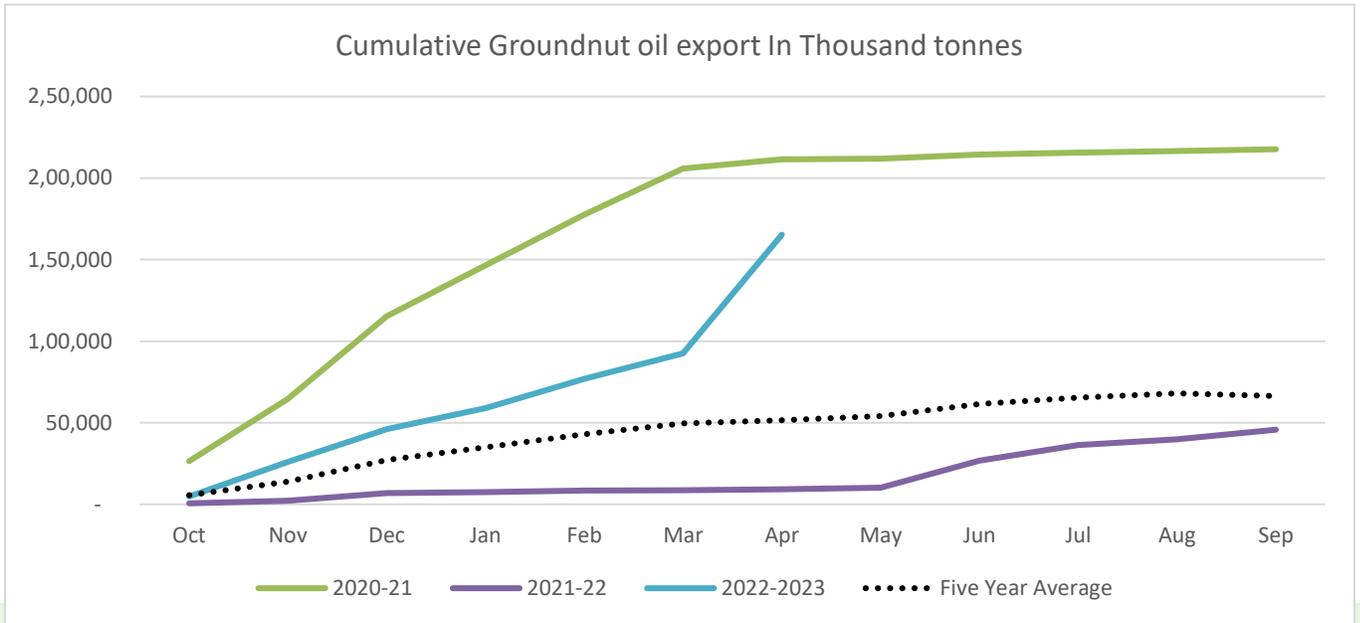


**Groundnut seed Export scenario:**

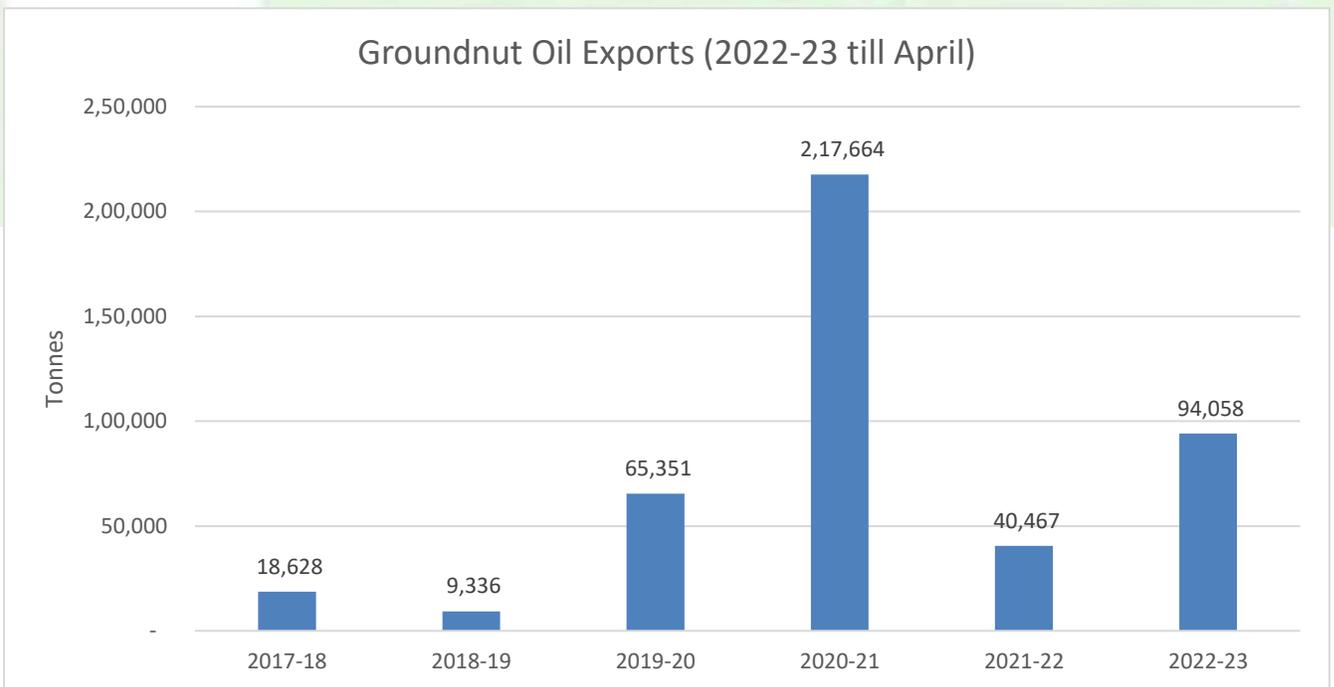


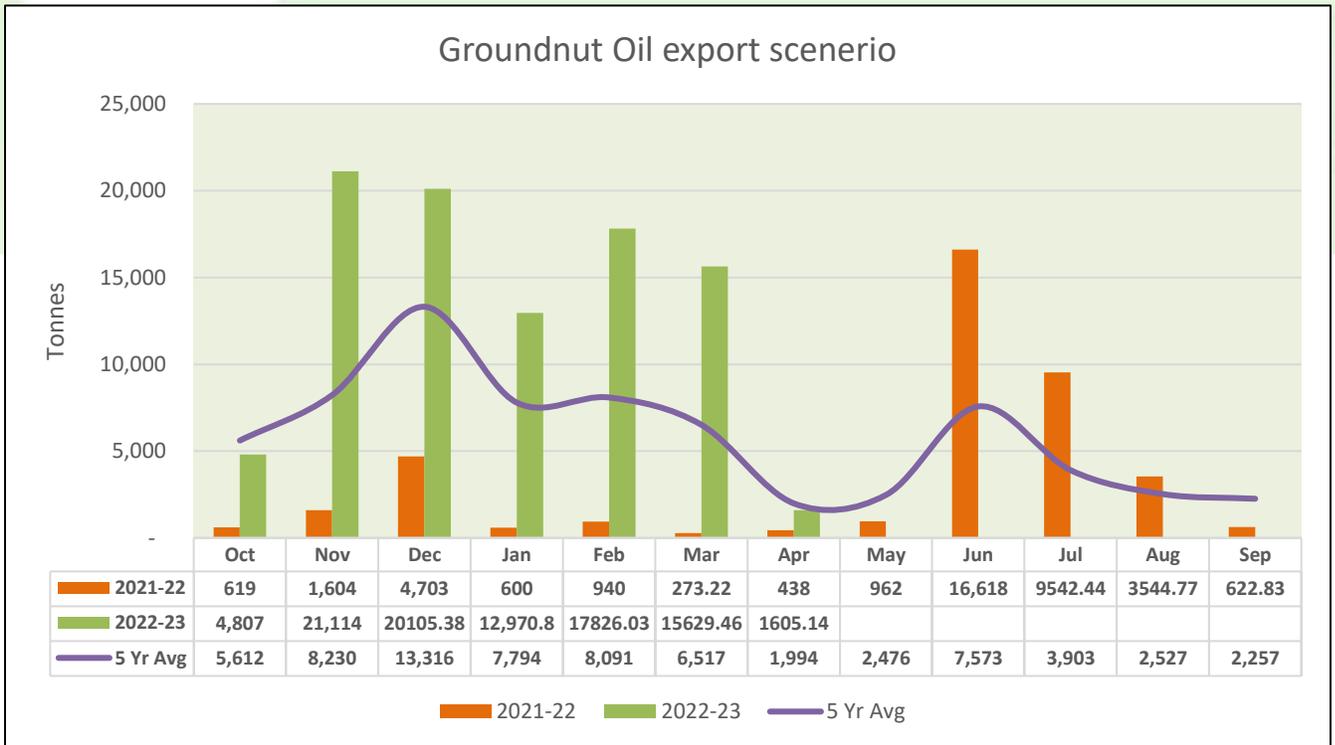
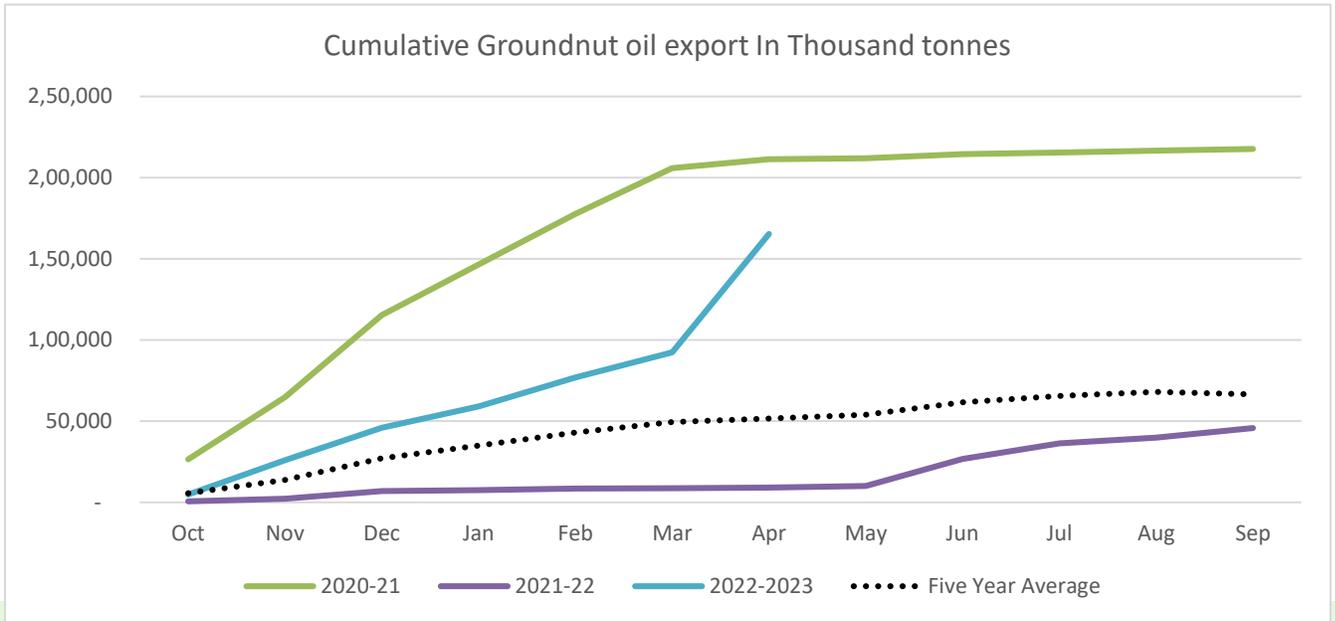
As per Department of Commerce latest available data, In Oct'22-April'23, India's Groundnut export went up by 47% to 5.46 Lakh tonnes as compared to 3.72 Lakh tonnes same period last year. Good demand from South East Asian countries like Indonesia, Malaysia and Philippines pushed groundnut prices higher.

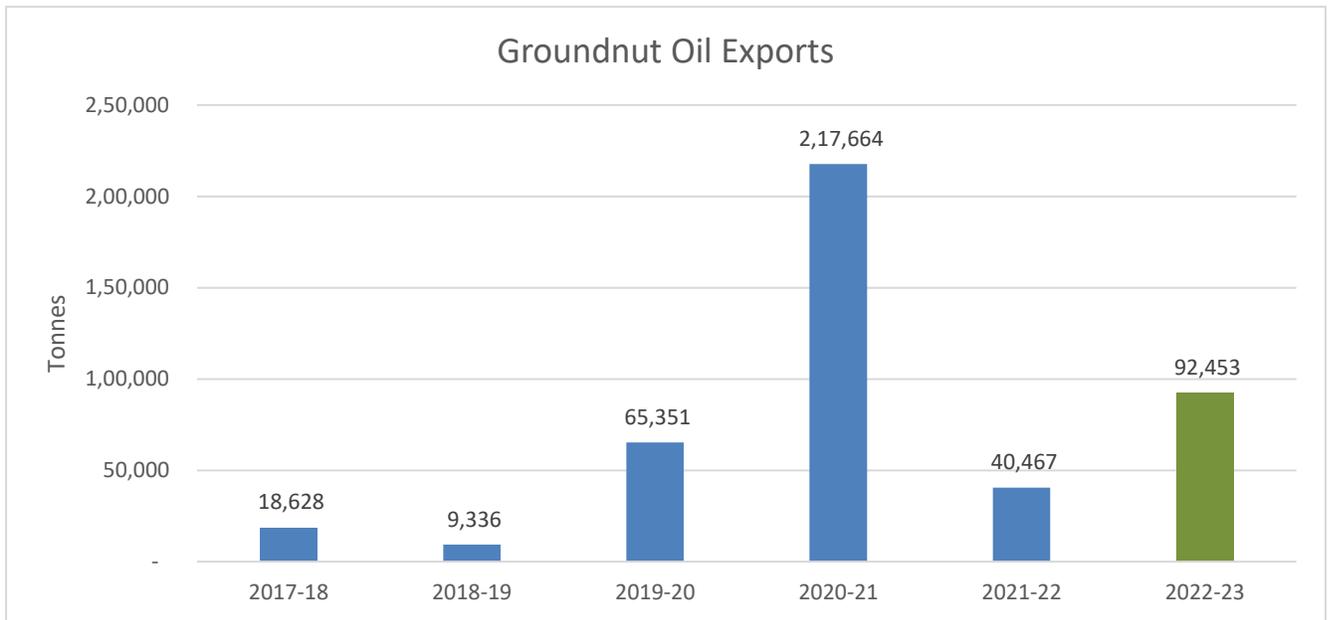




**Groundnut Oil Export scenario:**







As per department of commerce latest available data, Oct'22-Apr'22, India's Groundnut oil export recorded up by 925% to 94,058 tonnes as compared to 9,117 tonnes previous year same period. The higher exports can be attributed to good demand from China.

**Technical Analysis**

(Based on Rajkot GN Bold Mandi prices till May'23)



**Technical Commentary:**

- As depicted in the above chart, during the month under review, market closed at 8,060 as compared to 7,650 last month, and the market made a low of 7,450 and a high of 8,135.
- Market is currently trading above 9, 18 EMA, and can be characterized as support level.
- RSI is above 60 indicating firm buying strength.
- Immediate support is at 7,800, next support is at 7,500 and immediate resistance is at 8,300.

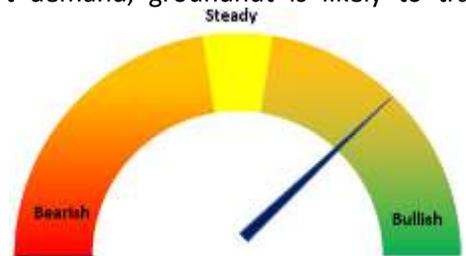
**Recommendation-**

Market participants are recommended to buy near 7,500 and sell above 8,000.

**Outlook:** Amid shrinking arrivals, low availability and good export demand, groundnut is likely to trade rangebound with firm bias in the range of 7,200-8,500/qtl.

**Price Outlook Rs./Qtl**

**Rajkot Groundnut bold, (CMP: Rs.8,060/Qtl)**



	May'23	June'23	July'23
<b>Price Projections</b>	7,020-7,815	7,450-8,135	7,200-8,500



## Annexure

Oilseed Prices at Key Spot Markets:				
Commodity / Centre	% Change over previous week	Today	Month Ago	Year Ago
		30-Jun-23	30-May-23	30-Jun-22
<b>Soybean</b>				
Indore –Plant	-3%	5130	5300	6550
Indore–Mandi	-2%	5000	5125	6350
Nagpur-Plant	-3%	5050	5200	6860
Nagpur – Mandi	-2%	4900	5000	6560
Latur – Mandi	2%	5200	5100	6620
Akola – Mandi	-3%	4850	5000	6420
Kota-Plant	0%	5250	5250	6570
Kota – Mandi	-1%	5050	5100	6470
Bundi-Plant	3%	5230	5100	6550
Bundi-Mandi	4%	5100	4900	6250
Baran-Plant	-1%	5250	5300	6675
Baran-Mandi	-1%	5100	5150	6375
Bhawani Mandi Jhalawar–Plant	-	-	5300	Closed
Jhalwar-Mandi	-	-	5180	Closed
<b>Rapeseed/Mustard</b>				
Jaipur-(Condition)	6%	5550	5225	7100
Alwar-(Condition)	8%	5350	4950	6400
Sri Ganganagar-(Non-Condition)	6%	5030	4750	6300
New Delhi–(Condition)	5%	5250	5000	6870
Kota-(Condition)	4%	5400	5200	6550
Agra-(Condition)	6%	5690	5357	7048
Neewai-(Condition)	7%	5200	4875	6700
Hapur (UP)-(Condition)	4%	5350	5150	6925
<b>Groundnut Seed</b>				
Rajkot	5%	8060	7650	6790
Bikaner	1%	7400	7300	6000
<b>Groundnut (Bold Without shell 40/50)</b>				

Bikaner	<b>-7%</b>	10600	11400	10000
<b>Sunflower Seed</b>				
Maharashtra/Karnataka	<b>5%</b>	6300	6000	-
<p>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/20 kg, Sunflower Seed in Rs/qtl.</p>				

		Today	Month Ago	Year Ago
<b>Other Oilseed Prices at Mumbai (INR/100 Kg):</b>				
Oilseeds	Change	30-Jun-23	30-May-23	30-Jun-22
Groundnut Kernel	<b>8%</b>	8500	7900	8000
Gr. Bolds 60/70	<b>-2%</b>	9900	10100	8850
Gr. Javas 60/70	<b>-2%</b>	11000	11200	9950
Gr Javas 70/80	<b>-2%</b>	10700	10900	8900
Gr.Javas 80/90	<b>-2%</b>	10400	10600	9400
KardiSeed 2% Exp Qly	<b>0%</b>	4500	4500	5300
Sesame White 98/2/1 FM	<b>1%</b>	13700	13500	9900
Whitish 95/5/FFA/1FM	<b>2%</b>	13500	13300	9700
Brown 48/2 FFA/4 FM	<b>2%</b>	12800	12600	9500
Brown 48/3 FFA/4 FM	<b>2%</b>	12600	12400	9200
Brown 48/4 FM/* No FFA Guarantee	<b>2%</b>	12200	12000	8900
Sunflower Seed	<b>0%</b>	5800	5800	7000
Niger Seed (4% FM)	<b>2%</b>	10700	10500	8000

	% Change over previous week	Today	Month Ago	Year Ago	
<b>Soy DOC Rates at Different Centers</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
<b>Centres</b>		<b>Ex-factory rates (Rs/ton)</b>			parity To
Indore - 45%, Jute Bag	-7%	41300	44300	50000	Gujarat, MP
Kota - 45%, PP Bag	-6%	43500	46500	54200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	0%	46500	46500	54000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	-2%	44000	45000	53000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	-2%	45500	46500	54000	Andhra, AP, Kar ,TN
Latur	-1%	45500	46000	54000	-
Sangli	-1%	43000	43300	51000	Local and South
Solapur	0%	46800	46800	52500	Local and South
Akola – 45%, PP Bag	-1%	44000	44500	50500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	-2%	45000	46000	54000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	-6%	43300	46300	54000	-
<b>Soy DOC at Ports</b>					
<b>Centers</b>		<b>Port Price</b>			
		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
Kandla (FOR) (INR/MT)	-5%	44000	46500	52000	
Kandla (FAS) (USD/MT)	-	-	-	680	
CNF Indonesia – Yellow SBM (USD/MT)	-3%	578	593	-	
<b>Rapeseed Meal</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
FAS Kandla (USD/MT)	0%	285	285	285	

FOR Kandla (Rs/MT)	0%	22500	22500	22500	
CNF Indonesia (USD/MT)	0%	302	302	302	
<b>International Soy DOC</b>					
<b>Argentina FOB USD/MT</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
Soybean Pellets	0%	475	473	473	
Soybean Cake Flour	0%	475	473	473	
<b>Sunflower (DOC) Rates</b>		<b>Ex- factory rates (Rs/ton)</b>			
<b>Centers</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
Adoni	3%	34000	33000	40000	
<b>Groundnut Meal (Rs/MT)</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
Basis 45%, Saurashtra	-3%	38000	39000	30000	
Basis 40%, Saurashtra	-3%	35000	36000	25000	
GN Cake, Gondal	-2%	41000	42000	31000	
<b>Mustard DOC</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
Jaipur (Plant delivery)	-1%	21500	21700	20000	
Kandla (FOR Rs/MT)	1%	22500	22200	21000	
<b>Mumbai Oil Meal Quotes:</b>					
<b>Rs/M.T.</b>		<b>30-Jun-23</b>	<b>30-May-23</b>	<b>30-Jun-22</b>	
G.N. Extr (45%)	-1%	37500	38000	30000	
Undec Cottonseed Exp	-1%	28500	28750	33500	
Sunflower Extr.	3%	30000	29000	30000	
Soymeal 48%	-6%	43565	46591	53217	
Castor Extr.	1%	8850	8800	11350	

## MSP of Rabi Oilseeds for Marketing Season 2022-23- GOI

Sl. No	Crops	MSP for Rabi 2022-23	MSP for Rabi 2022-23	MSP for Rabi 2021-22	Increase in MSP (Absolute)
1	Rapeseed-mustard	5450	5050	4,650	400
2	Safflower		5441	5,327	114

The Cabinet Committee on Economic Affairs (CCEA) chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the increase in the Minimum Support Prices (MSPs) for all mandated Rabi crops for marketing season 2022-23.

Government has increased the MSP of Rabi crops for marketing season 2022-23, to ensure remunerative prices to the growers for their produce. This increase in MSP is in line with the recommendations of Swaminathan Commission.

Among the Rabi oilseeds the MSP for rapeseed-mustard has been increased to Rs. 5,050 per quintal for marketing season 2022-23 from Rs. 4,650 per quintal in 2021-22 an increase of Rs. 400 a quintal.

The MSP of safflower to Rs. 5,441 a quintal from earlier Rs. 5,321 per quintal an increase of Rs 114 per quintal.



### MSP of Kharif Oilseeds for Marketing Season 2023-24 - GOI

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
<b>Groundnut</b>	4000	5850	<b>6377</b>	4251	527	50
<b>Sunflower Seed</b>	3750	6400	<b>6760</b>	4505	360	50
<b>Soybean (Yellow)</b>	2560	4300	<b>4600</b>	3029	300	52
<b>Sesamum</b>	4600	7830	<b>8635</b>	5755	805	50
<b>Nigerseed</b>	3600	7287	<b>7734</b>	5156	447	50

The Cabinet Committee on Economic Affairs (CCEA) chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the increase in the Minimum Support Prices (MSPs) for all mandated Kharif crops for marketing season 2023-24.

Government has increased the MSP of Kharif crops for marketing season 2023-24, to ensure remunerative prices to the growers for their produce.

Among the Kharif oilseeds the MSP for groundnut has been increased to Rs. 6377 per quintal for marketing season 2023-24 from Rs.5850 per quintal in 2022-23 an increase of Rs.527 a quintal.

The MSP of sunflower to Rs. 6760 a quintal from earlier Rs. 6400 per quintal an increase of Rs 360 per quintal, Soybean-yellow to Rs. 4600 a quintal to Rs. 4300 per quintal last season, an increase of Rs. 300 a quintal, Sesamum to Rs. 8635 a quintal from 7830 earlier, an increase of Rs. 805 a quintal and the MSP of Nigerseed have been increased to Rs. 7734 a quintal from Rs. 7287 a quintal earlier, increase of Rs 447 per quintal.

## India's soybean and Groundnut production seen lower in 3<sup>rd</sup> Adv Est. for 2022-23

The 3<sup>rd</sup> Advance Estimates of production of soybean and groundnut for 2022-23 have been released by the Department of Agriculture, Cooperation and Farmers Welfare. The assessment of production of different crops is based on the feedback received from States and validated with information available from other sources.

Oilseeds –409.96Lakh Tonnes.(Record)

Groundnut –102.82Lakh Tonnes.

Soybean –149.76Lakh Tonnes.(Record)

Rapeseed & Mustard – 124.94 Lakh Tonnes.(Record)

### Sown Area – Kharif Oilseeds, India 2022-23

In the latest official Kharif oilseeds planting report by the Ministry of Agriculture, the total coverage area under Kharif oilseeds is reported at 189.74 lakh hectares, decrease by 0.6% from 190.92 lakh ha in the corresponding period of last year. Of the major oilseeds, soybean sowing is reported down by 0.2% at 120.48 lha compared to 120.71 lha during the corresponding period of last year, groundnut at 45.35 lha vs 48.94 lha, sesamum 12.96 lha vs 12.92 lha, castor seed at 7.95 lha vs 5.99 lha and niger at 0.89 lha vs 0.73 lha, during the same period last year.

	2022	2021	% Change over previous Year
<b>Soyabean</b>	120.48	120.71	-0.2%
<b>Groundnut</b>	45.35	48.94	-7.3%
<b>Sesamum</b>	12.96	12.92	0.3%
<b>Castor</b>	7.95	5.99	32.7%
<b>Sunflower</b>	1.99	1.52	30.9%
<b>Niger</b>	0.89	0.73	21.9%
<b>Other Oilseeds</b>	0.12	0.11	9.1%
<b>Total Oilseeds</b>	189.74	190.92	-0.6%
Area in Lakh Ha		As on 09th Sept 2022	

Source- GOI

## Sown Area – Rabi Oilseeds, India 2022-23

In the latest official rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under rabi oilseeds is reported at 109.84 lakh hectares, up 7.32% from 102.35 lakh ha in the corresponding period of last year. Of the major oilseeds, rapeseed-mustard sowing is reported up by 7.42% at 98.02 lha compared to 91.25 lha. during the corresponding period of last year. Groundnut at 5.67 lha vs 5.23 lha, safflower at 0.87 lha vs 0.75 lha, sunflower at 0.91 lha vs 1.17 lha, linseed at 3.27 lha vs 2.92 lha.

<b>Rabi 2022-23 acreage statistics</b>			
<b>Area Covered (Lakh Ha) as of 3 February 2023</b>			
<b>Crop</b>	<b>2022</b>	<b>2021</b>	<b>% Change</b>
Rapeseed and Mustard	98.02	91.25	7.42%
Groundnut	5.67	5.23	8.41%
Safflower	0.87	0.75	16.00%
Sunflower	0.91	1.17	-22.22%
Sesamum	0.51	0.53	-3.77%
Linseed	3.27	2.92	11.99%
Other Oilseeds	0.59	0.5	18.00%
<b>Total Oilseeds</b>	<b>109.84</b>	<b>102.35</b>	<b>7.32%</b>

Source: MoA, GOI

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