



Oil Seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went up by 2.25% to INR 5,590/ Qtl. amid decline in arrivals and firm global cues.

The weekly average prices of Indore soymeal too extended previous week gains and went up by 2.26% to INR 45,250/MT in tandem with soybean.

During the week under review, Jaipur RM seed weekly average prices went up by 3% to INR. 5,837/qtl amid procurement by NAFED and decreased arrivals.

During the week under review, Rajkot Groundnut weekly average bold prices remained elevated at INR 7,611/Qtl. amid decreased arrivals.

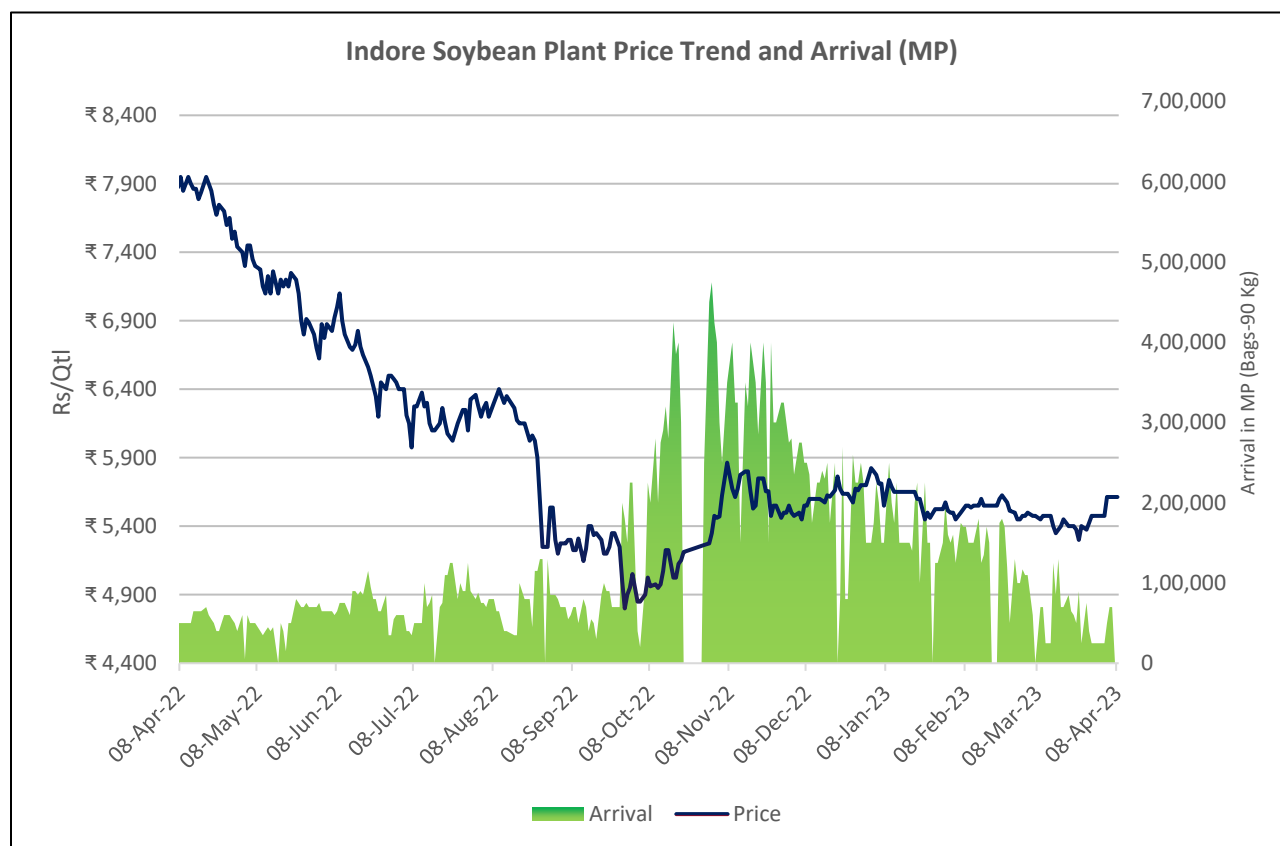
Outlook – Cash Market

Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean plants will maintain a sideways trend with a slightly firm bias due to decreased arrivals and improved soy meal and oil prices. It is expected that the prices of soybean plants, based on the Indore Plant, will range between 5,500-5,800 levels in the short term.

Outlook – Soy meal:
It is anticipated that soy meal (Indore) likely to trade sideways with firm bias during the upcoming period tracking good export demand. The prices of soy meal Indore are expected to remain within the range of 44,000-46,000 per metric ton.

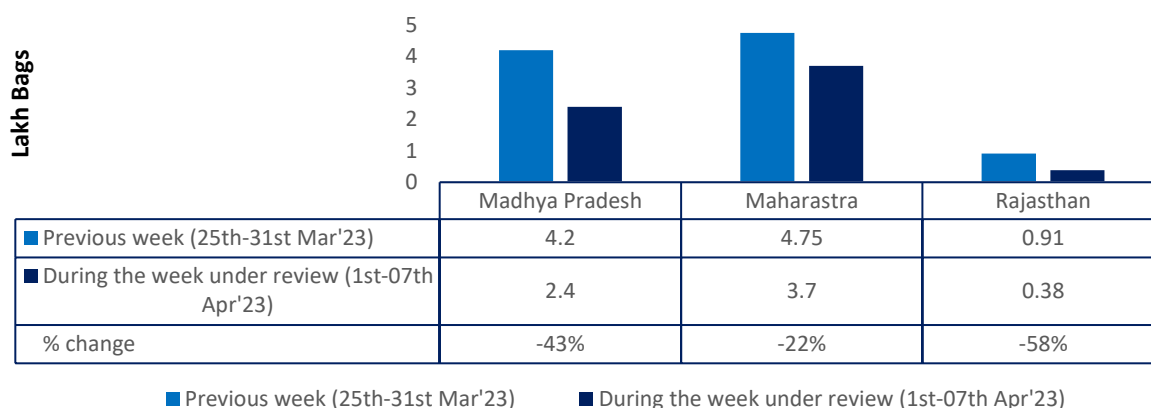
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In Upcoming week, it is anticipated that Rapeseed-Mustard likely to extend previous week gains amid reduction in arrivals and procurement by NAFED and HAFED. The prices of seeds are projected to remain within the range of 5,700-6,000 per quintal.

Soybean



During the week under review, Soybean weekly average prices extended previous week gains and went up by 2.25% to INR 5,590/Qtl. as compared to INR 5,467/Qtl. previous week amid improved soy oil prices and decline in arrivals. Month-to-date soybean prices are up by 2.26%, Year-to-date dropped by 2.59%, and in last one year down by 28%. Additionally, Indore soy oil weekly average prices too remained firm and went up by 2% to INR 1,070/ 10 Kg as compared to INR 1,045/ 10 Kg.

Weekly Soybean Arrivals

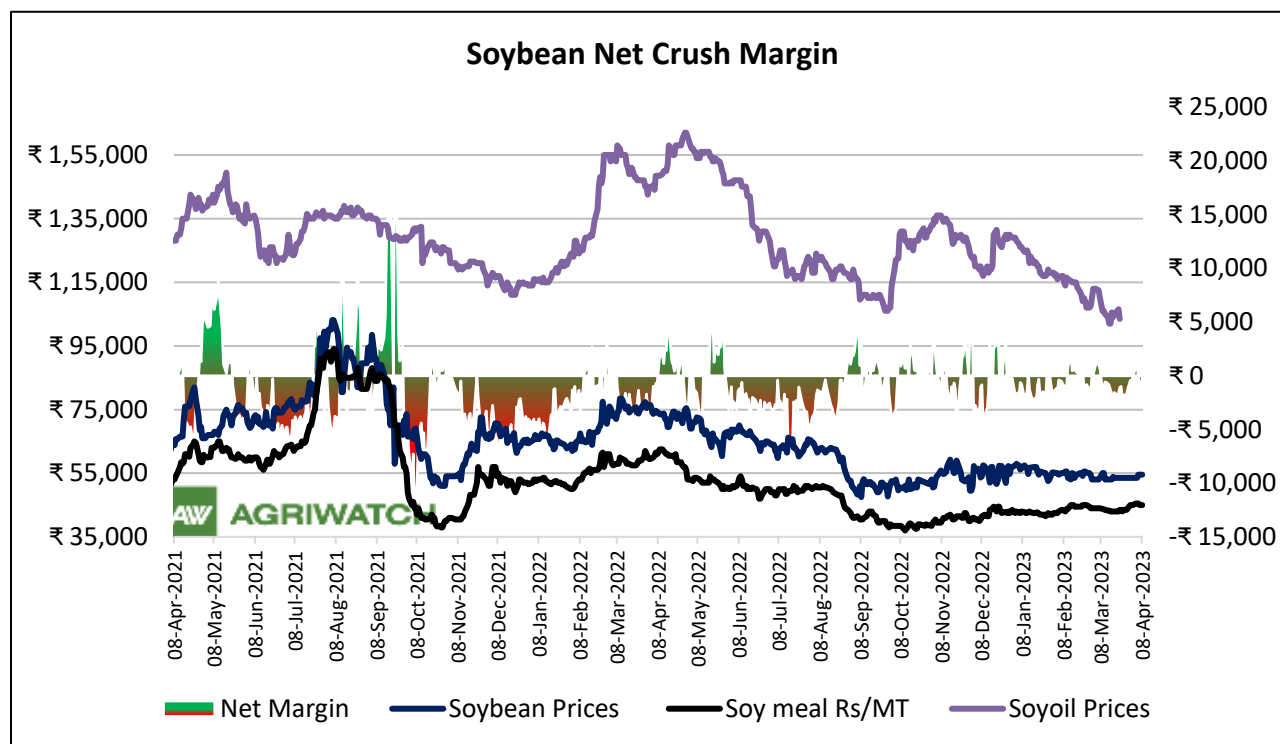


During the week under review, the total arrival in MP declined by 43% to 2.4 Lakh bags Vs 4.2 Lakh bags previous week. In Maharashtra arrivals recorded down to 3.7 Lakh bags vs 4.75 Lakh bags last week. In Rajasthan the arrivals recorded down to 0.38 lakh bags Vs 0.91 Lakh bags previous week. Arrivals declined amid festivals.

The Vegetable Oil Producers Association of India (IVPA) has urged the government to reopen suspended agricultural futures trading. SEBI has suspended the trading of certain agricultural commodities in Dec 2021. The suspension has been extended for one year until Dec 20, 2023.

The Soybean Oil Refiners Association of India (SOPA) has asked the Center to consider increasing import duties on all oils by at least 20%, as global declines in edible oil prices lead to lower oilseed prices in the country.

Soybean Crush Margin-



Soybean net crush margin improved slightly during the week under review amid increase in soy meal and soy oil prices. Weekly average soybean net crush margin for the period of 1st April -7th April is in disparity at INR 10/ MT as compared to previous week at INR -1,085/MT. In upcoming week, net crush margin likely to remain firm on improved soy oil and meal prices.

International Update:

According to AgRural, 76% of soybean harvesting has been completed, up by 6% compared to the previous week, down by 5% from last year. Delay in harvesting is mainly due to persistent rainfall.

According to a report released on Tuesday by the Rosario stock exchange (BCR), Argentina's position as the leading exporter of processed soy meal worldwide is at risk due to the impact of an unprecedented drought on its main cash crop. The report predicts that Brazil, Argentina's neighbouring country, is likely to surpass its soy meal shipments for the first time in 25 years during the current harvest. The report also indicates that the national output of soy meal for the 2022/2023 season is expected to decline by 36% from the previous year, with an estimated total of only 27 million tonnes.

According to sources, Brazil is in a position to provide Argentina with as much as half of the soybeans it plans to import. This is due to the devastating effects of the worst drought in 100 years on Argentina's fields, which has resulted in nearly a 50% reduction in output for the year 2023. As a result, Argentina may need to import up to 10 million tonnes of soybeans, more than double its previous imports, with Paraguay and Brazil being the main sources. Argentina is expected to produce around 25 million tonnes of soybeans this season.

Technical Analysis

US Soybean futures



As depicted in the above chart, during the week under review, US Soybean posted loss after previous week gains and went up by 0.86% to \$14.92/bushels. 9, 18, and 50 DMA can be characterized as resistance while 100 DMA can be characterized as support. RSI is at 50 indicating steady buying strength. And MACD indicating steady momentum in short run. Over all market is expected to take support from 14-14.3 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 improved and closed at 5,612 levels as compared to 5,475 previous week and market made low of 5,475, high of 5,612.
- Market is currently facing near term resistance of 9, 18 EMA. While 50 and 100 EMA can be characterized as long term resistance and 23.6% Fibonacci retracement can be characterized as support.
- RSI is currently below 50, indicating improved buying strength.
- 5300-5400 is near term support and 5,700-5,800 is near term resistance.

Recommendation-

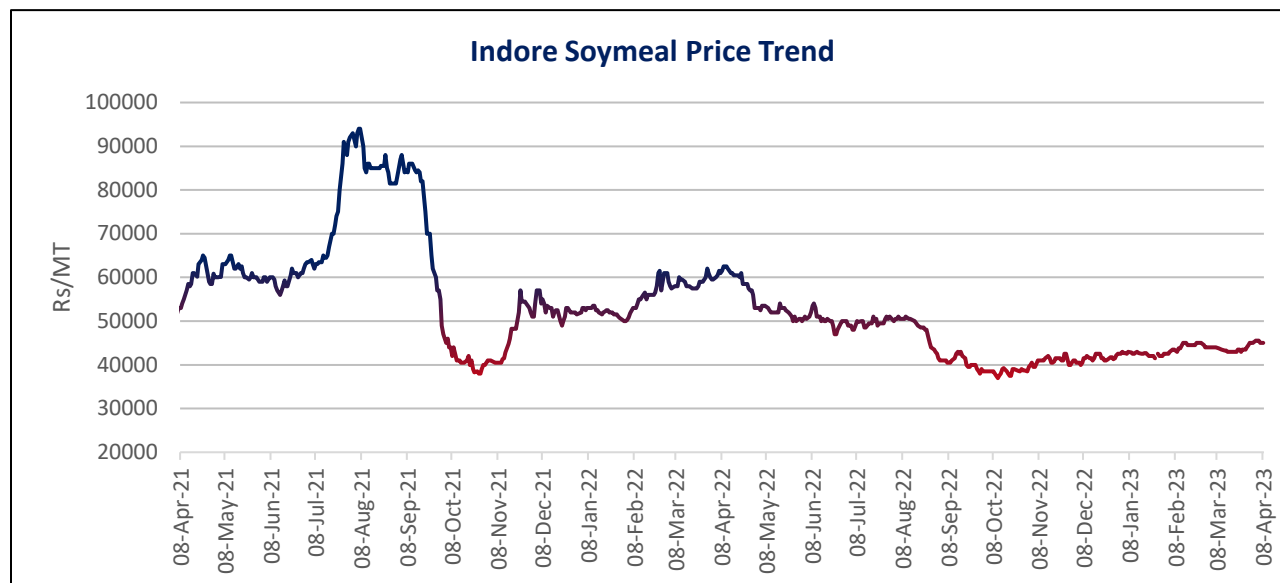
- Market Participants are recommended to buy their stocks in the range of 5300-5,400 and wait to sell above 5,700.

Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,613/qty. and are expected to trade range bound with slightly firm bias in the range of INR 5,500-5,800 in short run.

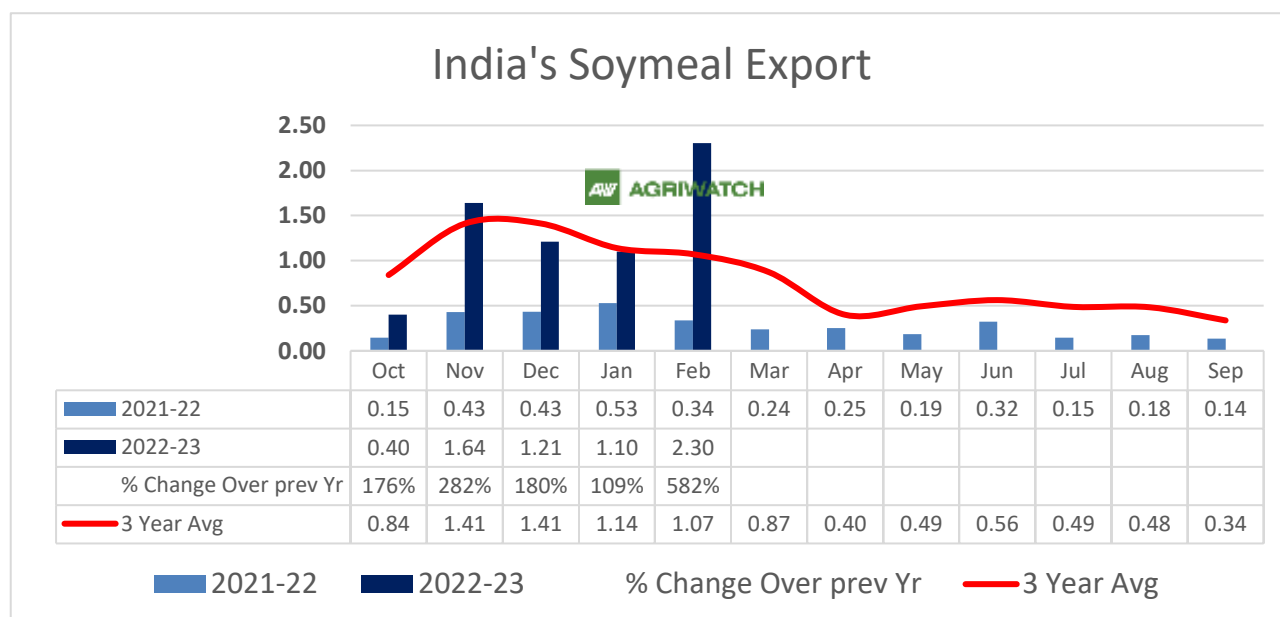


Soybean Plant Price Outlook (INR./Qty)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	5,375-5,475	5,475-5,613	5,500-5,800

Soymeal

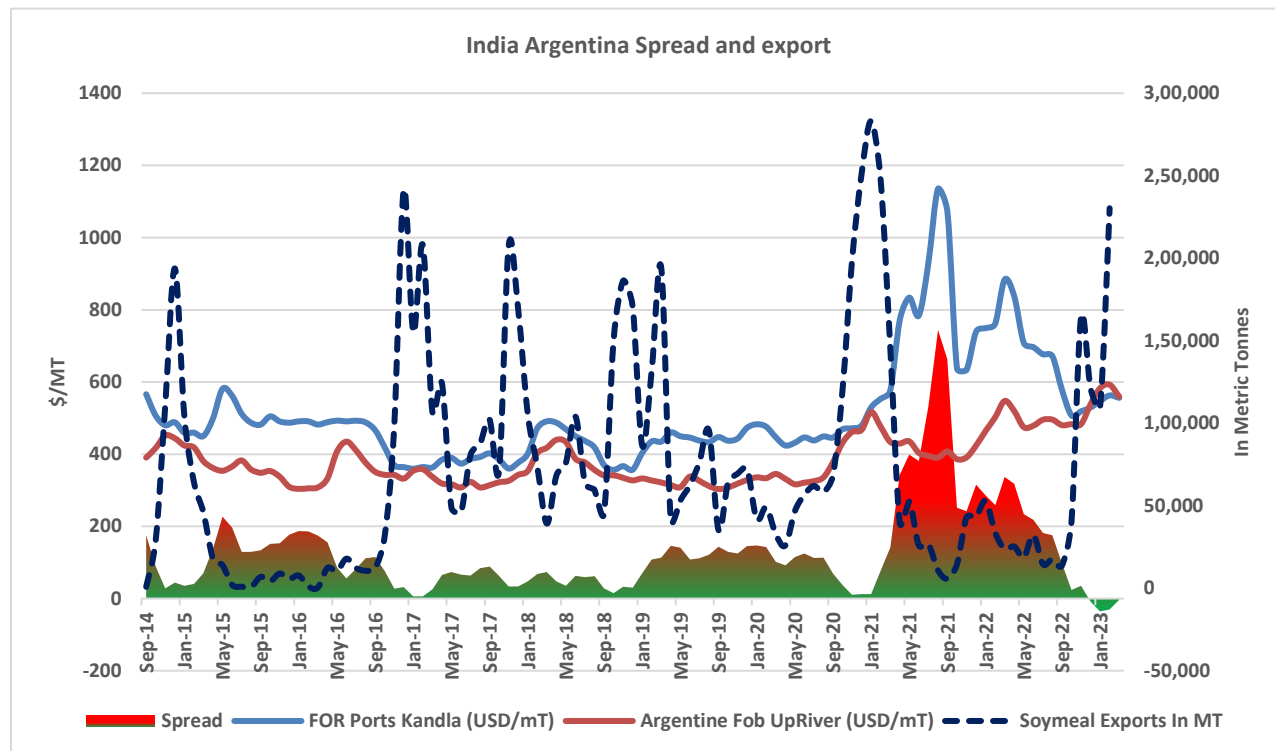


During the week under review, Indore Soymeal weekly average prices extended previous week gains and went up by 2.26% to INR 45,250/MT as compared to last week at INR 44,250/ in tandem with soybean prices and good export demand. Month-to-date soymeal prices are unchanged, Year-to-date up by 5.9%. However, last one year down by 28%. Soymeal prices are currently at seven month high tracking good export demand from south east asia.



Total Soy meal exports in Oct'22- 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

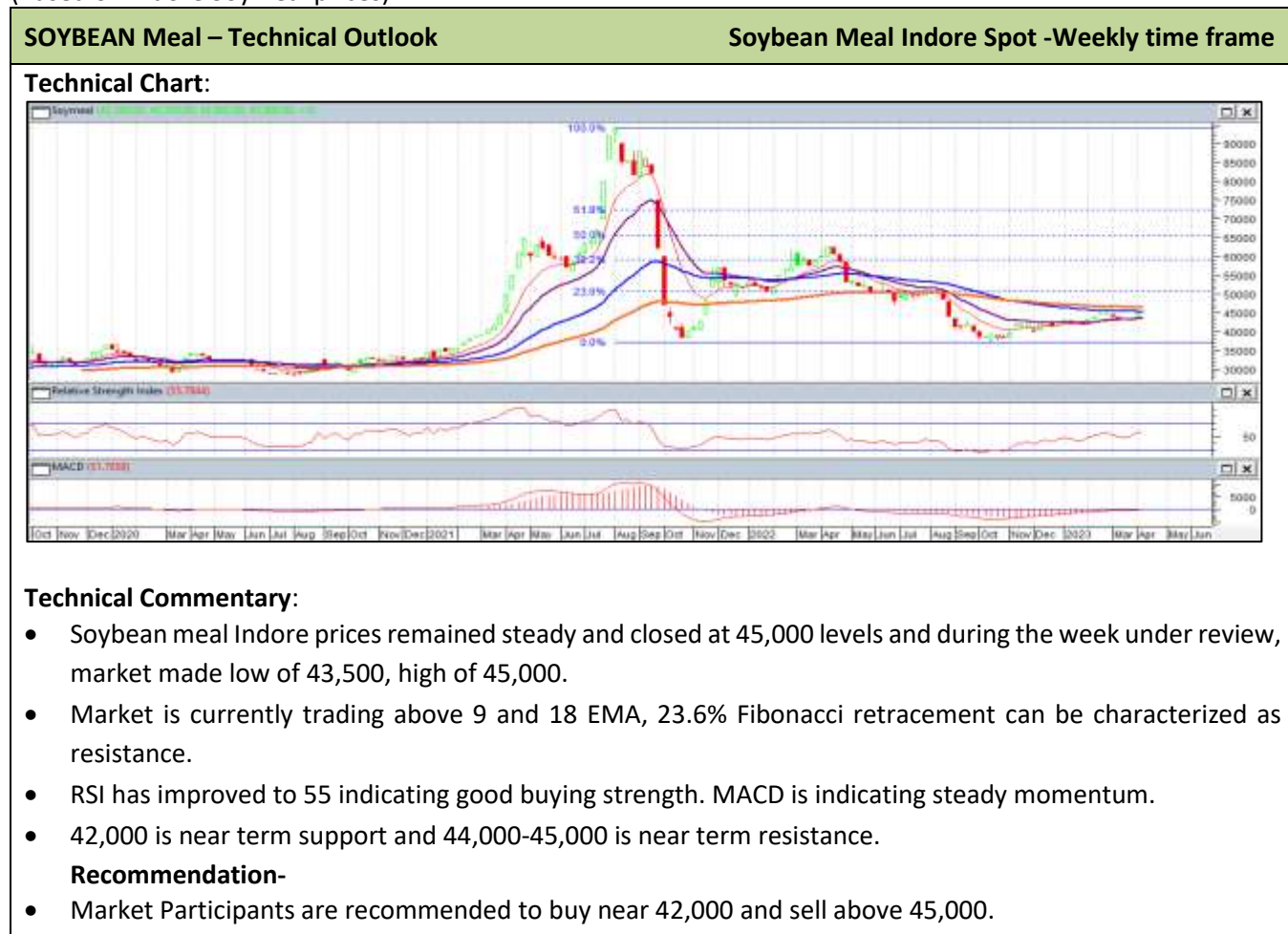
previous year same period. Soymeal exports went up for the sixth straight month on good soymeal export demand from south east Asia tracking competitive prices in global markets. In upcoming month too soymeal exports likely to go up on good demand.



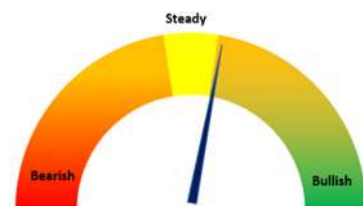
During the week under review, Weekly Indian Soymeal FOB average prices stood at \$556/MT, Argentina Soymeal FOB prices trading at \$559/MT and spread stands at \$-3/MT. Upon squeeze in spread Indian soymeal export demand is rising and so the prices are stable.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

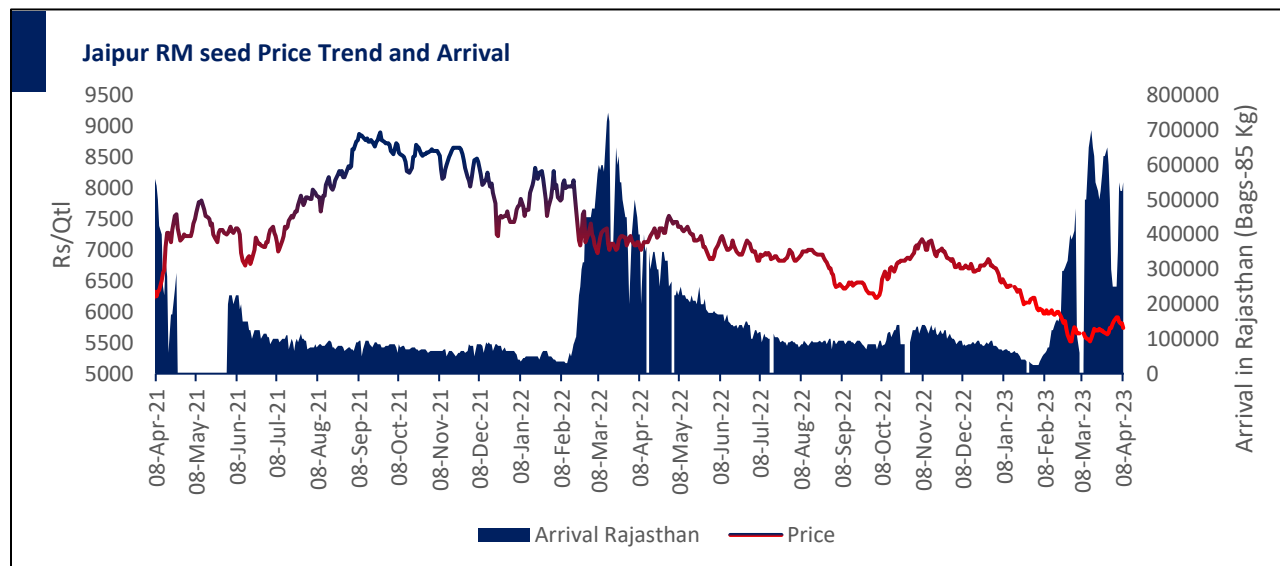


Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with slightly firm bias. Revival in soymeal export demand likely to support soy prices.

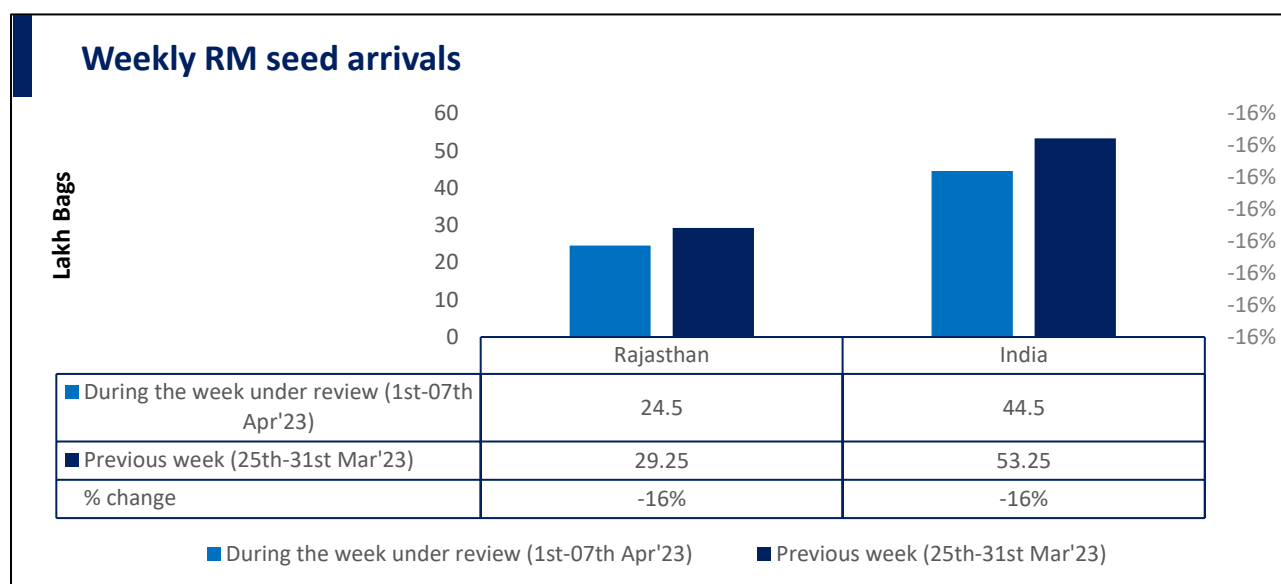


Soymeal Indore Price Outlook (INR./MT)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	43,500-45,000	45,000-45,500	44,000-46,000

Rapeseed - Mustard Seed

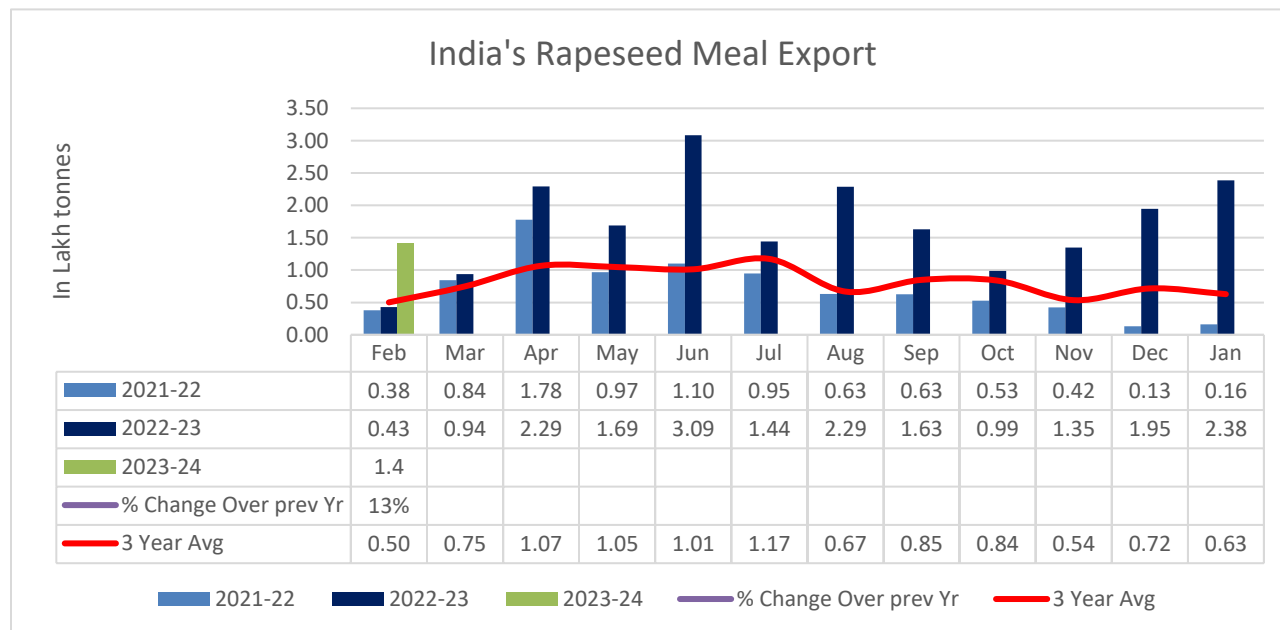


During the week under review, Jaipur RM seed weekly average prices extended previous week gains and went up by 3% to INR 5,857/Qtl as compared to previous week at INR 5,708/Qtl. The rise was attributed to procurement by NAFED and HAFED and decreased arrivals. Additionally, mustard oil prices too rose by 1%, reaching INR 1,101/10 Kg, up from INR 1,095/10 Kg. However, the in Month-to-date RM seed prices show a 2.26% increase, the year-to-date prices have decreased by 2.59% due to record production, weak demand and global bearish cues.



During the week under review, RM Seed arrivals decreased after peak arrivals. Arrivals in Rajasthan recorded down by 16% to 24.5 Lakh bags as compared to 29.25 lakh bags previous week. All India arrivals too went down by 16% to 44.5 Lakh bags Vs 53.25 Lakh bags previous week.

INDIA'S RAPESEED MEAL EXPORT



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 5,738, made low of 5,738, high of 5,913.
- 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 34 indicating improved buying strength. MACD is indicating weak momentum.
- Immediate support is at 5,500 and immediate resistance is at 6,000.

Recommendation-

Market participants are recommended to start buying near 5500 level and sell above 5,900.

International

The ICE Futures canola market went up by 0.46% to 771, in tandem with gains in CBOT oil complex. However, month-to-date ICE Canola is up by 0.46% to USD 771/MT.

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, market has witnessed gains and went up by 0.46% to 771 as compared to previous week at 767. Market made low of 756 and high of 789.
- Market is currently trading below 9, 18, 50 and 100 DMA and can be characterized as resistance.
- RSI is below 40 indicating weak buying strength and MACD is indicating steady to weak momentum.
- Immediate support is at 700 and immediate resistance is at 800.

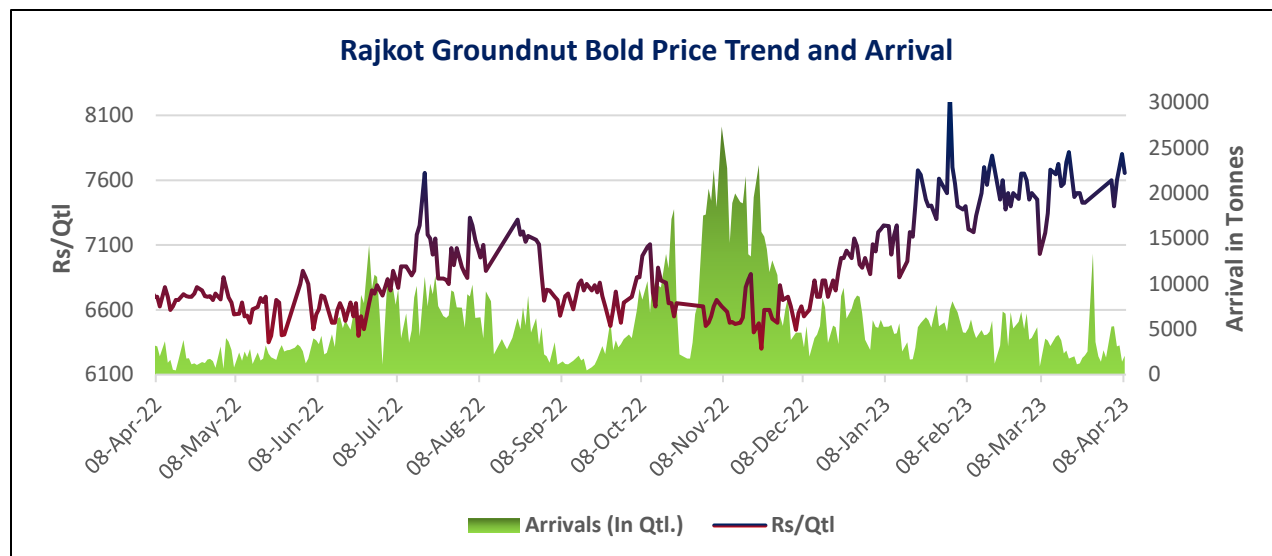


RM seed Price Outlook for coming week: In upcoming week RM Seed is expected to extend gains amid decrease in arrivals, and procurement from NAFED.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	5,638-5,813	5,813-5,913	5,700-6,000

Groundnut



During the week under review, Rajkot market weekly average prices remained elevated at INR 7,611/Qtl. amid improved groundnut oil prices and decreased arrivals. The weekly average prices of groundnut oil remained sideways at INR 1,705 from 1,690/10 Kg. All India arrivals recorded down by 20% to 0.20 Lakh tonnes as compared to 0.25 Lakh tonnes previous week.

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 up to 7,655 made low of 7,400, high of 7,800.
- Market is trading above 18, 50 and 100 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support.
- RSI has declined from 62 to 57 indicating weakening in buying strength, However, MACD is indicating firm momentum.
- Immediate support is at 7,500, next support is at 7,200 and immediate resistance is at 7,800, next resistance is at 8,000.

Recommendation-

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

Groundnut Price Outlook for coming week: Rajkot groundnut bold prices expected to remain elevated amid lower availability in the market and good demand.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 25th Mar'23- 31st Mar'23	Week under review 1st Apr'23- 7th Apr'23	Next week 8th Apr'23- 14th Apr'23
Weekly Average Price	7,425-7,815	7,400-7,800	7,400-7,800

Annexure

Oilseed Prices at Key Spot Markets:					
Commodity / Centre	% Change over previous week	Today	Week Ago	Month Ago	Year Ago
Soybean		08-Apr-23	01-Apr-23	09-Mar-23	8-Apr-22
Indore –Plant	2%	5650	5525	5500	8000
Indore–Mandi	-	5450	Closed	5350	7850
Nagpur-Plant	2%	5500	5400	5600	7800
Nagpur – Mandi	4%	5300	5100	5400	7400
Latur – Mandi	-	Closed	-	-	7500
Akola – Mandi	-	5245	-	5150	7255
Kota-Plant	0%	5600	5600	5600	7900
Kota – Mandi	0%	5400	5400	5400	7800
Bundi-Plant	1%	5550	5500	5500	8000
Bundi-Mandi	4%	5450	5250	5200	7700
Baran-Plant	0%	5500	5500	5500	7950
Baran-Mandi	-	Closed	5400	5400	7600
Bhawani Mandi Jhalawar–Plant	3%	5600	5450	5500	7950
Jhalwar-Mandi	-	5450	0	5450	7900
Rapeseed/Mustard					
Jaipur-(Condition)	-2%	5750	5860	5650	7050
Alwar-(Condition)	-4%	5300	5500	5250	6700
Sri Ganganagar-(Non-Condition)	-3%	5100	5280	5000	6300
New Delhi–(Condition)	-2%	5500	5600	5550	6900
Kota-(Condition)	-4%	5400	5600	5400	6700
Agra-(Condition)	-2%	5881	6000	5667	7190
Neewai-(Condition)	-	5315	Closed	5300	6600
Hapur (UP)-(Condition)	1%	5450	5400	5500	6800
Groundnut Seed					
Rajkot	-	7655	-	7195	6700
Bikaner	1%	7500	7400	7800	6500

Groundnut (Bold Without shell 40/50)					
Bikaner	2%	11200	11000	11000	9500
Sunflower Seed					
Maharastra/Karnataka	0%	6000	6000	-	-

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/100 kg, Sunflower Seed in Rs/ctl.

		Today	Week Ago	Month Ago	Year Ago
Other Oilseed Prices at Mumbai (INR/100 Kg):					
Oilseeds	Change	8-Apr-23	1-Apr-23	9-Mar-23	8-Apr-22
Groundnut Kernel	2%	8650	8450	8450	8050
Gr. Bolds 60/70	-2%	9800	10000	9750	8800
Gr. Javas 60/70	-2%	11100	11300	11050	9900
Gr Javas 70/80	-2%	10800	11000	10750	9800
Gr.Javas 80/90	-2%	10600	10800	10550	9400
KardiSeed 2% Exp Qly	-2%	4700	4800	5100	5900
Sesame White 98/2/1 FM	0%	12900	12900	12900	10000
Whitish 95/5/FFA/1FM	0%	12700	12700	12700	9800
Brown 48/2 FFA/4 FM	0%	12100	12100	12100	9400
Brown 48/3 FFA/4 FM	0%	11900	11900	11900	9100
Brown 48/4 FM/* No FFA Guarantee	0%	11500	11500	11500	8800
Sunflower Seed	0%	6400	6400	6600	6600
Niger Seed (4% FM)	3%	9500	9200	9200	8500

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