



Oil Seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went marginally down by 0.8% to INR 5,639/ Qtl. as compared to 5,684/qtl. previous week amid increase in arrivals.

The weekly average prices of Indore soymeal remained sideways and went up by 0.9% to INR 41,500/MT as compared to last week at INR 41,133/MT amid revive in soymeal export demand.

During the week under review, Jaipur RM seed weekly average prices went marginally down by 0.7% to INR. 6,967/qtl amid stock limit removal, improved mustard oil prices on good demand.

During the week under review, Rajkot Groundnut weekly average bold prices went down by 2% at INR 6,017/Qtl. amid new kharif crop arrivals in the market.

Outlook – Cash Market

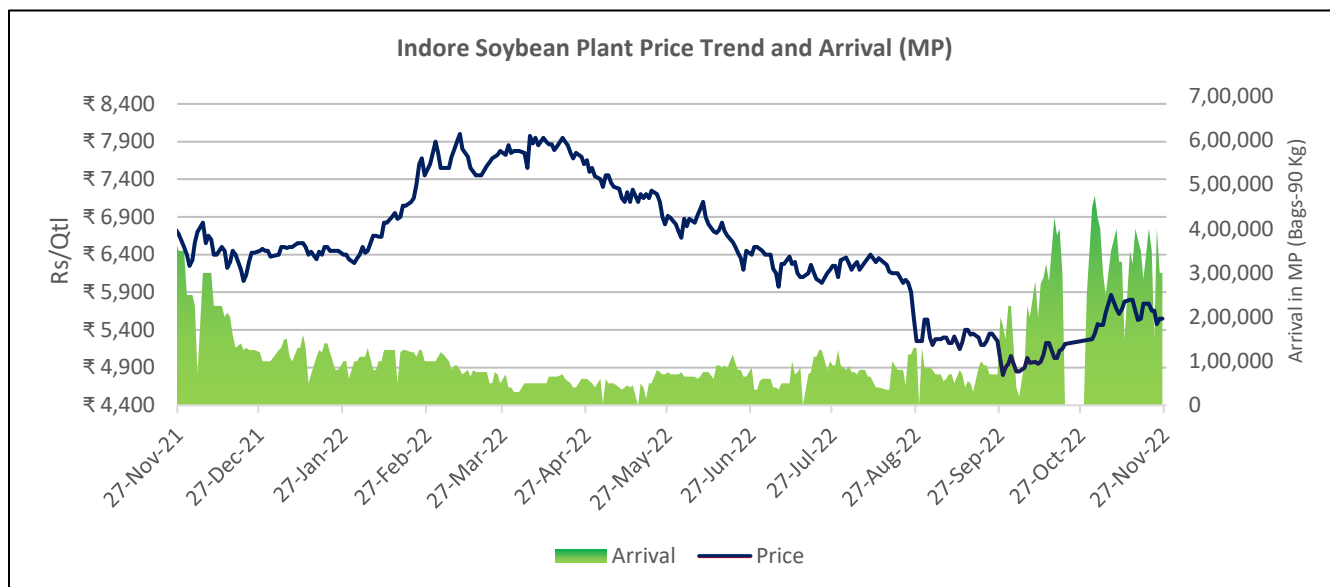
Outlook - Soybean (Spot Indore): In the coming week, soybean plant prices are expected to trade sideways with downward bias. The prices (Indore, Plant basis) are expected to feature in the price band of 5,400-5,600 levels in the near term.

Outlook – Soy meal:

The soy meal prices (Indore) are likely to trade sideways amid revive in export demand. Soy meal Indore prices are likely to trade in the range of 40,000 – 43,000/MT.

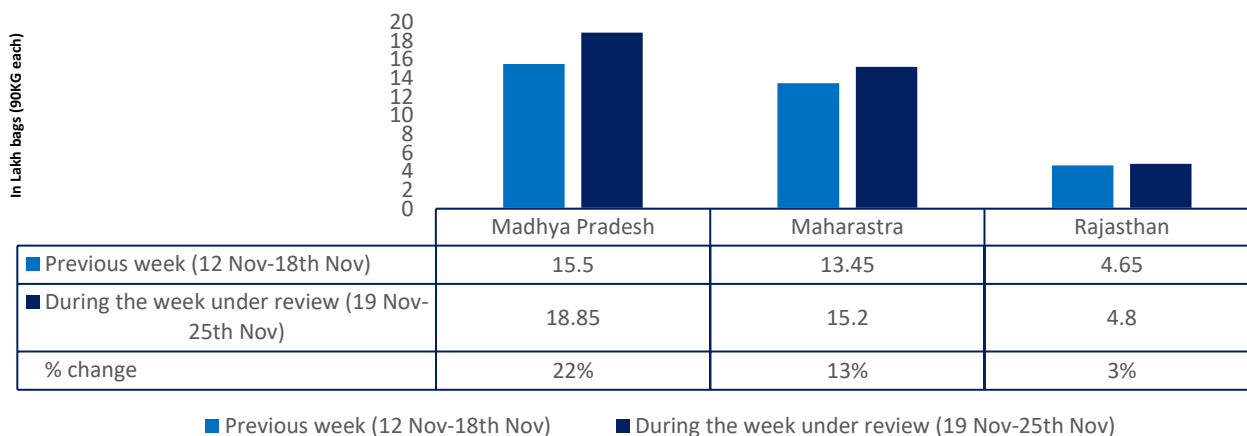
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-Mustard is expected to trade rangebound with sideways bias. The seed prices are likely to trade in the range between 6,800 –7,200/Qtl. in the short-run.

Soybean



During the week under review, Soybean indore plant prices went marginally down by 0.8% to INR 5,639/ Qtl. as compared to 5,684/qtl. previous week amid heavy arrivals. During the week the market made a high of INR 5,750/Qtl. Stock limit removal, good demand from crushers and rebound in Soymeal export demand pushed Soybean prices more than 24% up from current season low of INR 4300 levels and 6% up month till date.

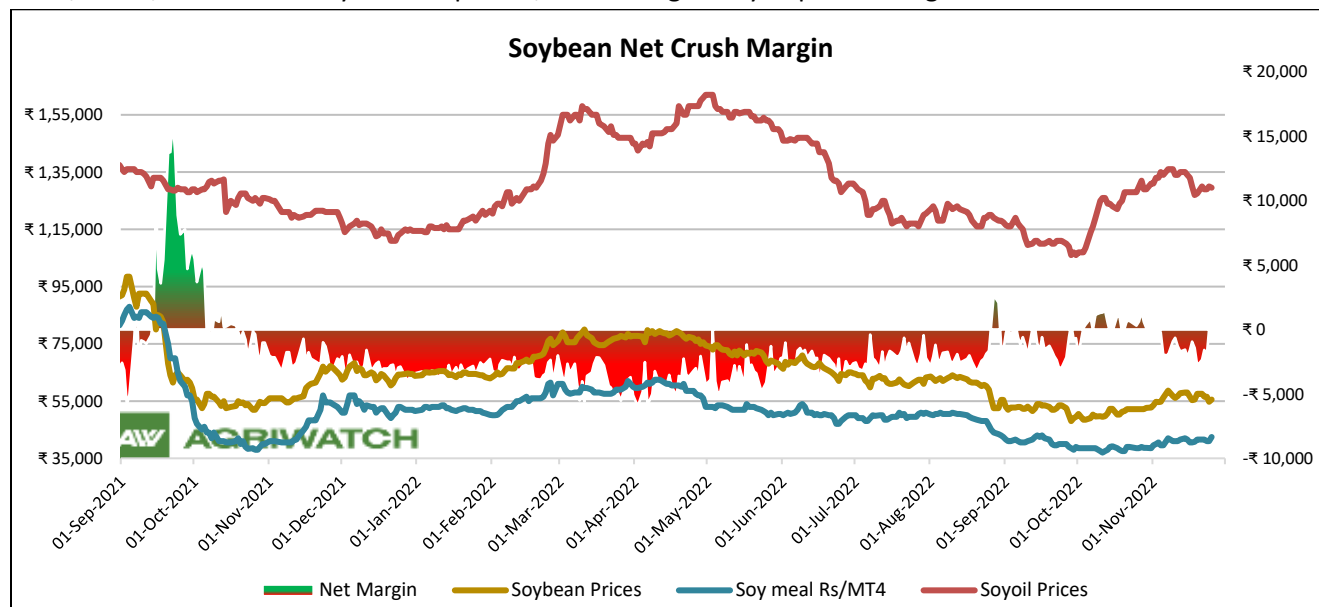
Weekly Soybean Arrivals



During the week under review, the total arrival in MP recorded up by 22% to 18.85 Lakh bags Vs 15.5 Lakh bags previous week. In Maharashtra too arrivals went up to 15.2 Lakh bags vs 13.45 Lakh bags last week. In Rajasthan the arrivals recorded low to 4.8 lakh bags Vs 4.65 Lakh bags previous week. Arrivals went up amid profit booking from higher levels.

Soybean Crush Margin-

Soybean net crush margin declined during the week under review. Weekly average soybean net crush margin for the period of 19th to 25th November is in disparity at INR -1392/ MT as compared to previous week at INR -1565/MT. If, demand for soy meal improves, crush margin may improve along with it.



International Update:

During the week under review, (CBOT Soybean Jan'22 Expiry) rebounded after two week loss and went marginally up by 0.56% to \$ 14.36/bushel, However, so far this month market is marginally up by 1.18% amid dry weather condition in Argentina which is threatening the Soy crop, which is supporting the soy prices.

As on Nov 17, 2022, According to Ag Rural 2022/23 Brazil soybean crop was 80% planted compared to last week at 69% and 86% year ago. The soybean planting in Mato Gross is most advanced at 96% with 79% of the soybeans planted in Parana.

Brazil's National Energy Policy Council (CNPE) decided the mandatory blend of biodiesel in diesel will be kept at 10% until Mar. 31, 2023. Around 70% of Brazil's biodiesel is produced from soy oil. With a 15% mandate being adopted as of April, the total soybean demanded for biodiesel would rise to about 30 million tonnes in 2023.

According to USDA Nov'22 report, 2021-22 Soy production estimate for India was kept unchanged at 11.5 million tonnes as compared to previous month estimates, However last year it was 11.9 MMT. US soy production increased slightly to 120.70 MMT as compared to previous month's estimate of 118.26 MMT while last year it was 117.37 MMT.

However, Argentina's 2022-23 soy production estimate was slashed by 0.5 MMT to 49.5 MMT Vs 51 MMT previous month estimates and previous year at 43.9 MMT, Brazil soy production kept unchanged at 152 MMT compared to 144 MMT previous month estimates while last year it was 127 MMT.

Technical Analysis

US Soybean futures



As depicted in the above chart, During the week under review, US Soybean remained flattish and went marginally up by 0.40% to \$14.28/bushels and taking support of 9 and 18 DMA. RSI at 46 indicating weak buying strength. And MACD indicating firm steady momentum in short run. Over all market is expected to trade range bound and take support from 13.90-14.20 in short run and resistance from 14.80-15.00.

Technical Analysis (Domestic market)

(Based on Indore Mandi prices)

SOYBEAN – Technical Outlook

Soybean Indore Spot -Weekly time frame

Technical Chart:



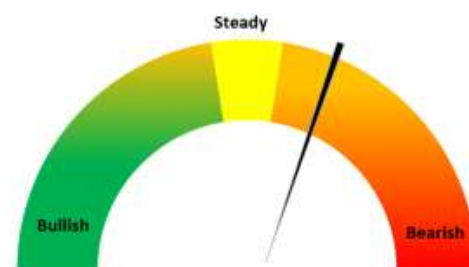
Technical Commentary:

- Soybean Indore prices rebounded to 5,550 levels and during the week under review, market made low of 5,400, high of 5,655 and closed at 5,550 levels.
- Market is currently trading above 9 and 18 DMA and can be characterized as support. 5300-5400 is near term support and 5,700-5,800.

Recommendation-

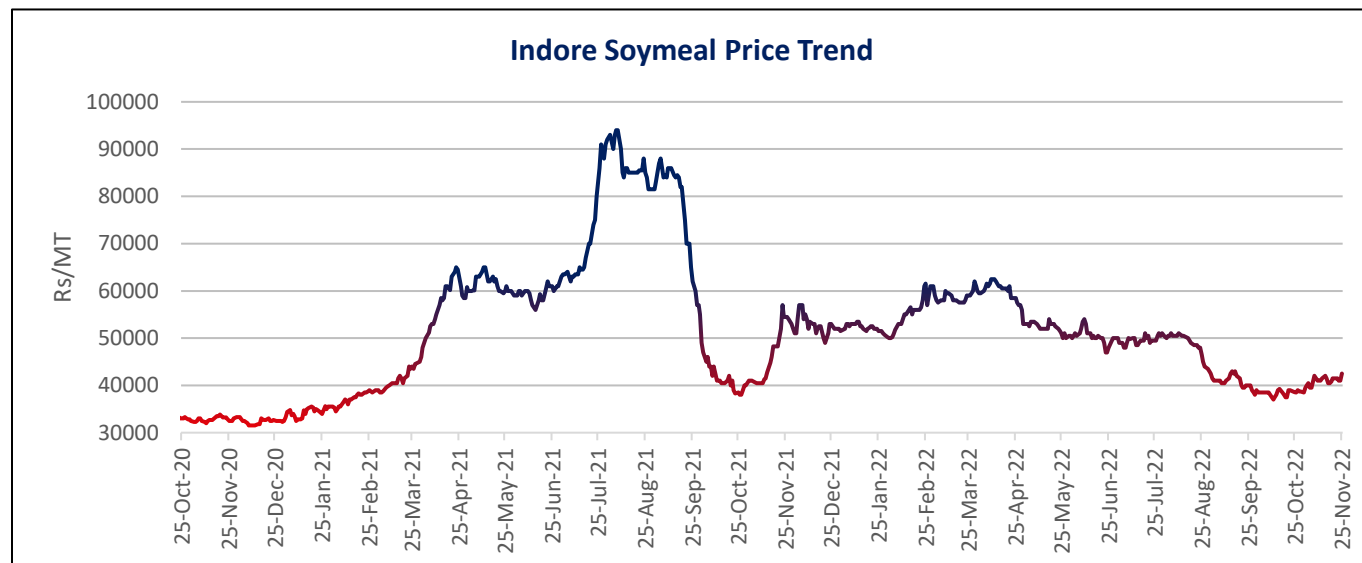
- Market Participants are recommended to sell their stocks in the range of 5700-6000.

Soybean Price Outlook for coming week: Indore Soybean mandi prices are currently trading at INR. 5,350/ctl. and are expected to trade with weak bias amid profit booking and increase in arrivals.

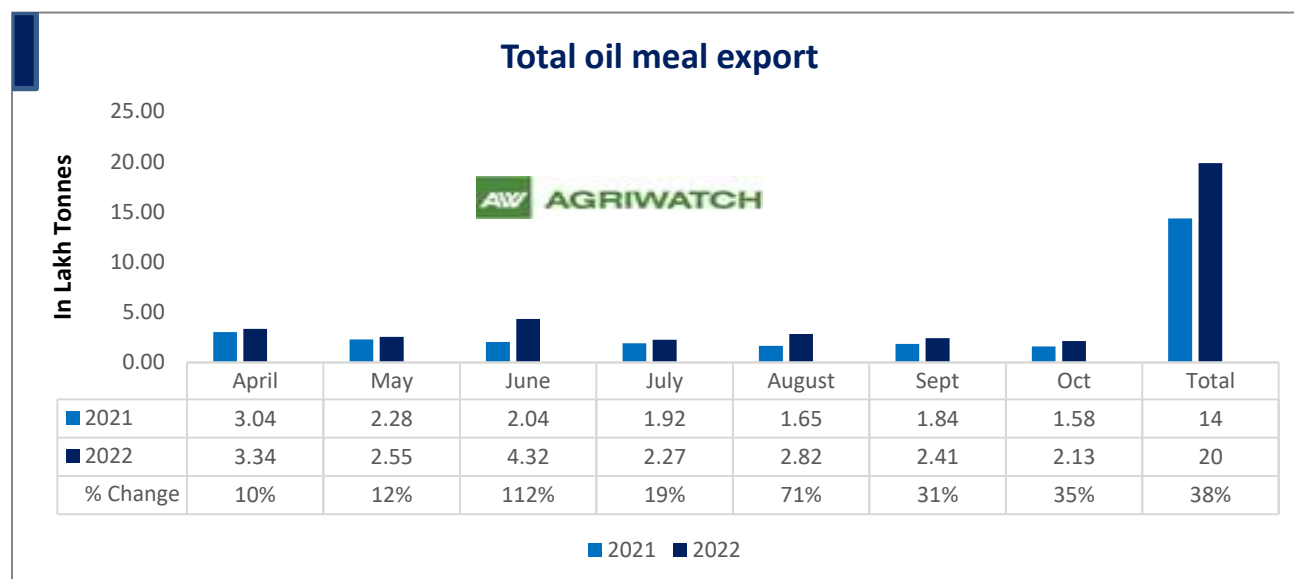


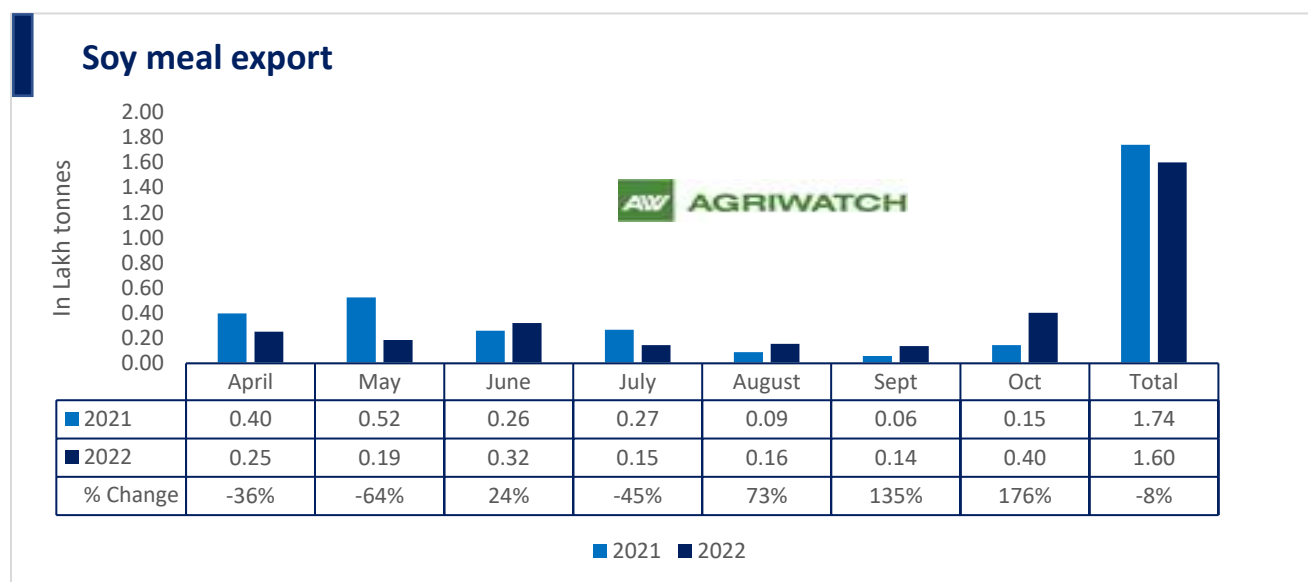
Soybean Mandi Price Outlook (INR./QtL)	Previous week 12th- Nov'22- 18th Nov'22	Week under review 19th- Nov'22- 25th Nov'22	Next week 26th- Nov'22- 02nd Dec'22
Weekly Average Price	5,380-5,650	5,275-5,500	5,250-5,600

Soymeal



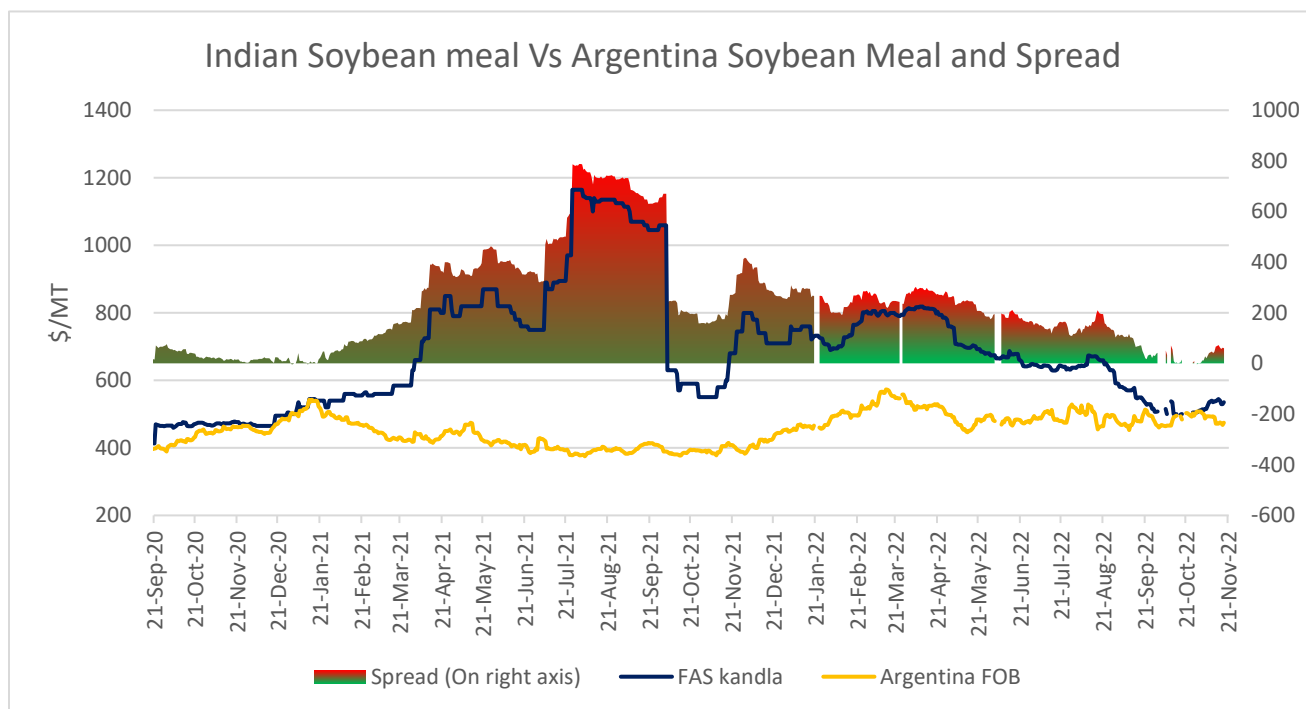
During the week under review, Indore Soymeal prices weekly average prices extended previous week gains and went up by 0.9% to INR 41,500/MT as compared to last week at INR 41,133/ amid rebound in Soymeal export demand. So far this month Indore soymeal prices are up by 8%. Overall, the prices quoted between INR 41,000-42,500/MT throughout the week. At Nanded, the weekly average prices declined to INR. 44,750/MT compared to INR. 45,333 MT a week ago. In Kota the meal prices were down at INR. 42,916/MT compared to INR. 43,000/MT previous week.





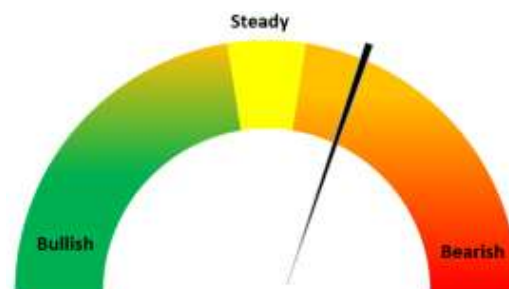
Total oil meal exports in April- Oct'22 went up by 38% to 20 Lakh tonnes vs 14 Lakh tonnes previous year same period. However, Soymeal exports up by 176% to 0.40 Lakh tonnes in Oct'22 Vs 0.15 Lakh tonnes previous month. Soymeal exports went up for the third straight month on good soymeal exort demand from south east Asia tracking competitive prices in global markets. However, in April'22-Oct'22 soymeal exports are down by 8% to 1.60 Lakh tonnes as compared to 1.74 Lakh tonnes previous year same period.

SOPA in its monthly update reported Soybean meal production in Oct'22 up by 24% to 6.43 Lakh tonnes, this compares with 5.19 Lakh tonnes previous year same period. Soymeal production went up in October as crush margin was in parity amid low soybean prices during the month as monthly average net crush margin rendered in Oct'22 at INR 283/MT which ushered up crushing pace.



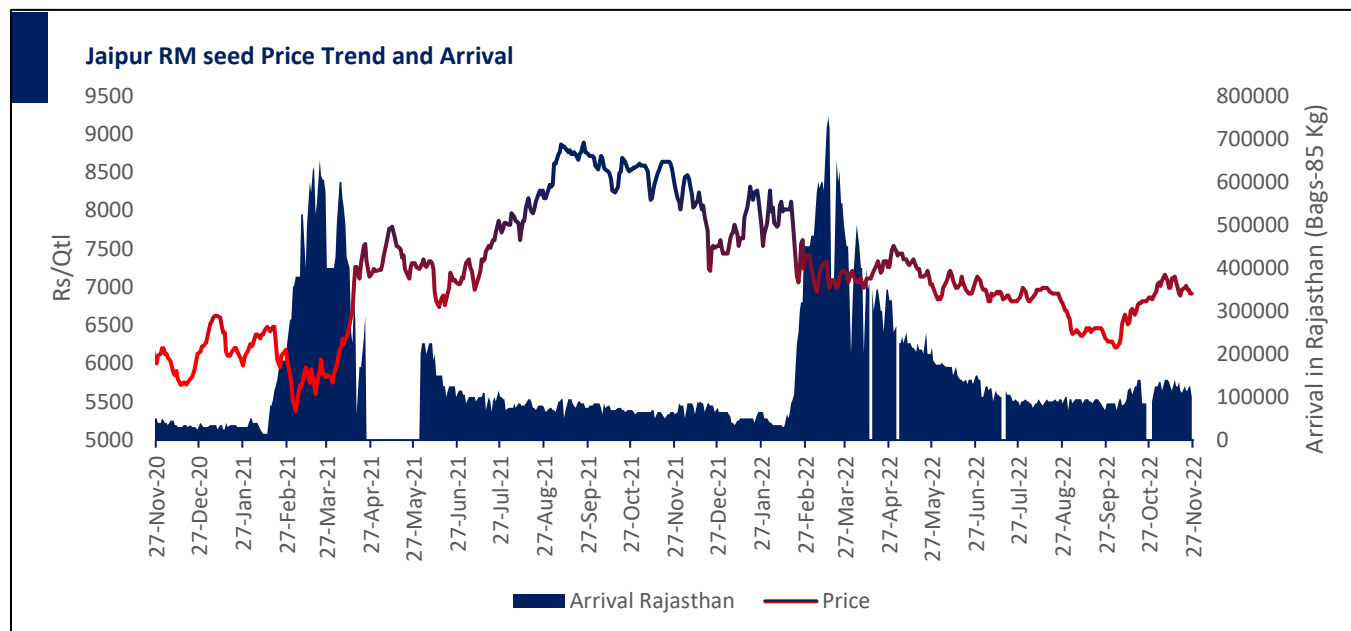
Currently, Indian Soymeal FOB prices trading at \$535/MT, Argentina Soymeal FOB prices trading at \$475/MT and spread stands at \$60/MT. Decline in Argentine soymeal prices has led to a squeeze in spread. Upon squeeze in spread Indian someal export demand is rising and so the prices are improving.

Soymeal Price Outlook for coming week: Soybean meal prices are expected to rebound in tandem with soybean prices. Revive in soymeal export demand too likely to support soymeal prices in upcoming months.



Soymeal Indore Price Outlook (INR./MT)	Previous week 12th- Nov'22- 18th Nov'22	Week under review 19th- Nov'22- 25th Nov'22	Next week 26th- Nov'22- 02nd Dec'22
Weekly Average Price	40,500-42,000	41,000-42,500	40,000-43,000

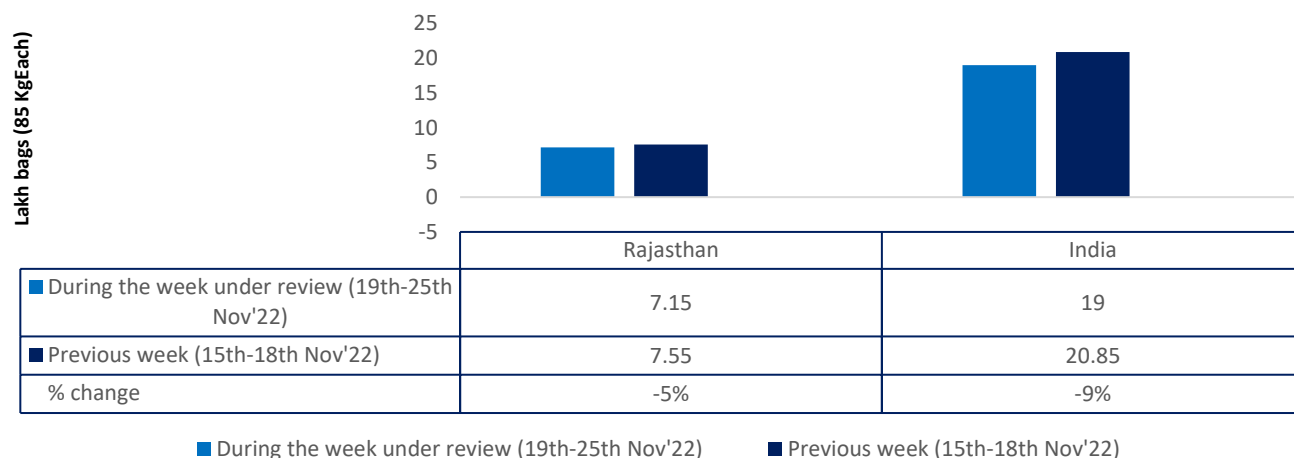
Rapeseed - Mustard Seed



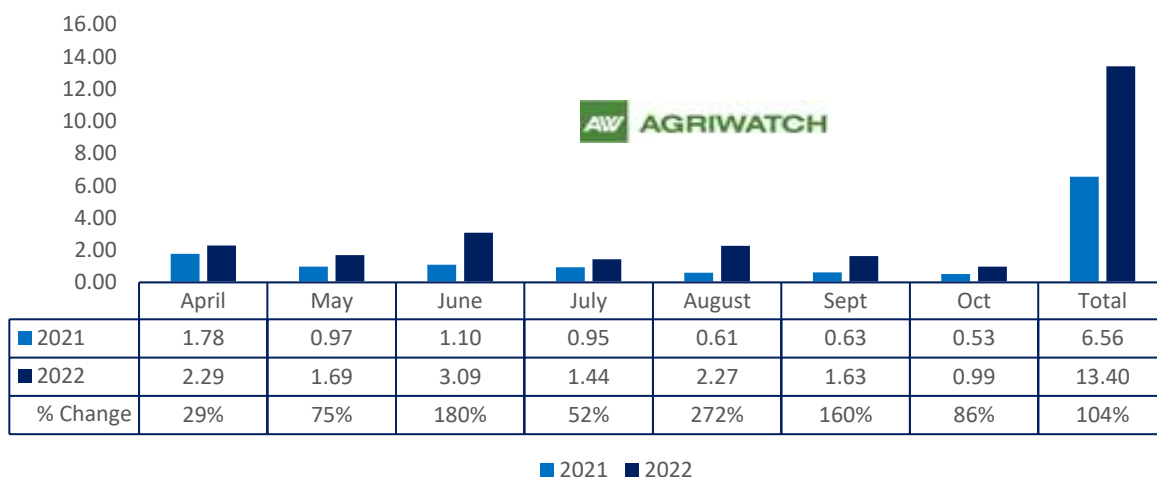
RM seed remained flattish during the week under review. Jaipur RM seed weekly average prices went marginally down by 0.7% to INR. 6,967/qrtl as compared to INR. 7,017/qrtl previous week. Stock limit removal, shrink in arrivals, good Rapeseed meal export demand has pushed RM seed prices at near four month high.

During the week under review, RM Seed arrivals in Rajasthan rebounded after festivals to 7.55 Lakh bags as compared to 6.55 lakh bags previous week. All India arrivals rebounded to 20.85 Lakh bags Vs 17.85 Lakh bags previous week. However, on large time frame RM seed arrivals is shrinking.

Weekly RM seed arrivals



Rapeseed meal export



There is a significant jump in export of rapeseed meal in April'22-Oct'22 and reported at 13.40 Lakh tons compared to 6.56 Lakh tons previous year same period i.e., up by 104%. And in Oct'22 exports recorded up by 86% to 0.99 Lakh tonnes vs 0.53 Lakh tonnes in the previous year same period. 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.

Mustard and Rapeseed			
Area Covered (Lakh Ha) as of 25 November 2022			
State	2022	2021	% Change
Rajasthan	37.16	33.60	10.57%
Madhya.Pradesh	12.53	9.44	32.73%
Uttar.Pradesh	11.79	11.66	1.17%
West.Bengal	3.78	2.05	84.39%
Gujarat	1.81	0.70	161.01%
Assam	1.62	2.16	-24.84%
Jharkhand	0.84	0.95	-10.78%
Chhattisgarh	0.52	0.55	-5.12%
Others	0.83	0.86	-3.70%
Total	70.89	61.96	14.41%

International-

For 2022-2023, canola seeded area is estimated at 8.7 million hectares (Mha), down 4% from last year, with an expected harvested area of 8.6 Mha. Yields are estimated at 2.23 tonnes per hectare (t/ha), while last year drought reduced yields to 1.54 t/ha. Expected production is 19.1 Mt based on satellite imagery and model estimates. By province, Saskatchewan is expected to produce 9.7 Mt of canola, Alberta 6.1 Mt and Manitoba 3.1 Mt. limiting. Total supply is forecast to rise sharply from last year to 20.1 Mt as increased production is constrained by limited carry-in stocks.

Canadian canola use is expected to rebound, with exports expected to rise about 77% to 9.3 Mt and domestic crush volume to increase to 10.0 Mt from 8.6 Mt last year. Carry-out stocks decreased to 0.50 Mt, which will result in a stocks-to-use ratio of 3%.

Technical Analysis

(Based on Jaipur Mandi prices)

RM seed – Technical Outlook

RM seed Jaipur Spot -Weekly time frame

Technical Chart:

Technical Commentary:

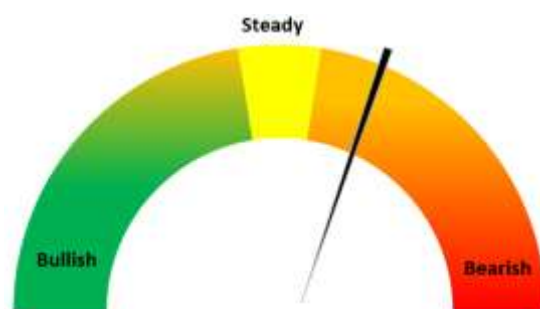


- As depicted in the above chart, during the week under review, market closed lower to 6,912, made low of 6,912, high of 7,012.
- Market is trading above 9 and 18 DMA and can be characterized as immediate support, 50 and 100 DMA can be characterized as resistance.
- Immediate support is at 6,800, next support is at 6700 and immediate resistance is at 7100, next resistance is at 7300.

Recommendation-

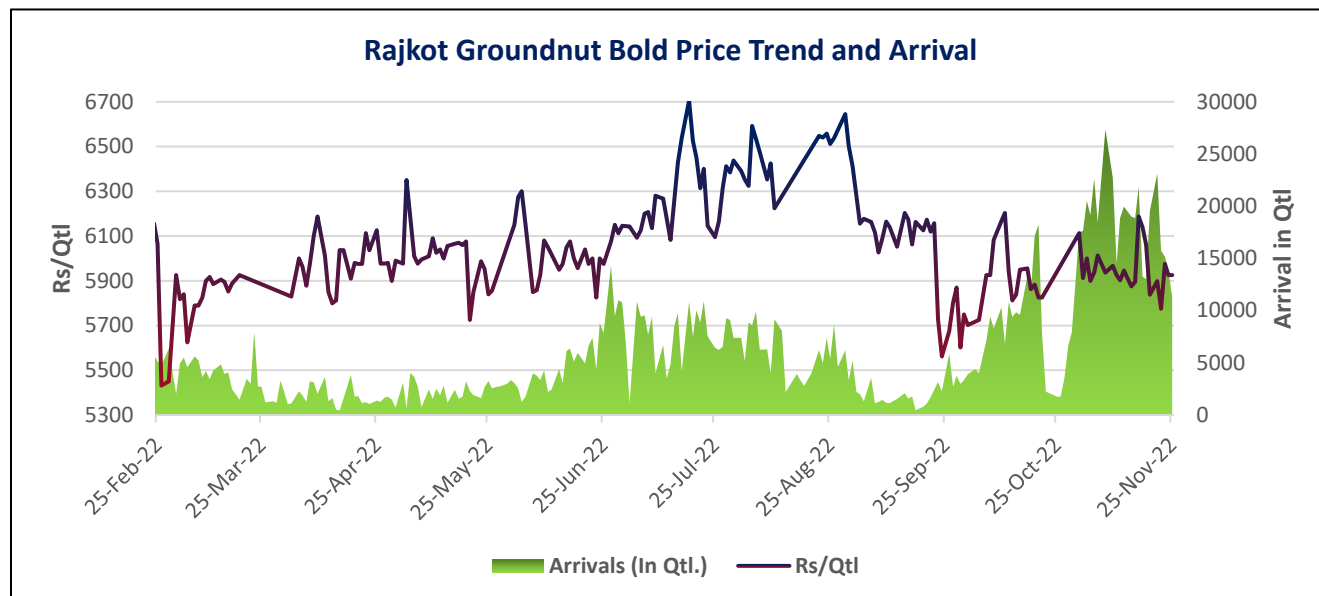
Market participants are recommended to sell at current levels.

RM seed Price Outlook for coming week: RM Seed is expected to trade sideways with slightly weak bias.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 12th- Nov'22- 18th Nov'22	Week under review 19th- Nov'22- 25th Nov'22	Next week 26 th - Nov'22- 02nd Dec'22
Weekly Average Price	6,888-7,138	6,913-7,013	6,850-7,100

Groundnut



During the week under review, Rajkot Groundnut weekly average bold prices traded sideways and went marginally down by 0.02% to INR 5,889/Qtl. as compared to previous week at INR 6,017/Qtl. on the back of weakening groundnut oil prices. All India arrivals recorded down by 7% to 0.98 Lakh tonnes as compared to 1.05 Lakh tonnes previous week. Month till date, Rajkot groundnut prices are down by 3%. Firm Groundnut oil prices underpinning Groundnut prices. If Groundnut oil demand revives from china, Groundnut prices likely to witness gains in upcoming weeks.

In Oct'22 Groundnut oil export demand declined by 49% to 3952.90 tonnes as compared to previous month at 7812.49 tonnes. Weak groundnut oil demand and new crop arrivals weighed on Groundnut prices.

Rabi Groundnut sowing progress:

Rabi Groundnut sowing progress			
Area Covered (Lakh Ha) as of 25 November 2022			
State	2022	2021	% Change
Karnataka	0.98	0.64	53.13%
Telangana.	0.437	1.094	-60.05%
Andhra Pradesh	0.179	0.19	-5.79%
Tamil Nadu	0.139	0.12	15.83%
Odisha	0.049	0.046	6.52%
Others	0.021	0.006	250.00%
Total	1.80	2.10	-13.93%

Technical Analysis

(Based on Rajkot GN Bold Mandi prices)

Groundnut Bold – Technical Outlook

Rajkot -Weekly time frame

Technical Chart:



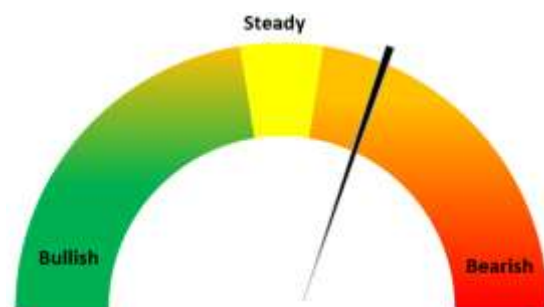
Technical Commentary:

- As depicted in the above chart, during the week under review, market closed higher to 5,890, made low of 5,775, high of 5,975.
- Market is trading above 50 and 100 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support and 18 DMA , 23.6% Fibonacci retracement level can be characterized as resistance.
- Immediate support is at 5,850, next support is at 5,800 and immediate resistance is at 6,100, next resistance is at 6,200.

Recommendation-

Market participants are recommended to sell in the range of 6100-6200 and buy in the range of 5800-5900.

Groundnut Price Outlook for coming week: Rajkot groundnut bold prices expected to trade sideways with downward bias.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 12th- Nov'22- 18th Nov'22	Week under review 19th- Nov'22- 25th Nov'22	Next week 26 th - Nov'22- 02nd Dec'22
Weekly Average Price	5,875-6,188	5,775-5,975	5,750-6,100

Annexure

	% Change over previous week	Today	Week Ago	Month Ago	Year Ago	
Soy DOC Rates at Different Centers		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Centres		Ex-factory rates (Rs/ton)				parity To
Indore - 45%, Jute Bag	4%	42500	40800	38550	54500	Gujarat, MP
Kota - 45%, PP Bag	1%	42500	42000	41500	58000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	0%	44500	44500	42000	60000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	0%	43000	43000	41000	59500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	-1%	44500	45000	41500	59500	Andhra, AP, Kar, TN
Latur	0%	44500	44500	41500	61000	-
Sangli	0%	41500	41500	38500	59000	Local and South
Solapur	0%	42500	42500	42500	58500	Local and South
Akola – 45%, PP Bag	0%	42000	42000	39000	54500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	1%	44500	44000	41000	59000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	1%	42300	41800	41300	56000	-
Soy DOC at Ports						
Centers		Port Price				
		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Kandla (FOR) (INR/MT)	-2%	42300	43000	-	59000	
Kandla (FAS) (USD/MT)	-1%	530	535	-	-	
CNF Indonesia – Yellow SBM (USD/MT)	-4%	567	588	-	-	

Rapeseed Meal		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
FAS Kandla (USD/MT)	-	262	-	-	-	
FOR Kandla (Rs/MT)	-	20400	-	-	-	
FOR Mundra (Rs/MT)	-	NA	-	-	-	
CNF Indonesia (USD/MT)	-	284	-	-	-	
International Soy DOC						
Argentina FOB USD/MT		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Soybean Pellets	-	478	-	-	-	
Soybean Cake Flour	-	478	-	-	-	
Soya Meal	-	NR	-	-	-	
Soy Expellers	-	NR	-	-	-	
Sunflower (DOC) Rates		Ex-factory rates (Rs/ton)				
Centers		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Adoni	0%	35000	35000	Closed	27000	
Khamgaon	-	NA	-	Closed	-	
Parli	-	NA	-	Closed	-	
Latur	0%	34000	34000	Closed	26500	
Groundnut Meal (Rs/MT)		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Basis 45%, Saurashtra	0%	34000	34000	Closed	43000	
Basis 40%, Saurashtra	0%	30000	30000	Closed	38000	
GN Cake, Gondal	0%	35000	35000	Closed	43000	
Mustard DOC		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
Jaipur (Plant delivery)	2%	19000	18600	18000	26500	
Kandla (FOR Rs/MT)	7%	20300	18900	18500	27400	

Mumbai Oil Meal Quotes:						
Rs/M.T.		25-Nov-22	18-Nov-22	25-Oct-22	25-Nov-21	
G.N. Extr (45%)	-6%	32000	34000	30700	44000	
Kardi Extr	-	NA	-	-	-	
Undec Cottonseed Exp	-3%	34000	35000	30000	29500	
Rice Bran Extr.	-	NA	-	-	-	
Sunflower Extr.	4%	27000	26000	24000	31000	
Rapeseed Extr.	-	NA	-	-	-	
Soymeal 48%	0%	43304	43096	40435	57391	
Castor Extr.	0%	12900	12950	11350	10350	

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