



Oil Seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went marginally down by 1.14% to INR 5,413/ Qtl. in tandem with correction in soy oil prices.

The weekly average prices of Indore soymeal too declined and went down by 1.7% to INR 43,183/MT as compared to last week at INR 43,900/MT in tandem with soybean and soy oil prices.

During the week under review, Jaipur RM seed weekly average prices went marginally up by 1.64% to INR. 5,588/qtl amid procurement by NAFED.

During the week under review, Rajkot Groundnut weekly average bold prices went marginally up by 0.81% at INR 6,730/Qtl. in tandem with rebound in groundnut oil prices.

Outlook – Cash Market

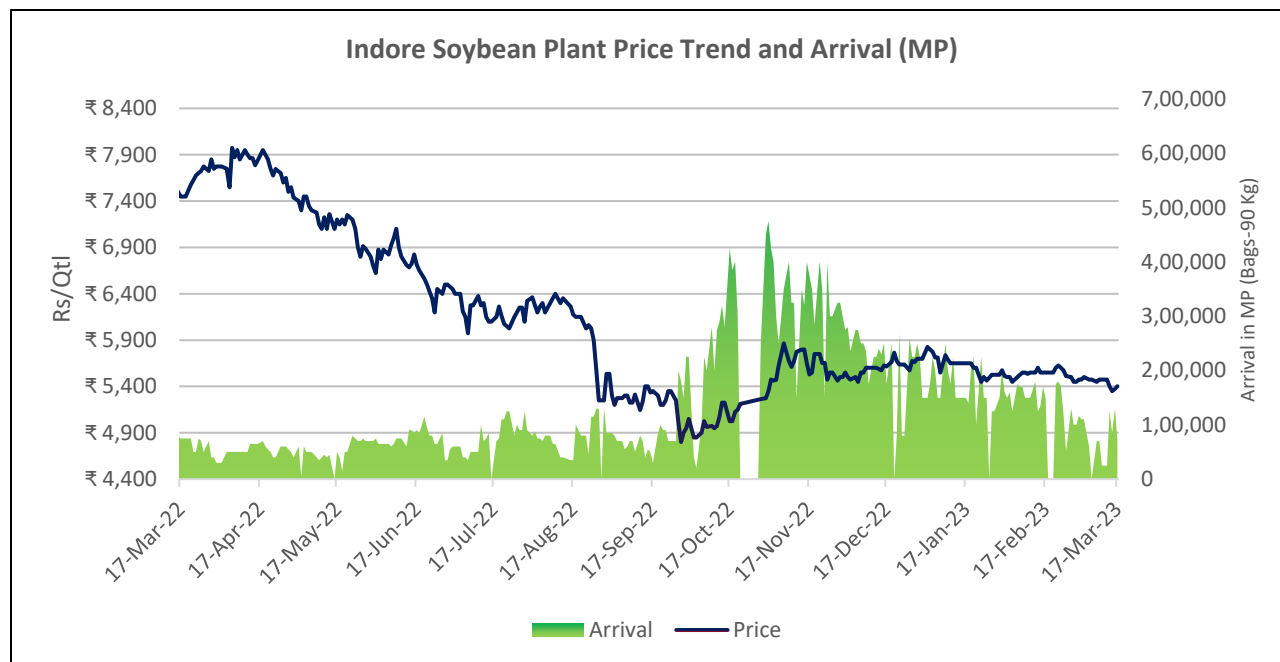
Outlook - Soybean (Spot Indore): In the coming week, soybean plant prices are expected to trade sideways with weak bias amid subdued demand from crushers on disparity. The prices (Indore, Plant basis) are expected to feature in the price band of 5,300-5,600 levels in the near term.

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 – 44,000/MT.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): Rapeseed-Mustard is expected to trade with weak bias amid increase in arrivals. However, procurement by NAFED and HAFED should limit the downfall. The seed prices are likely to trade in the range between 5,500 – 5,800/Qtl. in the short-run.

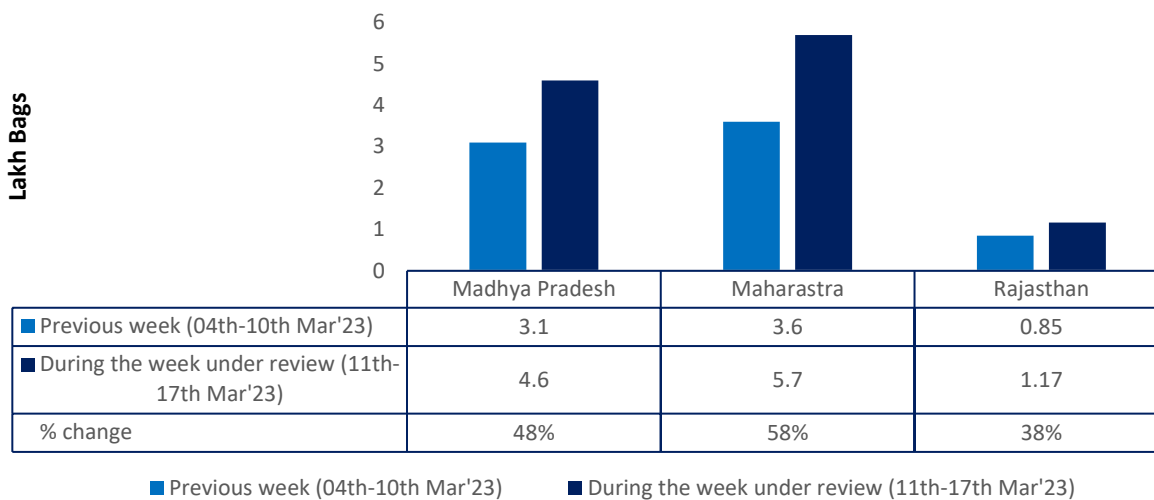
Soybean



During the week under review, Soybean prices in Indore continued to decline from the previous week, dropping by 1.14% to INR 5,413/qtt compared to the previous week's price of INR 5,475/qtt. This was attributed to sluggish demand from crushers, which was caused by the tracking of bearish soy oil prices. Additionally, Indore Soy oil prices decreased by 6% to INR 1,123/10 Kg compared to the previous week's price. As a result, Soybean prices in Indore hit a four-month low, while soymeal also experienced a decrease from its six-month high. The oil and oilseeds industry's sentiment was dampened by a record mustard crop and increased arrivals.

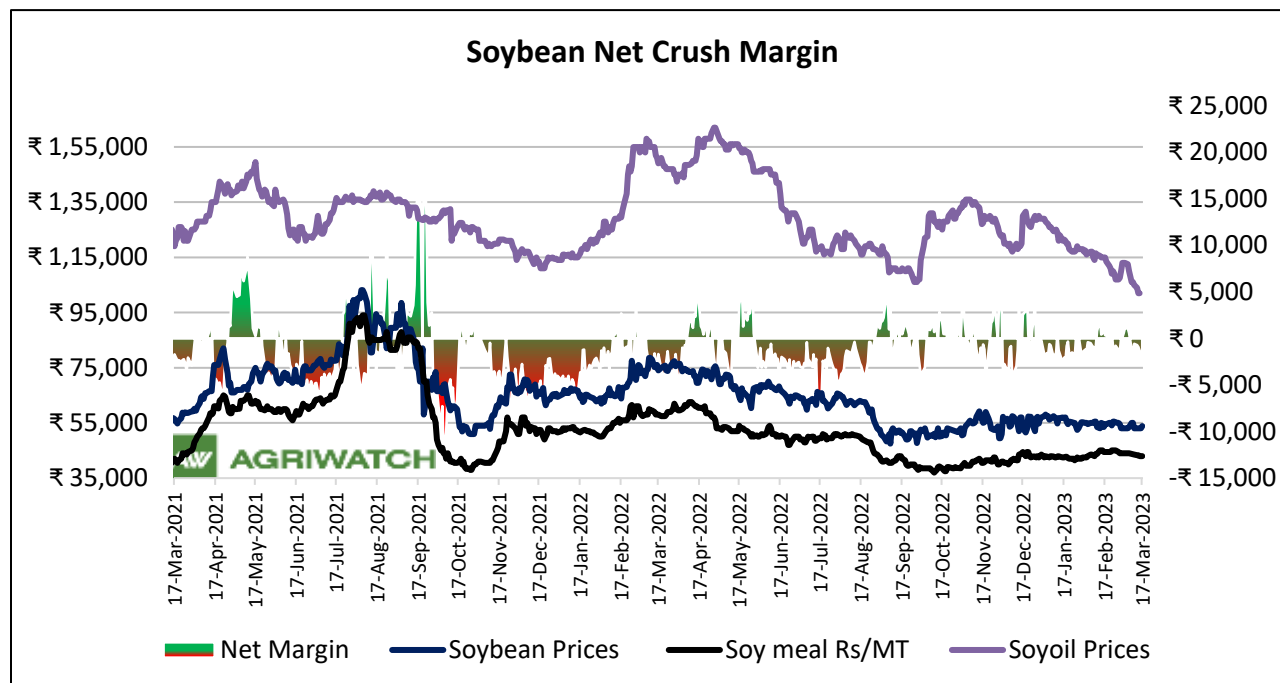
According to the report by SOPA, the crushing of soybean has increased by 48% between October 2022 and February 2023, reaching 52.5 lakh tonnes. This represents a significant increase from the same period the previous year, which saw 35.5 lakh tonnes crushed. Additionally, arrivals have increased by 29% to 71 lakh tonnes, up from 55 lakh tonnes during the same period last year. Domestic and export demand of soymeal encouraged soybean crushing for the aforementioned period. For the month of Feb'23 crush to arrival ratio stood at 90% and soymeal production projected at 79.82 Lt Vs. 67.05 Lt prev year. Crushing projected at 100 Lt. Vs 84 Lt prev year. Soymeal export projected at 14 Lt vs 6.44 Lt prev year.

Weekly Soybean Arrivals



During the week under review, the total arrival in MP increased by 48% to 4.6 Lakh bags Vs 3.1 Lakh bags previous week. In Maharashtra arrivals recorded up to 5.7 Lakh bags vs 3.6 Lakh bags last week. In Rajasthan the arrivals recorded up to 1.17 lakh bags Vs 0.85 Lakh bags previous week. As expected, arrivals has picked up after festivals.

Soybean Crush Margin-



Soybean net crush margin decreased during the week under review as soy oil prices corrected. Weekly average soybean net crush margin for the period of 11th -17th March is in disparity at INR -1299/ MT as compared to previous week at INR -16/MT. In upcoming week, net crush margin likely to improve slightly on improved soy oil prices.

International Update:

Thus far, this season, Brazil has harvested 53% of its soybeans, compared to 64% at the same time last year.

The soybean harvest in Mato Grosso is nearing completion due to the dry weather, but in Parana and Mato Grosso do Sul, it is lagging behind schedule. AgRural reports that as of late last week, 53% of Brazil's soybeans were harvested, which is lower than last year's 64% and the average of 57%. The harvest progress advanced by 10% in the previous week. Mato Grosso has almost completed its harvest, with 96.7% of soybeans harvested, while Parana's progress remains slow.

Last week, both the Buenos Aires Grain Exchange and the Rosario Grain Exchange reduced their 2022/23 Argentina soybean estimates. The Buenos Aires Grain Exchange estimated a decrease of 4.5 million tons to 29.0 million, while the Rosario Grain Exchange estimated a decrease of 7.5 million tons to 27.0 million. Additionally, the March WASDE Report from the USDA also lowered the 2022/23 Argentina soybean estimate by 8.0 million tons to 33.0 million.

As of late last week, the 2022/23 soybeans in Argentina were rated 71% poor/very poor, 27% fair, and 2% good/excellent. The good/excellent percentage remained unchanged from the previous week. Moreover, the soil moisture for soybeans was rated 75% short/very short, and only 25% was rated favorable/optimum. This favorable/optimum percentage declined by 1 point from the prior week.

Regarding the growth of soybeans in Argentina, early-planted soybeans are approximately 45% filling pods, with only 3% being mature and less than 1% harvested. On the other hand, late-planted soybeans are about 56% setting pods.

Brazil's Agriculture Statics Agency (CONAB) in its March assessment has lowered Brazil's 2022/23 soybean crop estimate to 151.41 MMT from its previous estimate of 152.88 MMT, down by 1.47 MMT. CONAB estimated the soybean yield at 3,479 kg/ha (51.8 bu/ac), which is down 0.7 bu/ac compared to February. Conab cited losses in Rio Grande do Sul that were not completely compensated for by gains in Sao Paulo, Goias, and Mato Grosso do Sul.

According to Anec, the grain exporters' association, Brazil is expected to reach a new record in its agricultural exports. In their weekly report published on 8th March'23, it was projected that the country's soybean shipments would reach 93 million mt in 2023, and corn shipments would reach 50 million mt, both all-time highs. Compared to the previous year's figures, Brazilian soybean shipments are expected to increase by 19.5%, from 77.8 million mt. Corn shipments, on the other hand, could surpass last year's record of 43.1 million mt by 16%, potentially making Brazil the world's leading corn exporter, ahead of the US.

Technical Analysis

US Soybean futures



As depicted in the above chart, during the week under review, US Soybean posted three consecutive week loss and went down by 2.09% to \$14.75/bushels. 9, 18 and 50DMA, can be characterized as resistance while 100 DMA can be characterized as support. RSI has declined below 50 indicating weak buying strength. And MACD indicating weak momentum in short run. Over all market is expected to trade with weak bias and take support from 14-14.5 in short run and resistance from 15.50-16.00.

Technical Analysis (Domestic market)

(Based on Indore Plant prices)



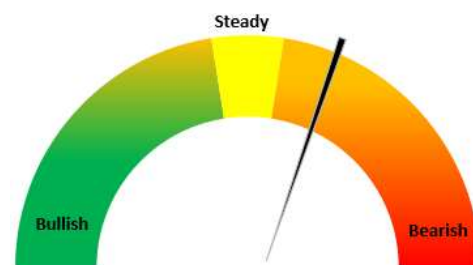
Technical Commentary:

- During the week under review, Soybean Indore prices declined and closed at 5,400 levels as compared to 5,500 previous week and market made low of 5,350, high of 5,475.
- Market is currently facing near term resistance of 9, 18 EMA While 61.8% Fibonacci retracement and 50, 100 EMA can be characterized as long term resistance.
- RSI is currently below 43, indicating weak buying strength.
- 5300-5400 is near term support and 5,500-5,600 is near term resistance.

Recommendation-

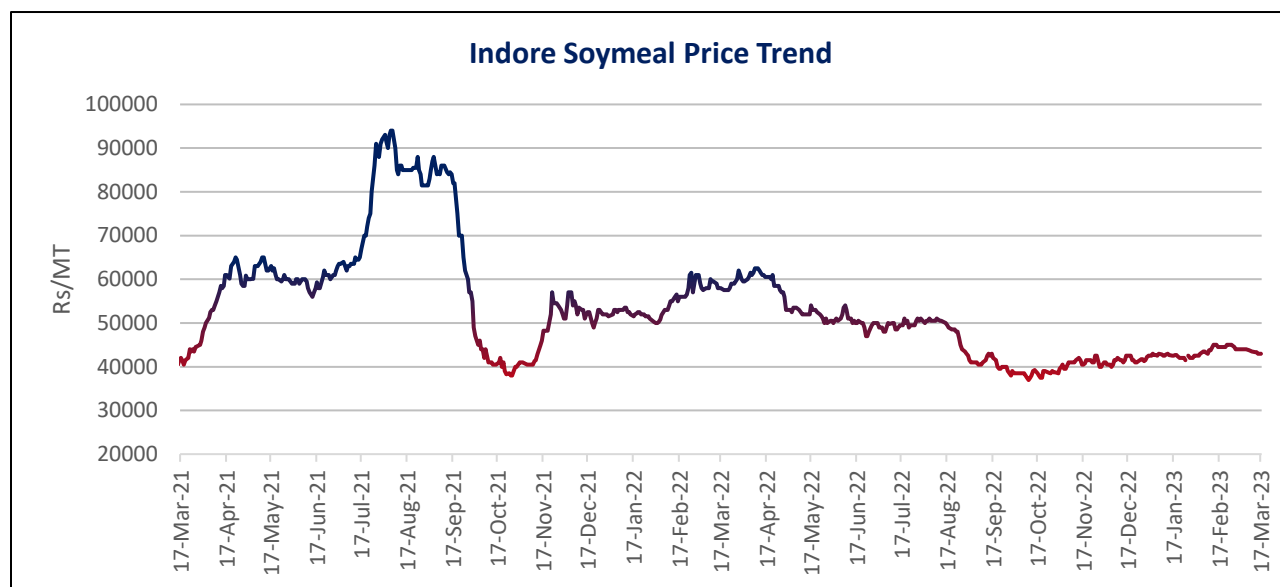
- Market Participants are recommended to buy their stocks in the range of 5300-5,400 and wait to sell in the range of 5500-5600.

Soybean Price Outlook for coming week: Indore Soybean plant prices are currently trading at INR. 5,400/qtl. and are expected to trade range bound in the range of INR 5,350-5,600 in short run.



Soybean Plant Price Outlook (INR./Qtl)	Previous week 04th Mar'23- 10th Mar'23	Week under review 11th Mar'23- 17th Mar'23	Next week 18th Mar'23- 24th Mar'23
Weekly Average Price	5,450-5,500	5,350-5,475	5,300-5,600

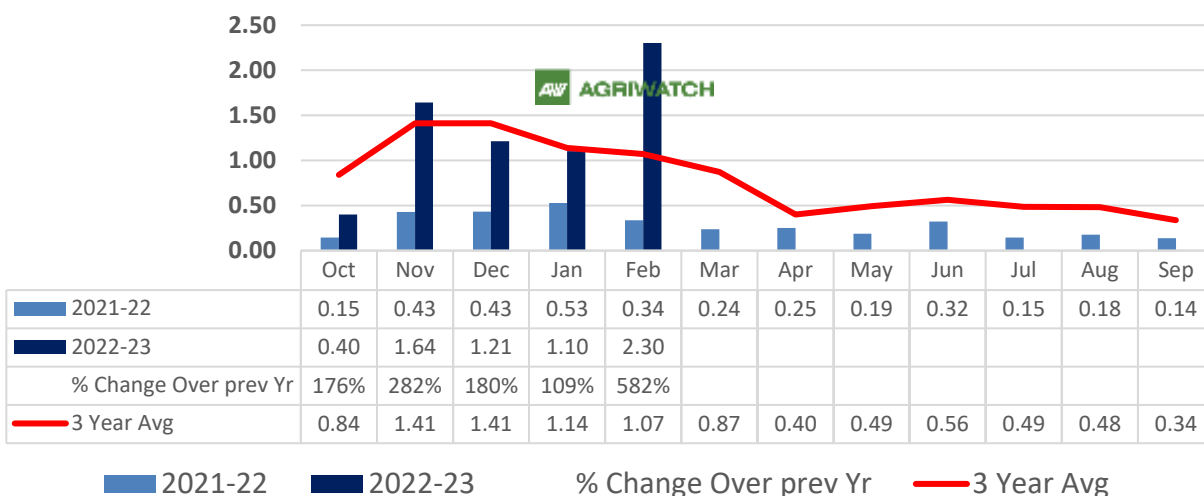
Soymeal



During the week under review, Indore Soymeal weekly average prices extended previous week decline, and down by 1.7% to INR 43,183/MT as compared to last week at INR 43,900/ in tandem with correction in soybean and soy oil prices. 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.

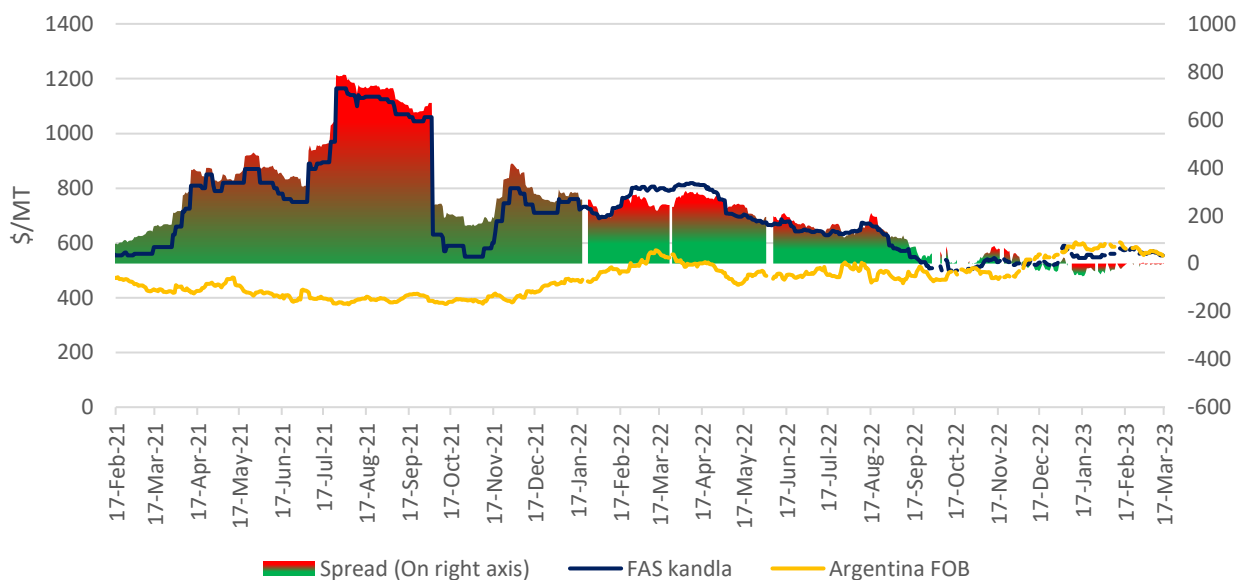
According to USDA Mar'23 report, 2022/23, India's Soybean crush is estimated to be at 9.7 MMT as compared to previous year at 8.5 MMT and country's domestic soymeal consumption is estimated to be at 6.72 MMT Vs 6.28 MMT previous year. Moreover, Soymeal exports is projected at 1.2 MMT as compared to 0.94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

India's Soymeal Export



Total Soy meal exports in Oct- Feb'23 went up by 256% to 6.66 Lakh tonnes vs 1.87 Lakh tonnes previous year same period. However, Soymeal exports up by 582% to 2.30 Lakh tonnes in Feb'23 Vs 0.34 Lakh tonnes previous year same period. Soymeal exports went up for the sixth straight month on good soymeal export demand from south east Asia tracking competitive prices in global markets. In upcoming month too soymeal exports likely to go up on good demand.

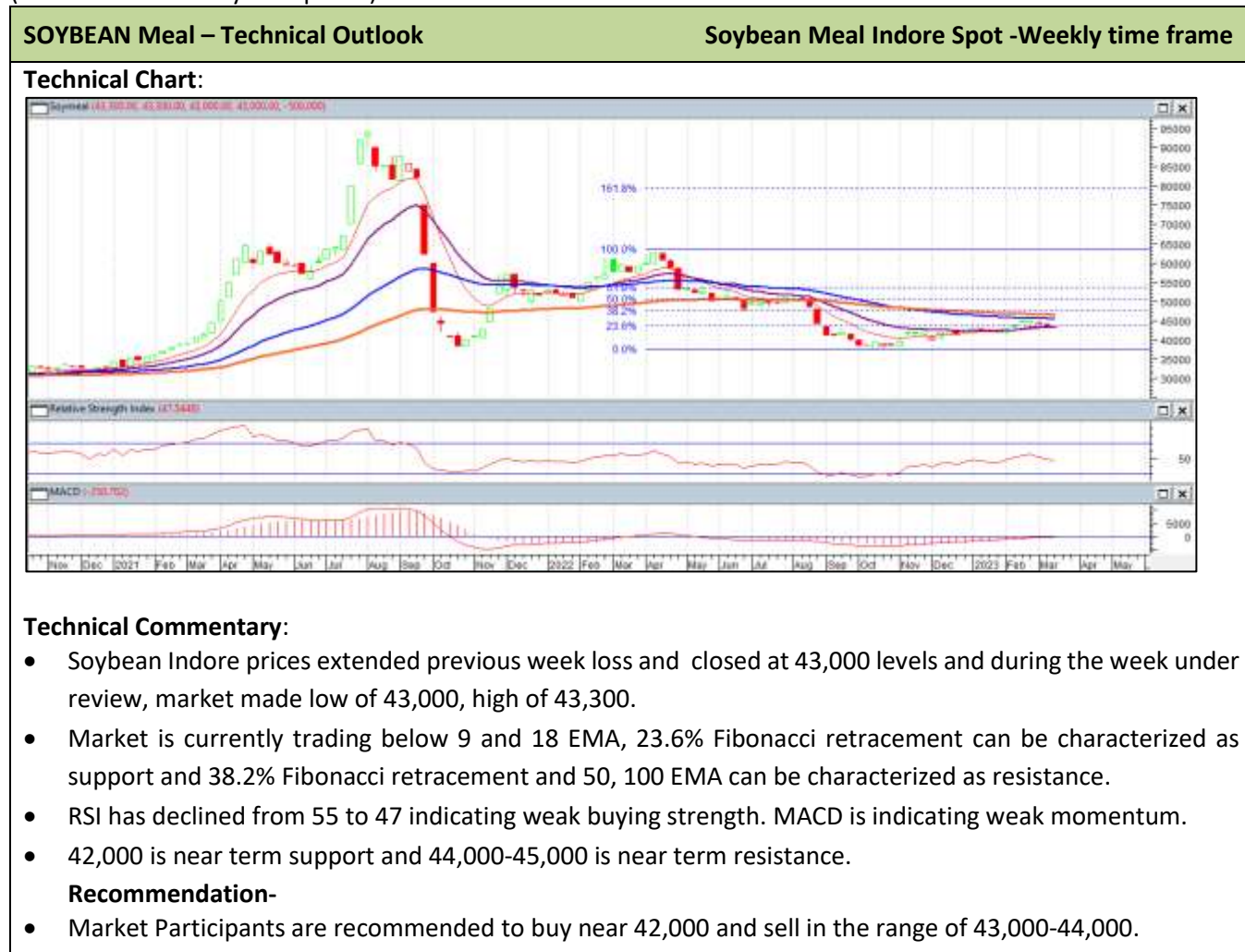
Indian Soybean meal Vs Argentina Soybean Meal and Spread



Currently, Indian Soymeal FOB prices trading at \$553/MT, Argentina Soymeal FOB prices too trading at \$570/MT and spread stands at \$2/MT. Upon squeeze in spread Indian soymeal export demand is rising and so the prices are stable and gradually rising.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

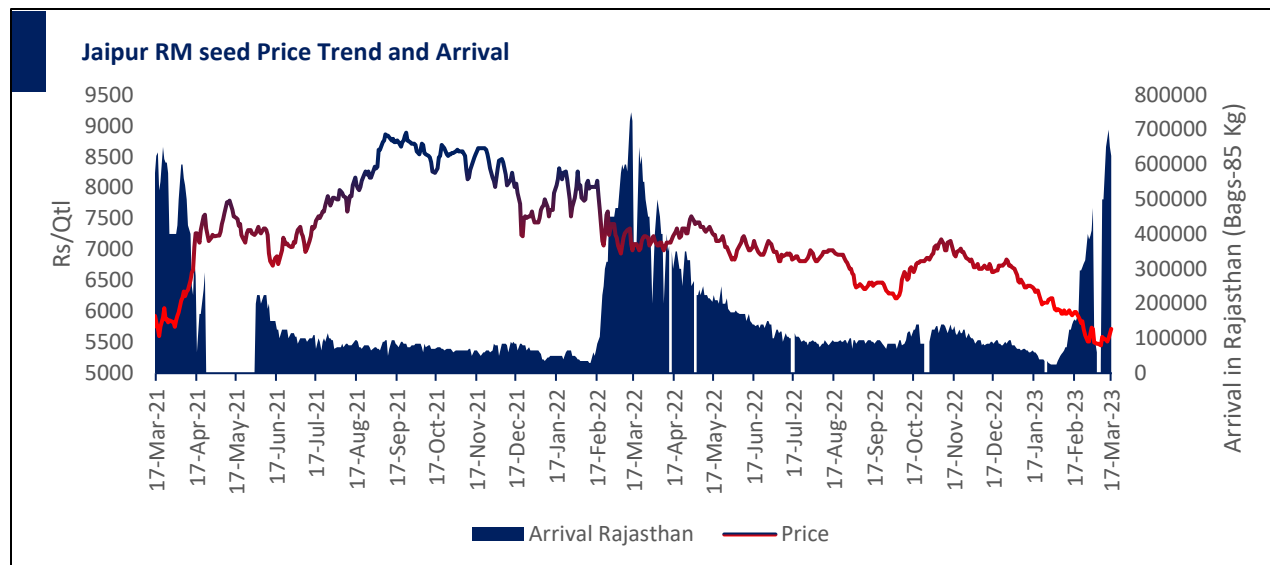


Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with weak bias. Revival in soymeal export demand likely to limit the fall in soymeal prices in upcoming weeks.



Soymeal Indore Price Outlook (INR./MT)	Previous week 04th Mar'23- 10th Mar'23	Week under review 11th Mar'23- 17th Mar'23	Next week 18th Mar'23- 24th Mar'23
Weekly Average Price	43,700-44,000	43,000-43,500	42,000-44,000

Rapeseed - Mustard Seed



During the week under review, Jaipur RM seed weekly average prices rebounded after 10 weeks of consecutive losses and went up by 1.64% to INR 5,588/Qtl as compared to previous week at INR 5,498/Qtl. amid procurement from NAFED and HAFED. However, Mustard oil prices went down by 3% to INR 1,070/10 Kg as compared to 1,104/10 Kg.

The ICE Futures canola market was on track for its 10th consecutive negative session on Friday, despite mixed sentiment in comparable oils. Month till date ICE Canola is down by 11.36% to USD 751/MT. Correction in comparable oil complex weighed on ICE Canola. However, month-to-date in domestic market Jaipur mustard is up by 5% to INR 5,775/Qtl. And month-to-date arrivals recorded up by 29% to 14.36 million bags as compared to 11.13 million bags previous year same period.

Mustard prices dip below the Minimum Support Price (MSP), the government set to procure 1.5 million tonnes (MT) of the oilseed

The Indian government has decided to purchase 1.5 million tonnes (MT) of mustard from farmers in Rajasthan, the largest producer of the oilseed in the country. This decision came after the mandi prices for mustard plummeted below the Minimum Support Price (MSP) of Rs 5,450/quintal, despite having remained well above the threshold for over two years. As on Friday, more than 30 mandis of Rajasthan is trading below the level of MSP.

According to sources, the Rajasthan State Co-operative Marketing Federation (Rajfed) is anticipated to procure mustard at the Minimum Support Price (MSP) starting from April 1st through the price support scheme for oilseeds initiated by the Ministry of Agriculture. This procurement marks a resumption after a

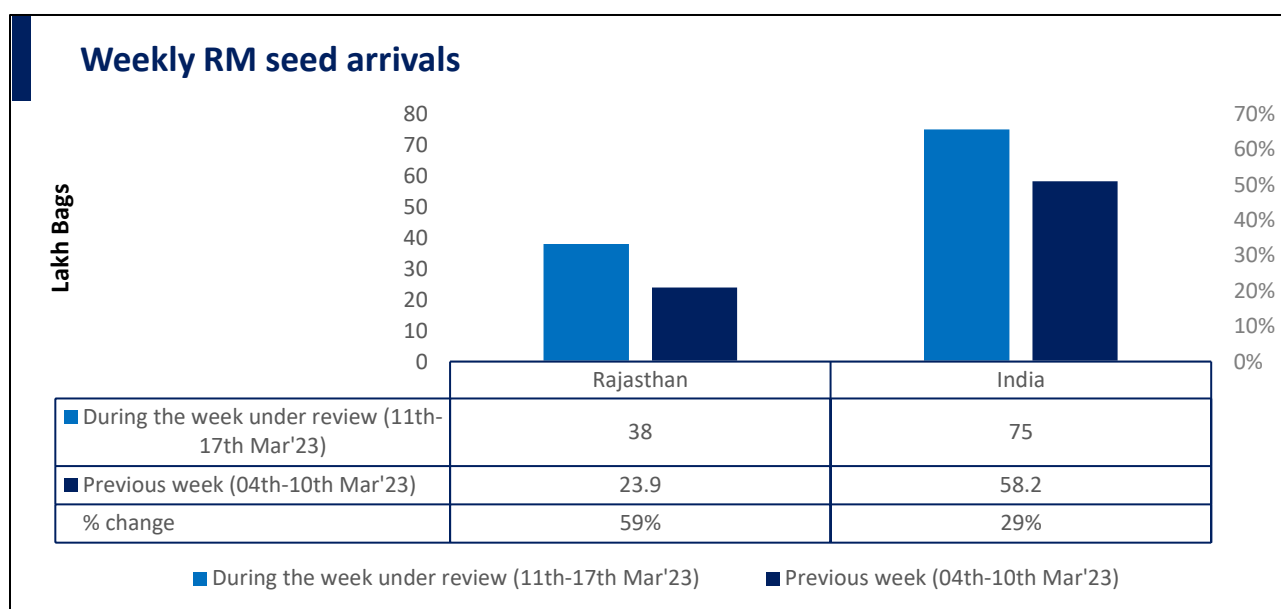
two-year hiatus. In the year 2020, Rajfed bought 0.34 MT of mustard, falling short of its intended target of 1 MT.

The Haryana State Cooperative Supply and Marketing Federation (Hafed) will engage in commercial procurement of approximately 20,000 tonnes of mustard at the Minimum Support Price (MSP) in the mandis.

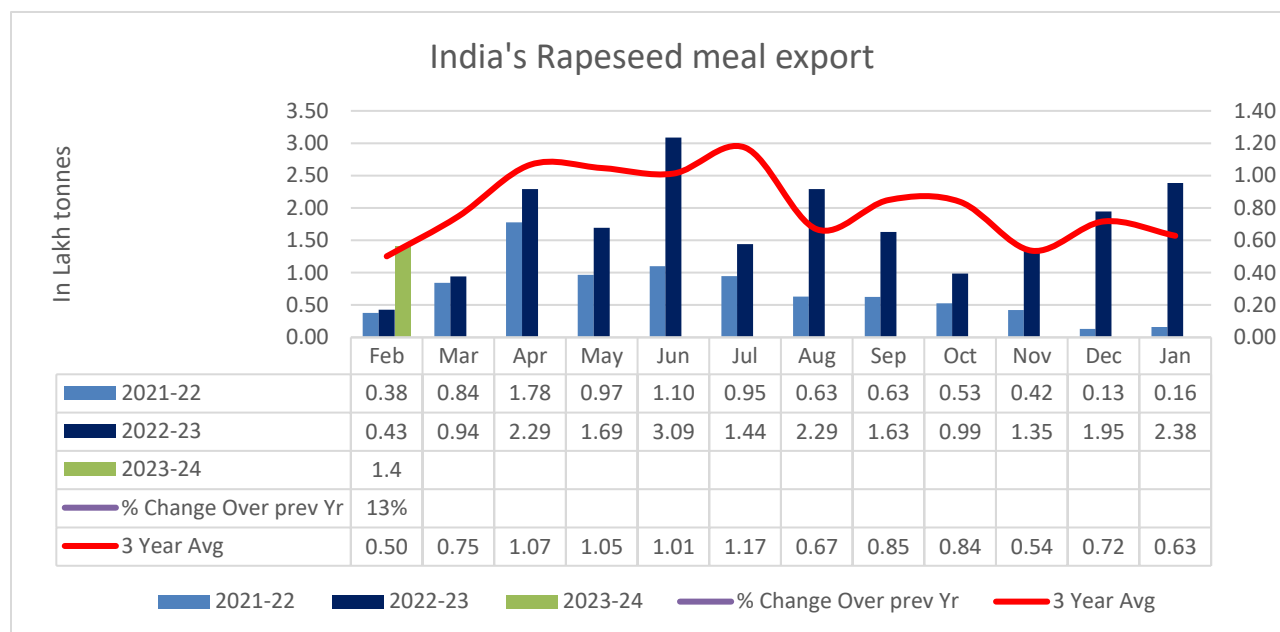
Mustard mandi prices at Bharatpur (Rajasthan), the center of oilseed trading, are currently hovering approximately Rs 100/quintal to Rs 150/quintal below the Minimum Support Price (MSP) due to the expectation of a plentiful harvest. These prices are the lowest recorded in two years, with mandi prices in November of last year averaging around Rs 7,500/quintal.

The Ministry of Agriculture has projected a record production of 12.8 million tonnes (MT) of mustard seeds during the 2022-23 crop year (July-June). The sown area under mustard for the ongoing rabi season has reached a record 9.8 million hectares (MH), which represents a 64% increase compared to the average sown area of 6.4 MH over the past five years. In the 2021-22 season, mustard sown areas were recorded at 9.1 MH.

Currently, Rajasthan (40%), Madhya Pradesh (14%), Uttar Pradesh (9%), and Haryana (7%) contribute to 70% of the country's mustard seed production.



During the week under review, RM Seed arrivals increased after festivals. Arrivals in Rajasthan recorded up by 59% to 38 Lakh bags as compared to 23.9 lakh bags previous week. All India arrivals too went up at 58.2 Lakh bags Vs 75 Lakh bags previous week.



There is a significant jump in export of rapeseed meal in Feb'23 and reported at 1.4 Lakh tons compared to 0.43 Lakh tons previous year same period i.e., up by 13%. 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.

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 up to 5,713, made low of 5,513, high of 5,713.
- Market is currently trading below 9, 50 and 100 DMA and can be characterized as resistance. And market is trading above support level of 5500.
- RSI has improved from 23 to 30 indicating improved buying strength. MACD is indicating weak momentum.
- Immediate support is at 5,500 and immediate resistance is at 5,800.

Recommendation-

Market participants are recommended to start buying near 5500 level.

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.

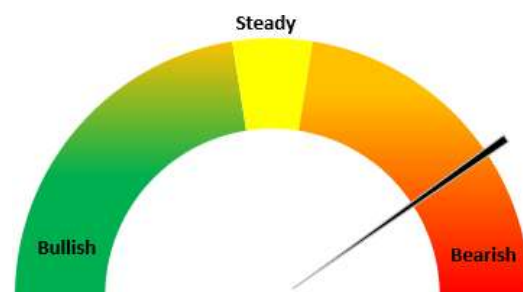
Canadian canola consumption is projected to return to its normal historical levels, as exports rise 63% to 8.6 million tonnes, and crush volume increases to 9.5 million tonnes from 8.6 million tonnes last year. As per Canadian Grain Commission data, the export rate as of November was 121% higher than 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)

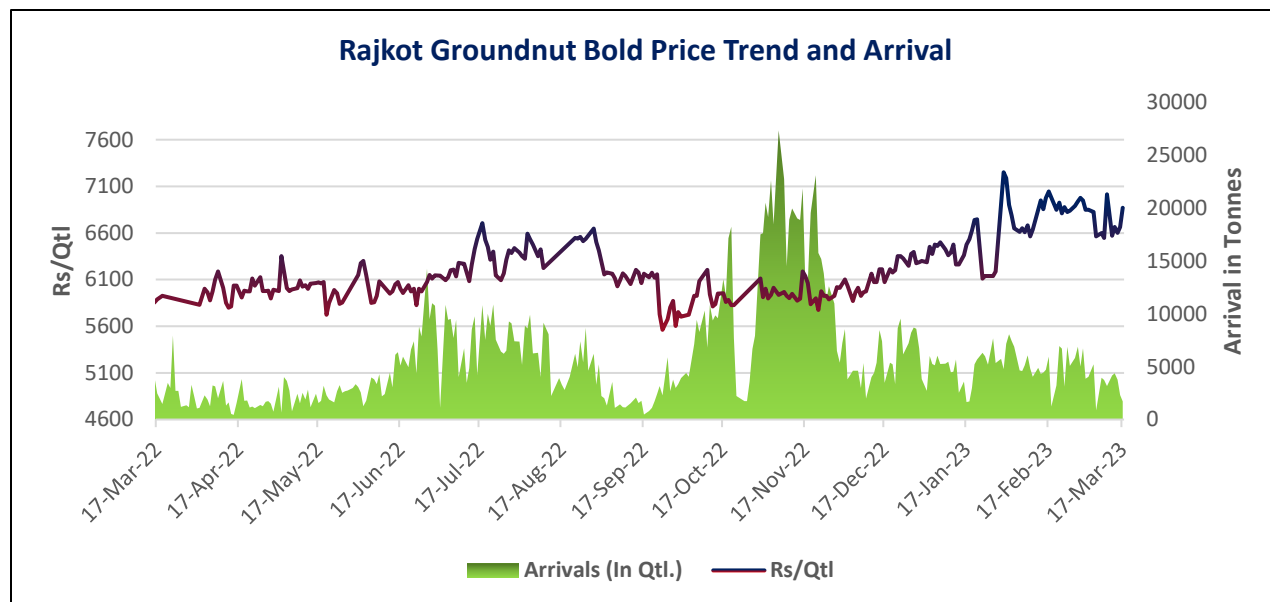


RM seed Price Outlook for coming week: In upcoming week RM Seed is expected to trade sideways with weak bias amid increase in arrivals, However, procurement from NAFED likely to limit downfall.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 04th Mar'23- 10th Mar'23	Week under review 11th Mar'23- 17th Mar'23	Next week 18th Mar'23- 24th Mar'23
Weekly Average Price	5,588-5,638	5,513-5,713	5,500-5,800

Groundnut



During the week under review, Rajkot Groundnut weekly average bold prices rebounded after previous week's loss and went marginally up by 0.81% to INR 6,730/Qtl. as compared to previous week at INR 6,677/Qtl. in tandem with rebound in groundnut oil prices and good demand. The weekly average prices of groundnut oil rebounded to INR 1,695 from 1,660/10 Kg amid good demand. Month to date Rajkot groundnut seed trading low by 1%. All India arrivals recorded up by 9% to 0.19 Lakh tonnes as compared to 0.17 Lakh tonnes previous week.

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:



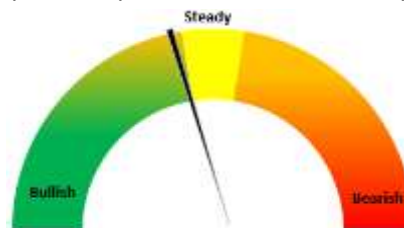
Technical Commentary:

- As depicted in the above chart, during the week under review, market closed lower to 6,870, made low of 6,572, high of 6,870.
- Market is trading above 18, 50 and 100 DMA, and 23.6% Fibonacci retracement level can be characterized as immediate support.
- RSI has declined from 70 to 58 indicating weakening in buying strength, However, MACD is indicating firm 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 with slightly firm bias amid rebound in groundnut oil prices.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 04th Mar'23- 10th Mar'23	Week under review 11th Mar'23- 17th Mar'23	Next week 18th Mar'23- 24th Mar'23
Weekly Average Price	6,548-6,850	6,573-7,015	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		17-Mar-23	10-Mar-23	14-Feb-23	17-Mar-22
Indore –Plant	-1%	5450	5525	5650	7500
Indore–Mandi	-2%	5300	5400	5550	7450
Nagpur-Plant	-3%	5425	5600	5550	7500
Nagpur – Mandi	-6%	5100	5400	5450	7100
Latur – Mandi	-	5250	0	5450	7430
Akola – Mandi	-2%	5070	5150	5350	7130
Kota-Plant	-3%	5400	5550	5700	7400
Kota – Mandi	0%	5300	5300	5500	7350
Bundi-Plant	-2%	5400	5500	5450	7500
Bundi-Mandi	-2%	5150	5250	5250	7200
Baran-Plant	-2%	5400	5500	5600	7600
Baran-Mandi	-	Closed	5300	5500	7400
Bhawani Mandi Jhalawar–Plant	-2%	5400	5500	5600	7480
Jhalwar-Mandi	-	Closed	5400	5500	7280
Rapeseed/Mustard					
Jaipur-(Condition)	2%	5725	5600	5975	7100
Alwar-(Condition)	1%	5350	5300	5700	6700
Sri Ganganagar-(Non-Condition)	3%	5300	5150	5550	6760
New Delhi–(Condition)	2%	5600	5500	5850	6800
Kota-(Condition)	2%	5400	5300	5700	6600
Agra-(Condition)	1%	5738	5667	6095	7190
sNeewai-(Condition)	0%	5250	5275	5600	6600
Hapur (UP)-(Condition)	-3%	5250	5400	5750	6600
Groundnut Seed					
Rajkot	4%	1200	1150	1240	1020
Sunflower Seed					
Maharastra/Karnataka	-	6100	6100	-	-
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.					



		Today	Week Ago	Month Ago	Year Ago
Other Oilseed Prices at Mumbai (INR/100 Kg):					
Oilseeds	Change	17-Mar-23	10-Mar-23	14-Feb-23	17-Mar-22
Groundnut Kernel	1%	8550	8450	8450	8000
Gr. Bolds 60/70	3%	10000	9750	10000	8800
Gr. Javas 60/70	2%	11300	11050	10900	10200
Gr Javas 70/80	2%	11000	10750	10800	10100
Gr.Javas 80/90	2%	10800	10550	10600	9600
KardiSeed 2% Exp Qly	0%	5100	5100	5400	5900
Sesame White 98/2/1 FM	0%	12900	12900	13000	9800
Whitish 95/5/FFA/1FM	0%	12700	12700	12800	9600
Brown 48/2 FFA/4 FM	0%	12100	12100	12100	9200
Brown 48/3 FFA/4 FM	0%	11900	11900	11900	8900
Brown 48/4 FM/* No FFA Guarantee	0%	11500	11500	11500	8600
Sunflower Seed	0%	6600	6600	6600	6300
Niger Seed (4% FM)	0%	9200	9200	9000	8600

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