



Oil Seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices remained sideways and went marginally down by 0.45% to INR 5,475/ Qtl. amid weak oilseed basket.

The weekly average prices of Indore soymeal too remained sideways and went down by 0.8% to INR 43,900/MT as compared to last week at INR 44,250/MT in tandem with soybean prices.

During the week under review, Jaipur RM seed weekly average prices went marginally up by 0.07% to INR. 5,625/qtl amid increase in arrivals.

During the week under review, Rajkot Groundnut weekly average bold prices declined by 3.3% at INR 6,677/Qtl. in tandem with declining groundnut oil from all time high.

Outlook – Cash Market

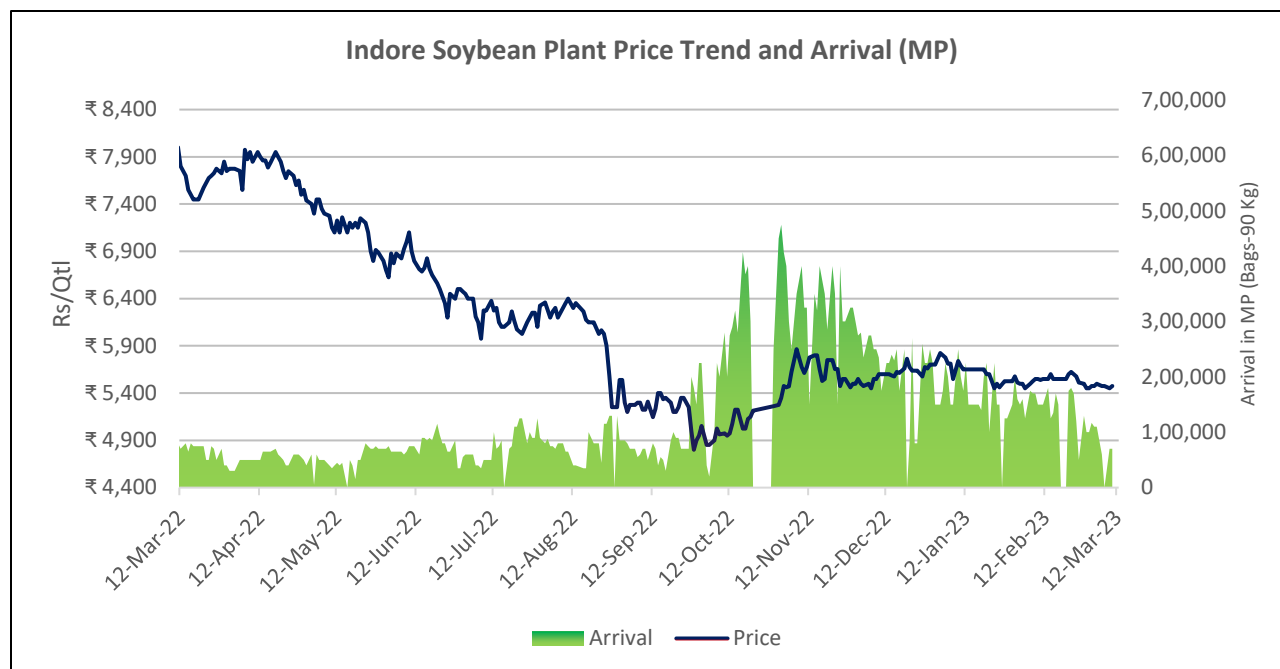
Outlook - Soybean (Spot Indore): In the coming week, soybean plant prices are expected to trade sideways with weak bias amid subdued demand from crushers on disparity. The prices (Indore, Plant basis) are expected to feature in the price band of 5,350-5,700 levels in the near term.

Outlook – Soy meal:

The soy meal prices (Indore) are likely to trade sideways with weak bias amid weaker oil complex. Soy meal Indore prices are likely to trade in the range of 42,000 – 45,000/MT.

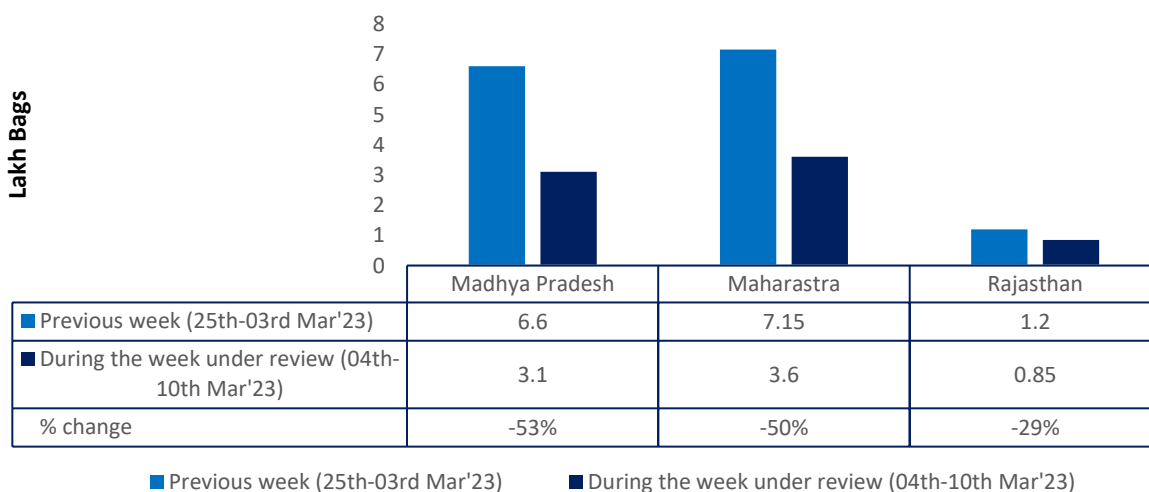
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-Mustard is expected to trade with weak bias amid increase in arrivals. The seed prices are likely to trade in the range between 5,450 –5,700/Qtl. in the short-run.

Soybean



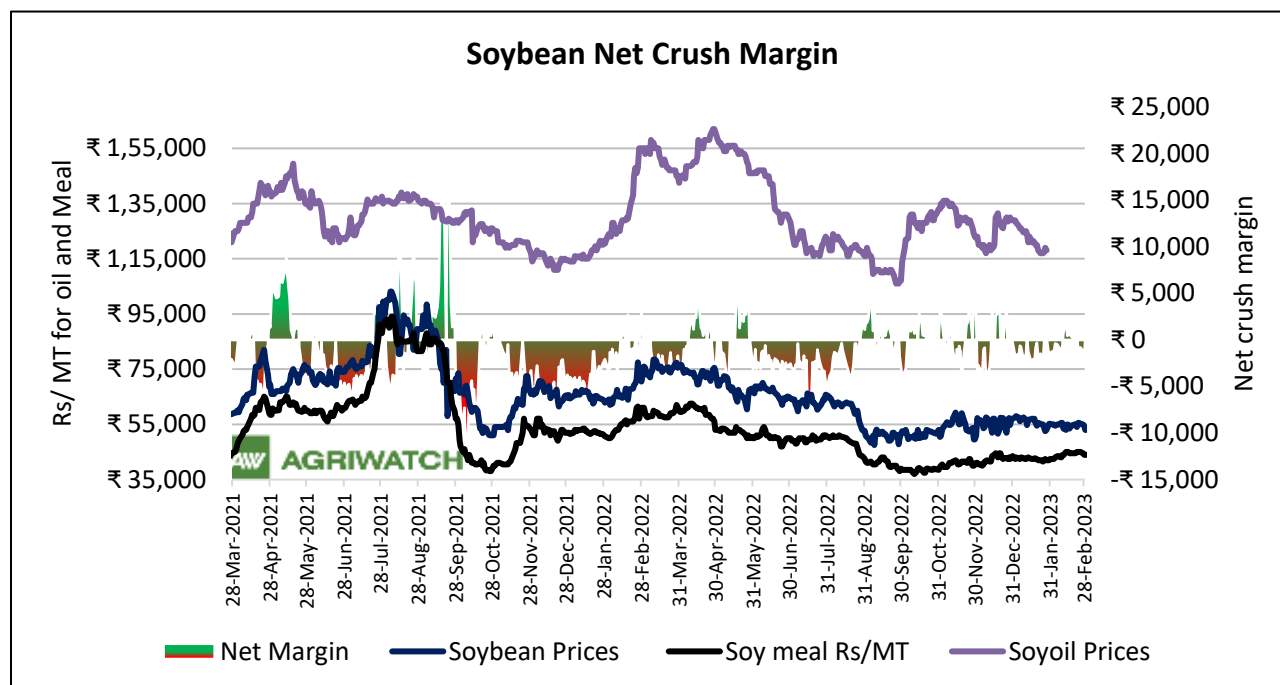
During the week under review, the prices of Soybean in Indore remained sideways and went marginally down by 0.04% to INR 5,475/qlt as compared to previous week at INR 5,477/qlt. amid sluggish demand from crushers due to disparity, high surplus and bearish global sentiments. However, Indore Soy oil went up by 1.55% to 1,123/10 Kg as compared to previous week at 1,105/10 Kg. TRQ removal on Sun oil, improved palm oil prices due to flood like situation in Malaysia coupled with a weaker Ringgit. The prices of Soybean in Indore have fallen to a four-month low. Similarly, soymeal has also declined from a six-month high. The sentiment in the oil and oilseeds segment has been dampened due to a record mustard crop and higher arrivals.

Weekly Soybean Arrivals



During the week under review, the total arrival in MP shrank by 53% to 3.1 Lakh bags Vs 6.6 Lakh bags previous week. In Maharashtra arrivals recorded low to 3.6 Lakh bags vs 7.15 Lakh bags last week. In Rajasthan the arrivals recorded down to 0.85 lakh bags Vs 1.20 Lakh bags previous week. Arrivals likely to pickup after festivals.

Soybean Crush Margin-



Soybean net crush margin improved during the week under review as soy oil prices improved. Weekly average soybean net crush margin for the period of 04th-10th March is in disparity at INR -16/ MT as compared to previous week at INR -476/MT. In upcoming week, net crush margin likely to improve slightly on improved soy oil prices.

International Update:

Brazil Soybean Harvesting:

Close to 43% of the soybean crop in Brazil had been harvested as of late last week compared to 54.6% last year and 46.6% average according to AgRural. Mato Grosso leads the way with 88% harvested while Parana remains slow at 17% harvested. Open weather in Mato Grosso, Goias, Minas Gerais, Bahia, Tocantins and should allow for a quick harvest pace.

2022/23 Argentina Soybeans Continue to Deteriorate

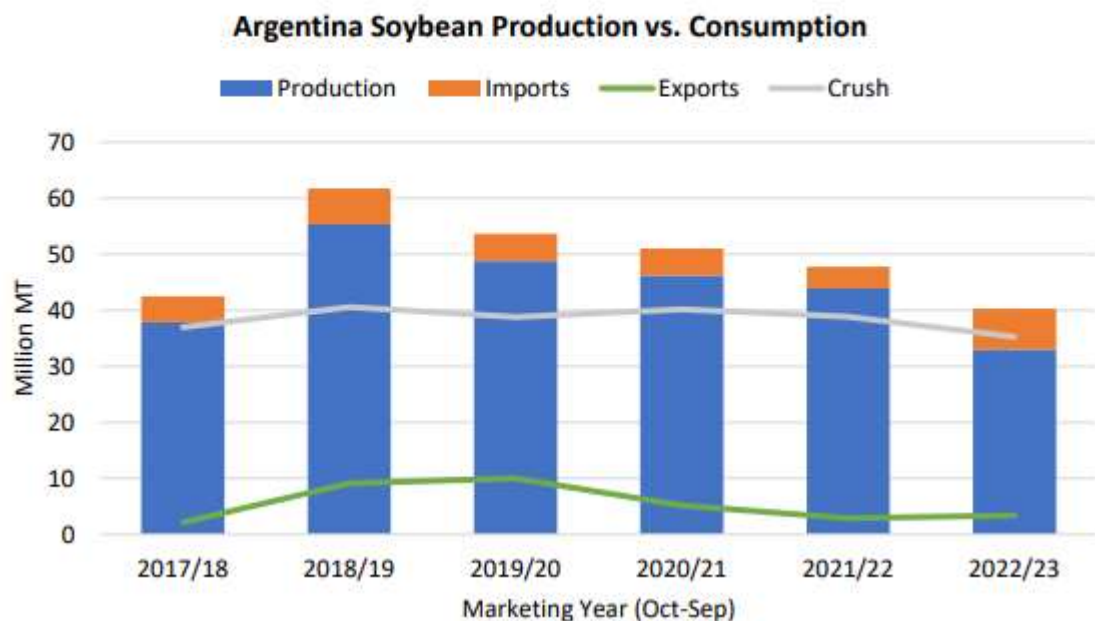
Argentina experienced yet another hot and predominantly arid week, which compounded the adverse impact of the previous week's frost on the soybean crop. As a result, the crop has received yet another downgrade in its ratings, with only 2% being classified as good or excellent and 67% being deemed poor or

very poor. Although there is a forecast for rainfall in some southern production areas this week, the central regions are expected to remain largely dry, thereby continuing to exert significant stress on the crops that were planted late.

As of late last week, the 2022/23 Argentina soybean crop was rated 67% poor/very poor, 31% fair, and only 2% good/excellent. This indicates a decrease of 1 point in the good/excellent category from the previous week's ratings. Additionally, the soil moisture level for corn was rated 74% short/very short and 26% favorable/optimum, representing a 3-point decrease in the favorable/optimum category from the previous week's assessment.

Global oilseed production is lowered 7 million tons to 630 million predominantly on large reductions to Argentina soybean and sunflower seed and India cottonseed crops.

Plummeting Argentina Soybean Production Impacts Global Soybean and Products Trade



Argentina's soybean production for the 2022/23 season has been reduced for the third consecutive month due to hot and dry weather, which is causing stress to the crop in vital growing regions. This month, the production has decreased by 8.0 million tons to a 14-year low of 33.0 million. Additionally, the crush forecast is anticipated to be at the lowest level in more than ten years. The declining supplies and crush in Argentina will have an impact on the global trade of soybeans, protein meal, and vegetable oils in the forthcoming months.

To counterbalance the limited domestic soybean supplies, Argentina is expected to reach a record high of 7.3 million tons of imports (Oct-Sep). The importers in Argentina are anticipated to take advantage of the record Brazilian crop and the recovery in Paraguay's production to supplement the weak domestic crop. Therefore, Argentina is expected to have the second-largest increase in soybean import growth in 2022/23, following China.

Technical Analysis

US Soybean futures



As depicted in the above chart, During the week under review, US Soybean extended previous week loss and went down by 0.77% to \$15.07/bushels. 9, 50, can be characterized as resistance while 18 and 100 DMA can be characterized as support. RSI at 52 indicating firm buying strength. And MACD indicating steady momentum in short run. Over all market is expected to trade sideways with weak bias and take support from 14.6-15 in short run and resistance from 15.50-16.00.

Technical Analysis (Domestic market)

(Based on Indore Plant prices)

SOYBEAN – Technical Outlook

Soybean Indore Plant prices -Weekly time frame

Technical Chart:



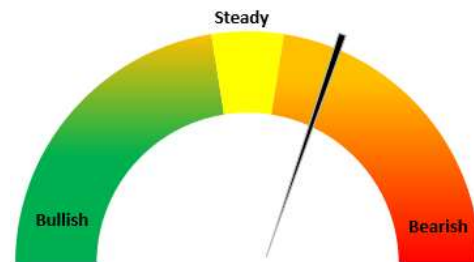
Technical Commentary:

- During the week under review, Soybean Indore prices remained stable and closed at 5,500 levels as compared to 5,500 previous week and market made low of 5,450, high of 5,500.
- Market is currently facing near term resistance of 9, 18 EMA While 23.6% Fibonacci retracement and 50, 100 EMA can be characterized as long term resistance.
- RSI is currently below 43, indicating weak buying strength.
- 5350-5400 is near term support and 5,600-5,700 is near term resistance.

Recommendation-

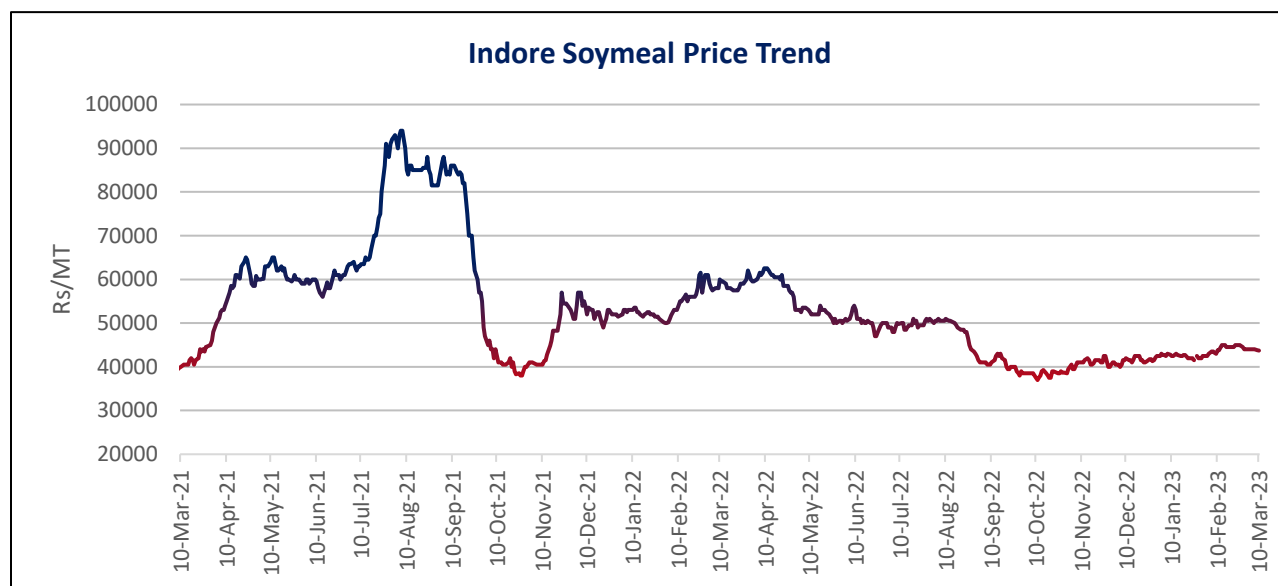
- Market Participants are recommended to buy their stocks in the range of 5350-5,400 and wait to sell in the range of 5600-5700.

Soybean Price Outlook for coming week: Indore Soybean plant prices are currently trading at INR. 5,500/QtL. and are expected to trade range bound in the range of INR 5,350-5,700 in short run.



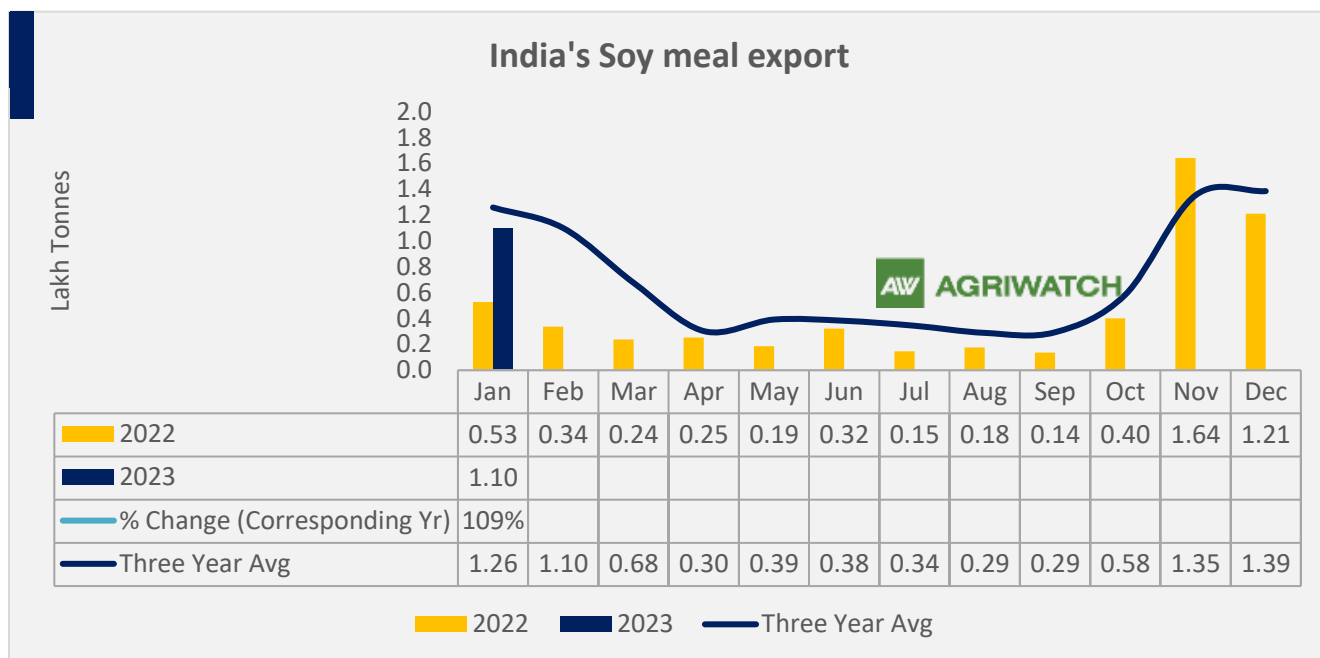
Soybean Plant Price Outlook (INR./QtL)	Previous week 25th Feb'23- 03rd Mar'23	Week under review 04th Mar'23- 10th Mar'23	Next week 11th Mar'23- 17th Mar'23
Weekly Average Price	5,450-5,513	5,450-5,500	5,350-5,700

Soymeal

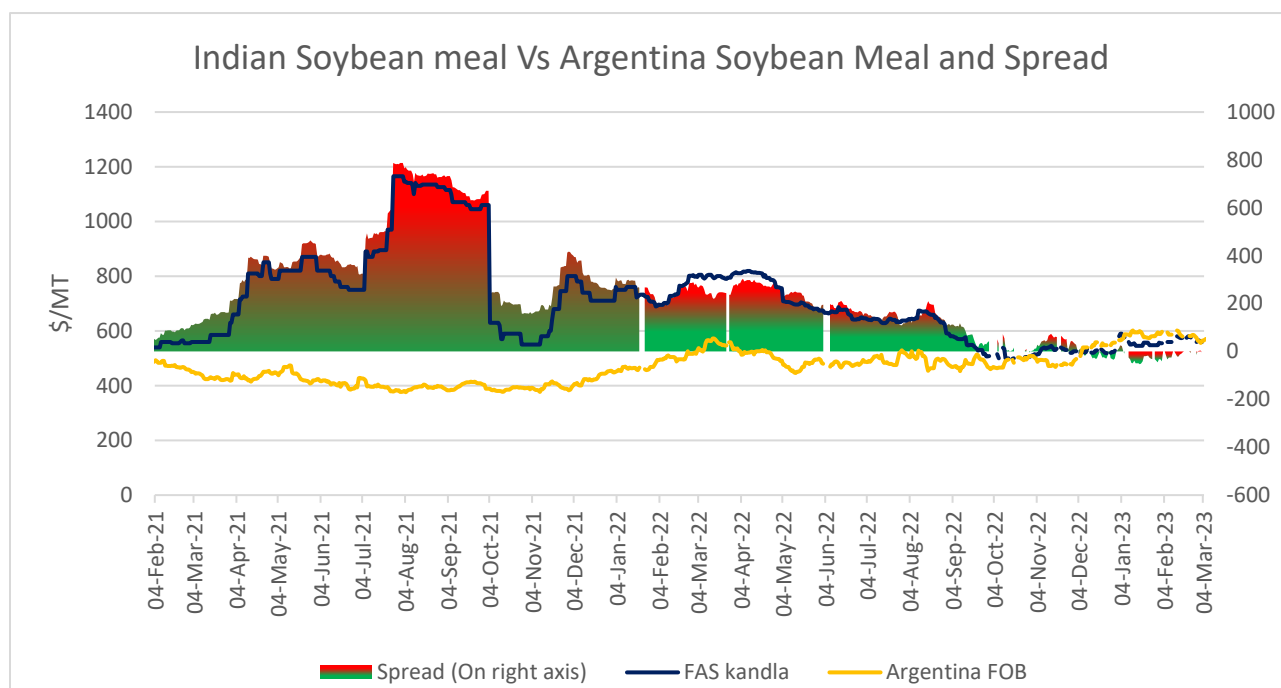


During the week under review, Indore Soymeal weekly average prices remained sideways, and declined by 0.8% to INR 43,900/MT as compared to last week's INR 44,250/ in tandem with a weaker oilseed basket. The prices of soymeal, along with soybean and soy oil, have decreased from their six-month highs. The overall bearish sentiment in the oilseed basket, especially due to mustard, has dragged down the soymeal prices from their six-month high.

According to USDA Mar'23 report, 2022/23, India's Soybean crush is estimated to be at 9.7 MMT as compared to previous year at 8.5 MMT and country's domestic soymeal consumption is estimated to be at 6.72 MMT Vs 6.28 MMT previous year. Moreover, Soymeal exports is projected at 1.2 MMT as compared to 0.94 MMT previous year.



Total oil meal exports in April- Jan'23 went up by 70% to 32.97 Lakh tonnes vs 19.44 Lakh tonnes previous year same period. However, Soymeal exports up by 109% to 1.10 Lakh tonnes in Jan'23 Vs 0.53 Lakh tonnes previous year same period. Soymeal exports went up for the fifth straight month on good soymeal export demand from South East Asia tracking competitive prices in global markets. However, in April'22-Jan'23 soymeal exports are up by 77% to 5.57 Lakh tonnes as compared to 3.15 Lakh tonnes previous year same period.



Currently, Indian Soymeal FOB prices trading at \$570/MT, Argentina Soymeal FOB prices too trading at \$570/MT and spread stands at \$0/MT.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

SOYBEAN Meal – Technical Outlook

Soybean Meal Indore Spot -Weekly time frame

Technical Chart:



Technical Commentary:

- Soybean Indore prices declined after four week gains and closed to 43,700 levels and during the week under review, market made low of 43,700, high of 44,000.
- Market is currently trading above 9 and 18 EMA, 23.6% Fibonacci retracement can be characterized as support and 38.2% Fibonacci retracement and 50, 100 EMA can be characterized as resistance.
- RSI has declined from 55 to 50 indicating firm buying strength. MACD is indicating steady momentum.
- 42,000 is near term support and 45,000-46,000 is near term resistance.

Recommendation-

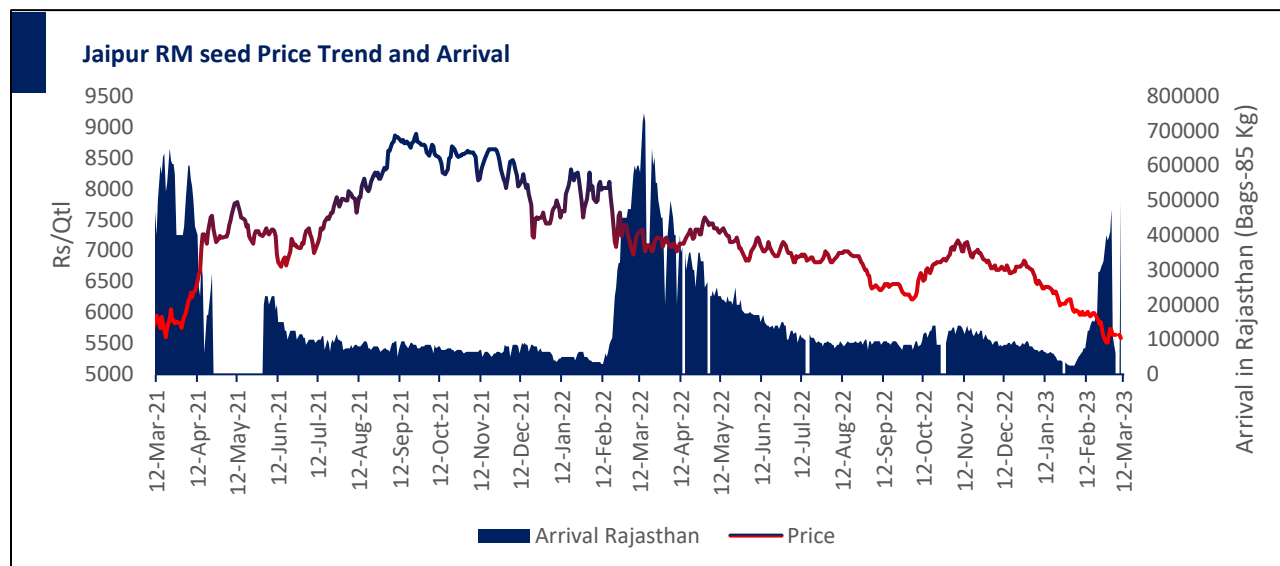
- Market Participants are recommended to buy near 42,000 and sell in the range of 43,000-44,000.

Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with weak bias. Revival in soymeal export demand likely to support soymeal prices in upcoming weeks.



Soymeal Indore Price Outlook (INR./MT)	Previous week 25th Feb'23- 03rd Mar'23	Week under review 04th Mar'23- 10th Mar'23	Next week 11th Mar'23- 17th Mar'23
Weekly Average Price	44,000-45,000	43,700-44,000	42,000-45,000

Rapeseed - Mustard Seed

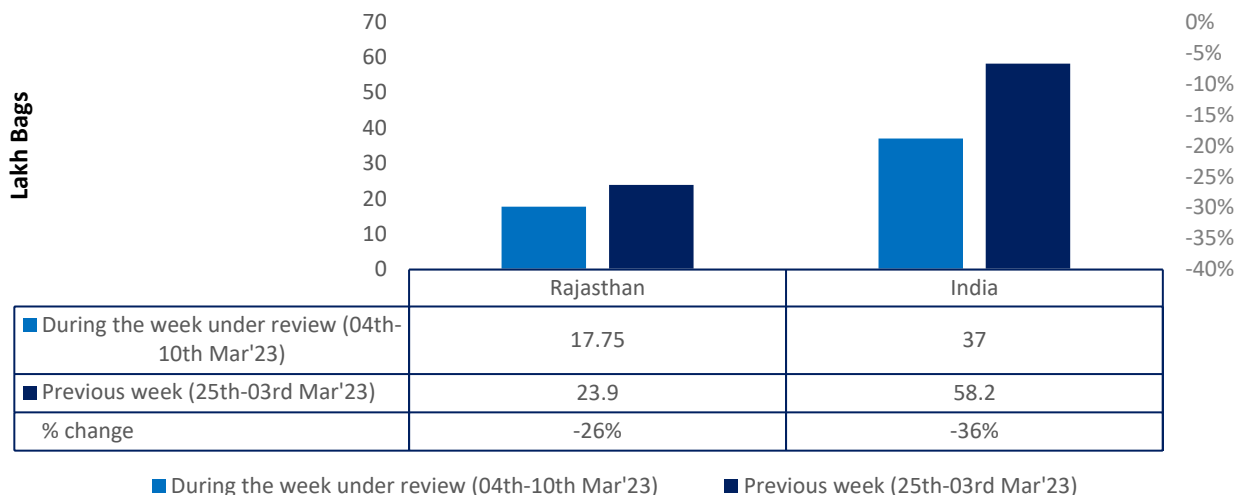


During the week under review, Jaipur RM seed weekly average prices continued to trade with weaker bias and went marginally up by 0.07% to INR 5,625/Qtl as compared to previous week at INR 5,621/Qtl. amid increased arrivals and weak demand from stockiest. However, Mustard oil prices went up by 0.9% to INR 1,094/10 Kg as compared to 1,103/10 Kg amid removal of TRQ on the import of crude soy oil and crude sunflower oil will which will expire on March 31st, leading to the implementation of a 5.5% import duty on these products. Additionally, NAFED may begin soon to procure the new mustard crop which is likely to underpin prices.

The domestic industry players are requesting duties on palm imports and urging the government to procure mustard to prevent the decline in prices.

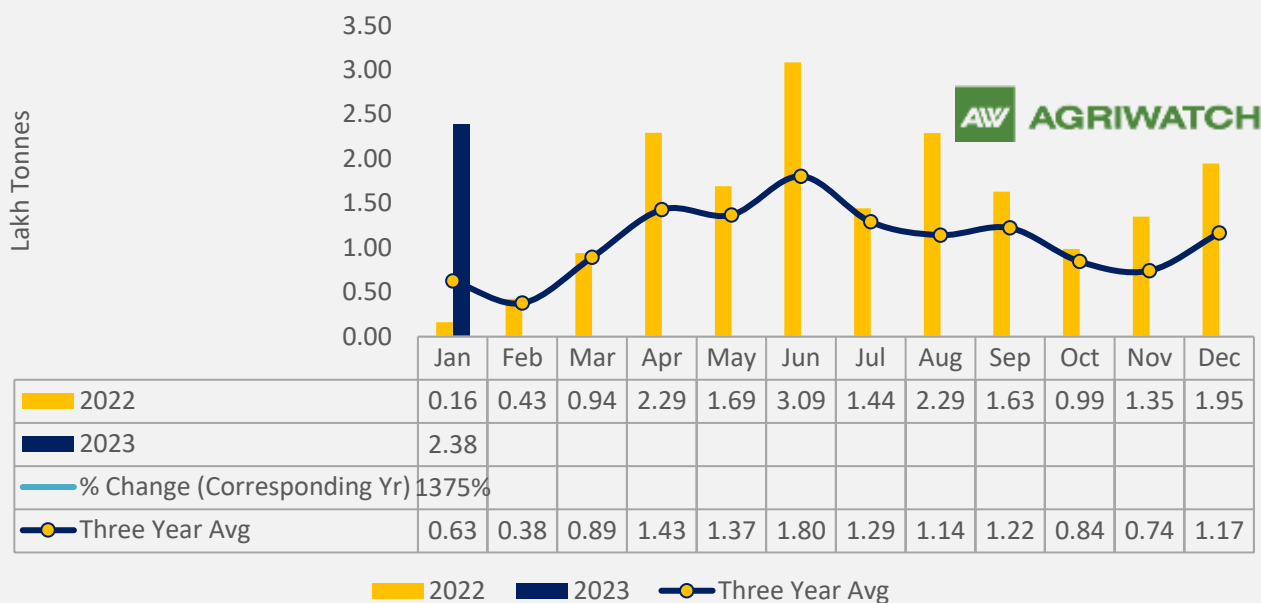
State Govt has announced that procurement of mustard will begin from March 28, and has directed the officers to ensure adequate procurement arrangements, identifying procurement centers, proper arrangement for storage and gunny bags and timely procurement of Rabi crops. However, no procurement was done during the last 2 years as prices were well above the MSP. The current MSP for Rabi mustard is Rs 5450/Qtl.

Weekly RM seed arrivals



During the week under review, RM Seed arrivals declined amid festivals. Arrivals in Rajasthan recorded down by 26% to 17.75 Lakh bags as compared to 23.9 lakh bags previous week. All India arrivals too went down at 37 Lakh bags Vs 58.2 Lakh bags previous week. After festivals, arrivals are likely to pickup and likely to peak in 3rd to 4th week of March'23.

Rapeseed Meal Export



There is a significant jump in export of rapeseed meal in April'22-Jan'23 and reported at 16.70 Lakh tons compared to 7.14 Lakh tons previous year same period i.e., up by 162%. And in Jan'23 exports were recorded up by 22% to 2.38 Lakh tonnes vs 1.94 Lakh tonnes in the previous year same period. The record crop of rapeseed and crushing resulted in the highest processing, availability of rapeseed meal and higher exports. 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.

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 5,587, made low of 5,587, high of 5,637.
- Market is currently trading below 9, 50 and 100 DMA and can be characterized as resistance. And it has breached 61.8% of fibonacci retracement level.
- RSI is below 25 indicating oversold zone and MACD is also indicating weak momentum.
- Immediate support is at 5,500 and immediate resistance is at 5,700.

Recommendation-

Market participants are recommended to start buying from 5,450-5,500.

International-

Canada planted 8.7 million hectares of canola in 2022-2023, a decrease of 4% from the previous crop year, with a harvested area of 8.6 million hectares. Yields improved to 2.11 tonnes per hectare, compared to 1.54 t/ha in 2021-2022, due to drought relief. The estimated production is 18.2 million tonnes, as per Statistics

Canada. Saskatchewan led production with 9.5 million tonnes, followed by Alberta with 5.6 million tonnes and Manitoba with 2.9 million tonnes. Total supply is estimated at 19.1 million tonnes, slightly up from the previous year due to higher production partially compensating for low opening stocks.

Canadian canola consumption is projected to return to its normal historical levels, as exports rise 63% to 8.6 million tonnes, and crush volume increases to 9.5 million tonnes from 8.6 million tonnes last year. As per Canadian Grain Commission data, the export rate as of November was 121% higher than the previous year, with China and Mexico being the top destinations for 80% of Canada's exported canola by the end of the same month. The average oil content of Canadian canola is estimated at 42.8%.

Technical Analysis

(ICE Canola)

ICE Canola – Technical Outlook

ICE Canola -Weekly time frame

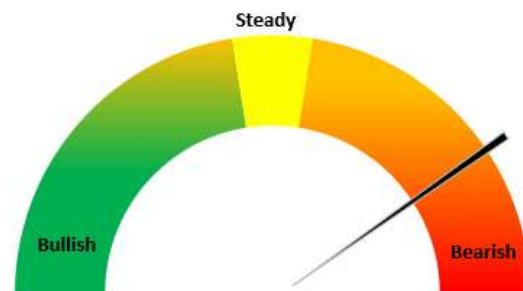
Technical Chart:



Technical Commentary:

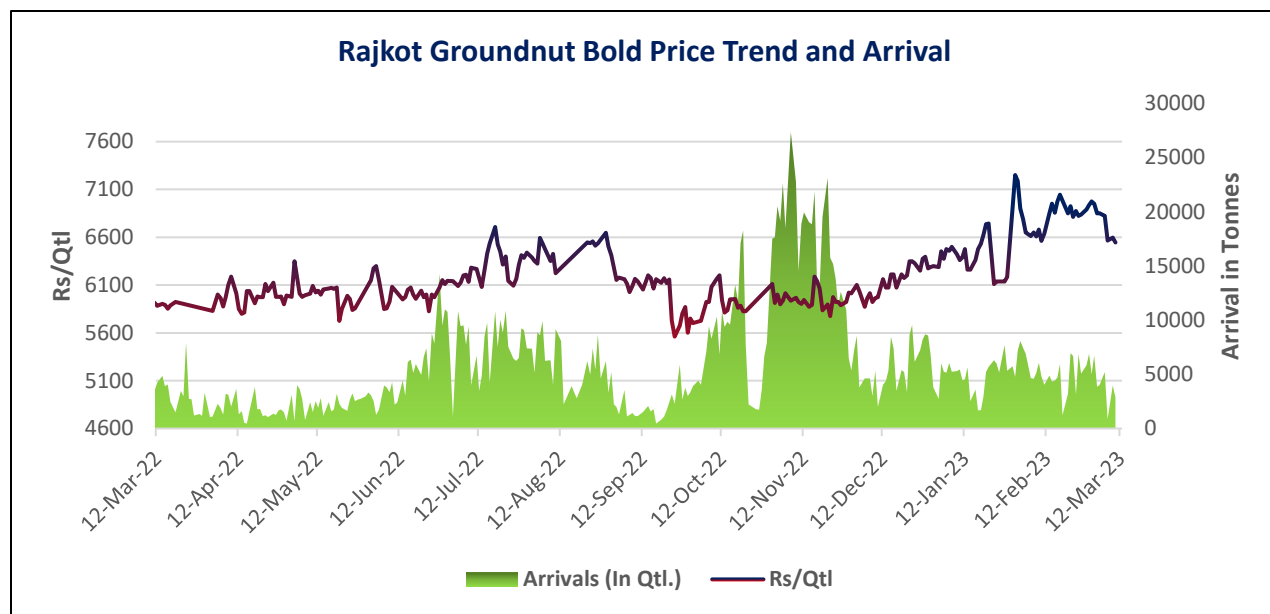
- As depicted in the above chart, during the week under review, market declined by 5.63% to 799 as compared to previous week at 847. Market made low of 840 and high of 852.
- Market is currently trading below 18, 50 and 100 DMA and can be characterized as resistance. And trading above 9 DMA, can be characterized as support.
- RSI is below 40 indicating weak buying strength and MACD is indicating steady to weak momentum.
- Immediate support is at 800 and immediate resistance is at 870.

RM seed Price Outlook for coming week: In upcoming week RM Seed is expected to trade sideways with weak bias amid increase in arrivals.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 25th Feb'23- 03rd Mar'23	Week under review 04th Mar'23- 10th Mar'23	Next week 11th Mar'23- 17th Mar'23
Weekly Average Price	5,513-5,738	5,588-5,638	5,450-5,700

Groundnut



During the week under review, Rajkot Groundnut weekly average bold prices remained bearish and went down by 3.3% to INR 6,677/Qtl. as compared to previous week at INR 6,906/Qtl. in tandem with decline in groundnut oil prices. All India arrivals recorded down by 40% to 0.16 Lakh tonnes as compared to 0.28 Lakh tonnes previous week.

The prices of groundnut oil declined from all time high of INR 1,750 to 1,675/10 Kg amid pressure in edible oil basket. This decrease in price can be attributed to the decrease in domestic demand, which has been affected by the higher premium of GN oil over other competing oils. Moreover, there has been a noticeable trend of demand substitution in Gujarat, with consumers shifting from GN oil to cheaper alternatives such as corn oil and cotton seed oil.

Argentina is facing severe heat waves amid low precipitation. Prolonged dryness along with low acreage has led to lower GN seed production which may slide to 8.50 LT USDA attache has estimated Argentina's GN seed production at 10.50 LT compared to 12.50 Lt in its previous estimates.

Technical Analysis

(Based on Rajkot GN Bold Mandi prices)

Groundnut Bold – Technical Outlook

Rajkot -Weekly time frame

Technical Chart:



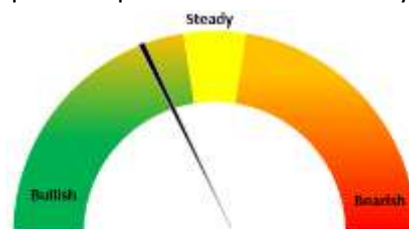
Technical Commentary:

- As depicted in the above chart, during the week under review, market closed lower to 6,547, made low of 6,547, high of 6,825.
- Market is trading above 18, 50 and 100 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support, 23.6% level can be characterized as resistance.
- RSI has declined from 70 to 52 indicating weakening in buying strength and MACD is also indicating weakening in momentum.
- Immediate support is at 6,500, next support is at 6,300 and immediate resistance is at 6,800, next resistance is at 7,000.

Recommendation-

Market participants are recommended to sell in the range of 7000-7500 and buy in the range of 6500-6900.

Groundnut Price Outlook for coming week: Rajkot groundnut bold prices expected to trade sideways weak bias amid decline in groundnut oil prices and discouraged demand due to higher prices.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 25th Feb'23- 03rd Mar'23	Week under review 04th Mar'23- 10th Mar'23	Next week 11th Mar'23- 17th Mar'23
Weekly Average Price	6,838-6,975	6,548-6,850	6,500-6,900

Annexure

Oilseed Prices at Key Spot Markets:					
Commodity / Centre	% Change over previous week	Today	Week Ago	Month Ago	Year Ago
Soybean		10-Mar-23	03-Mar-23	07-Feb-23	10-Mar-22
Indore –Plant	0%	5525	5550	5575	8000
Indore–Mandi	0%	5400	5400	5475	7850
Nagpur-Plant	4%	5600	5400	5550	8200
Nagpur – Mandi	4%	5400	5190	5450	8000
Latur – Mandi	-	NA	5300	NA	7560
Akola – Mandi	-2%	5150	5250	5100	7585
Kota-Plant	0%	5550	5550	5550	7950
Kota – Mandi	0%	5300	5300	5350	7750
Bundi-Plant	0%	5500	5500	5400	7850
Bundi-Mandi	-1%	5250	5320	5200	7550
Baran-Plant	0%	5500	5500	5450	7860
Baran-Mandi	0%	5300	5300	5350	7760
Bhawani Mandi Jhalawar–Plant	0%	5500	5500	5450	7970
Jhalwar-Mandi	0%	5400	5400	5350	7770
Rapeseed/Mustard					
Jaipur-(Condition)	-2%	5600	5725	5975	7275
Alwar-(Condition)	-1%	5300	5350	5700	6800
Sri Ganganagar-(Non-Condition)	-2%	5150	5260	5450	7050
New Delhi–(Condition)	-2%	5500	5600	5800	7250
Kota-(Condition)	-5%	5300	5550	5500	7100
Agra-(Condition)	-2%	5667	5762	6095	7238
Neewai-(Condition)	-2%	5275	5400	5500	6800
Hapur (UP)-(Condition)	-4%	5400	5650	5800	6800
Groundnut Seed					
Rajkot	-8%	1150	1250	1180	1025
Sunflower Seed					
Gulbarga	-5%	5100	5350	5600	6500

Latur	-	NA	0	5700	7800
Sholapur	-	NA	0	5700	7800

Soybean Prices are in INR/ctl. (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/ctl.

		Today	Week Ago	Month Ago	Year Ago
Other Oilseed Prices at Mumbai (INR/100 Kg):					
Oilseeds	Change	10-Mar-23	3-Mar-23	7-Feb-23	10-Mar-22
Groundnut Kernel	-1%	8450	8500	8200	8100
Gr. Bolds 60/70	2%	9750	9600	9700	8800
Gr. Javas 60/70	5%	11050	10500	10600	10300
Gr Javas 70/80	3%	10750	10400	10500	10200
Gr.Javas 80/90	3%	10550	10200	10300	9700
KardiSeed 2% Exp Qly	0%	5100	5100	5600	5800
Sesame White 98/2/1 FM	0%	12900	12900	12800	9700
Whitish 95/5/FFA/1FM	0%	12700	12700	12600	9500
Brown 48/2 FFA/4 FM	0%	12100	12100	12100	9100
Brown 48/3 FFA/4 FM	0%	11900	11900	11900	8800
Brown 48/4 FM/* No FFA Guarantee	0%	11500	11500	11500	8500
Sunflower Seed	0%	6600	6600	6600	6300
Niger Seed (4% FM)	0%	9200	9200	8800	8600

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