



Oil Seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant prices went marginally down by 0.15% to INR 5,581/ Qtl. amid weaker soy oil prices.

The weekly average prices of Indore soymeal too remained weak and went marginally down by 0.18% to INR 45,167/MT in tandem with soybean.

During the week under review, Jaipur RM seed weekly average prices went down by 3% to INR. 5,654/qtl amid weak demand from millers.

During the week under review, Rajkot Groundnut weekly average bold prices remained elevated at INR 7,560/Qtl. amid decreased arrivals.

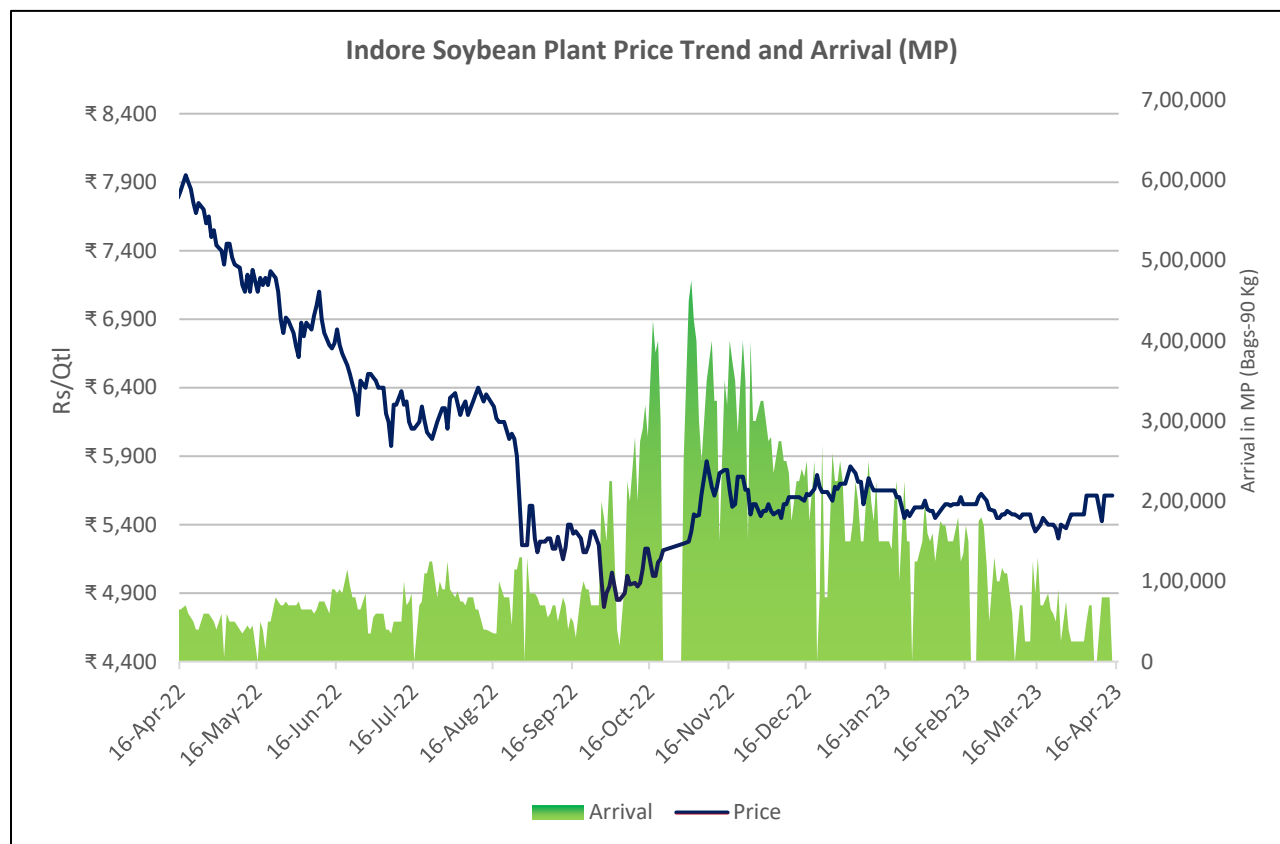
Outlook – Cash Market

Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean plants will maintain a sideways trend with a slightly weak bias due to decline in soy 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.

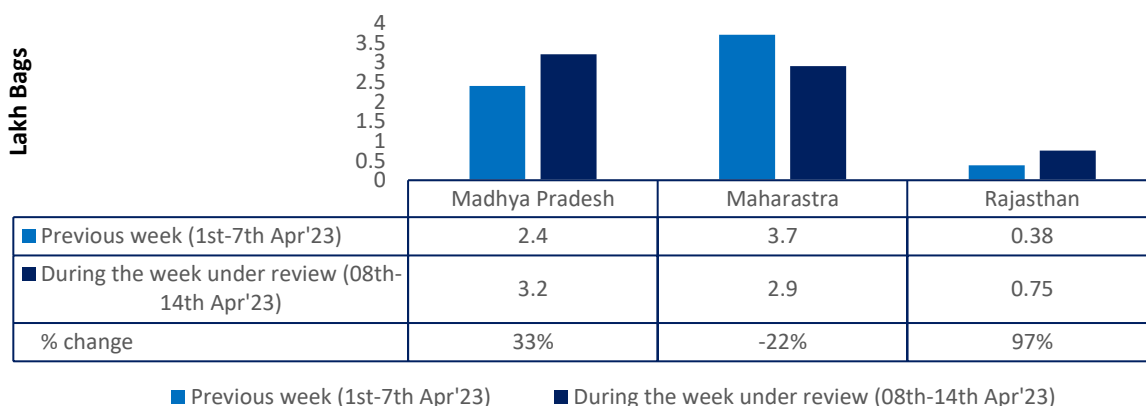
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In Upcoming week, it is anticipated that Rapeseed-Mustard likely to trade with weak bias tracking weak demand from millers However, procurement by NAFED and HAFED likely to limit the fall. The prices of seeds are projected to remain within the range of 5,500-5,800 per quintal.

Soybean



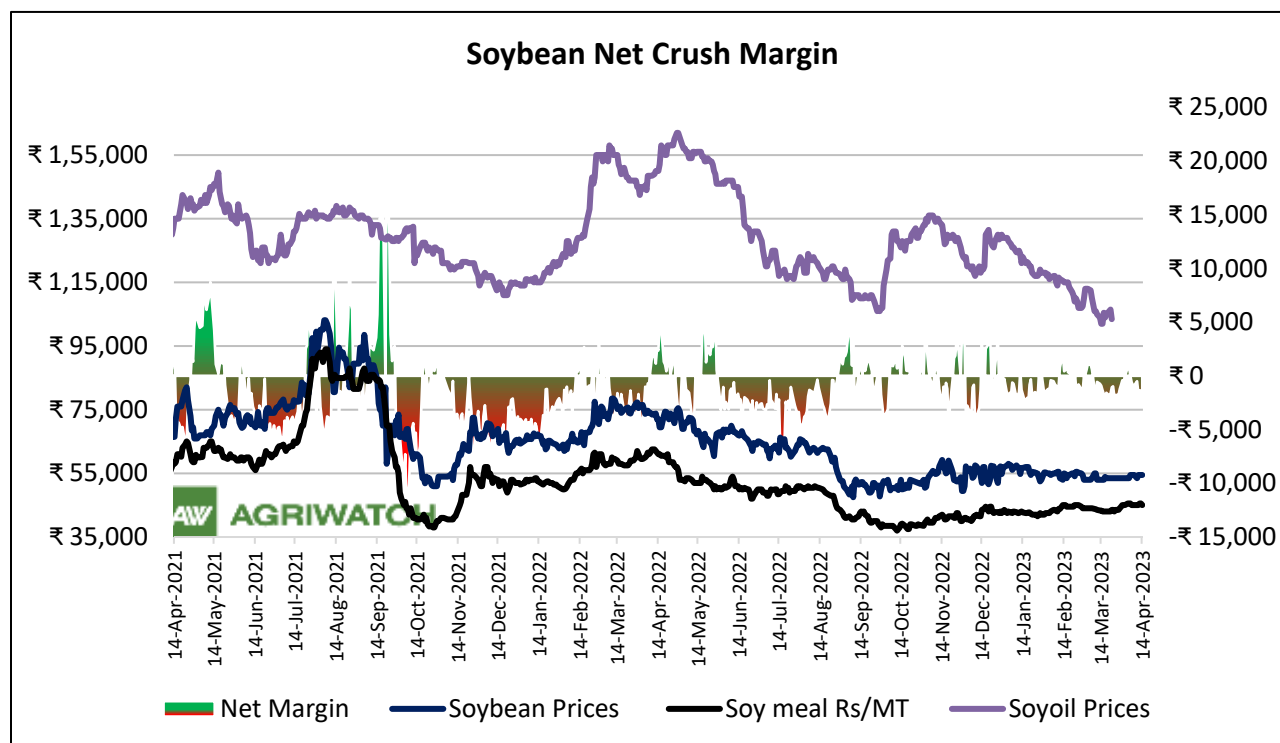
During the week under review, Soybean weekly average prices remained sideways and went marginally down by 0.15% to INR 5,581/Qtl. as compared to INR 5,590/Qtl. previous week amid weak soy oil prices. Month-to-date soybean prices are up by 2.26%, Year-to-date down by 2.59%, and in last one year down by 28%. Additionally, Indore soy oil weekly average prices too declined and went down by 3% to INR 1,039/ 10 Kg as compared to INR 1,070/ 10 Kg.

Weekly Soybean Arrivals



During the week under review, the total arrival in MP rebounded by 33% to 3.2 Lakh bags Vs 2.4 Lakh bags previous week. In Maharashtra arrivals recorded down to 2.9 Lakh bags vs 3.7 Lakh bags last week. In Rajasthan the arrivals recorded up to 0.75 lakh bags Vs 0.38 Lakh bags previous week.

Soybean Crush Margin-



Soybean net crush margin decreased during the week under review amid decline in soy oil prices. Weekly average soybean net crush margin for the period of 8th April -14th April is in disparity at INR -1275/ MT as compared to previous week at INR 10/MT. In upcoming week, net crush margin likely to remain on weaker note amid bearish soy oil prices.

International Update:

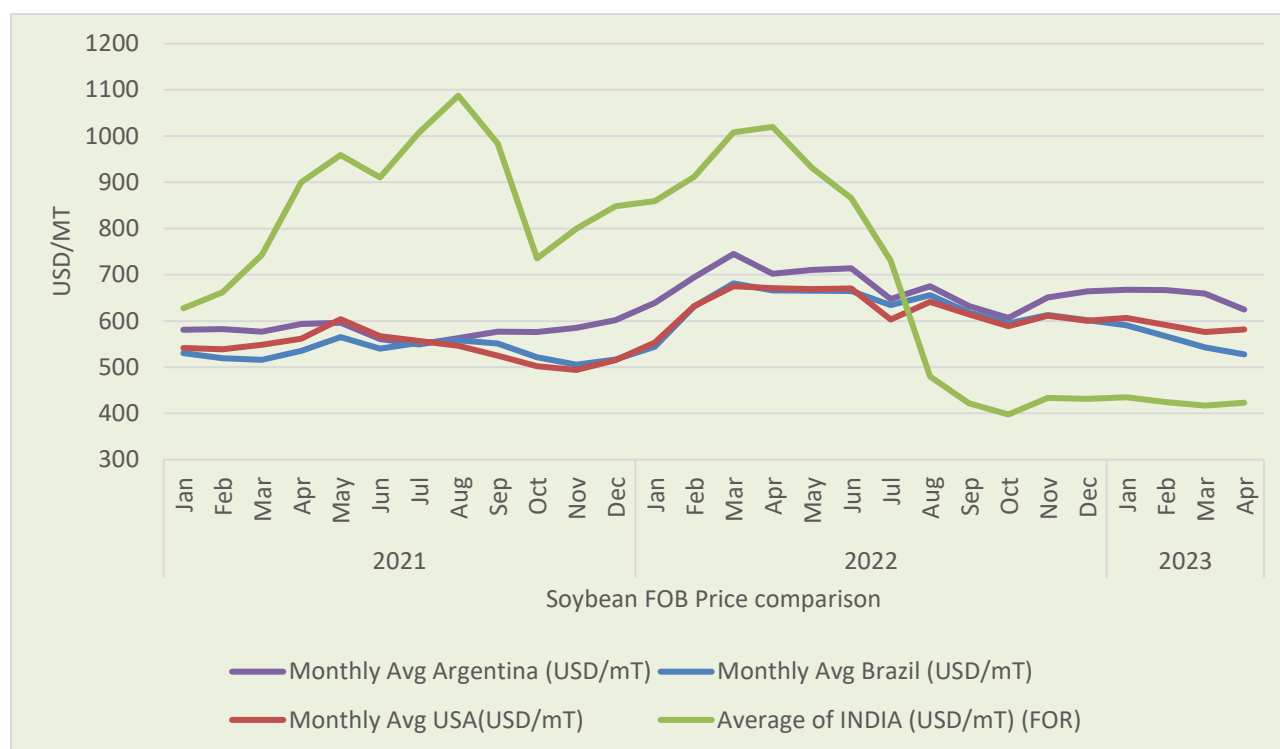
Brazil soybean premiums sink to all-time lows

Soybean cash premiums in Brazil have dropped to historical low levels amid an ongoing record harvest coupled with slow Chinese demand due to unattractive crush margins.

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.

According to its April 2023 report, the USDA has revised downwards Argentina's soybean meal exports for 2022/23, reducing them by 11% to 22.4 MMT from the previous estimate of 24.9 MMT. The reduction is attributed to the lower soybean production and crush, resulting in reduced exportable surplus.

In March, soybean prices decreased across all major exporters due to the expected record harvest in Brazil. The biggest drop in prices occurred in Brazil, resulting in a larger price gap compared to other exporters. Additionally, the global export prices for soybean were influenced by the decline in soybean oil prices, as there were plentiful supplies of other vegetable oils available, making processing margins less appealing for producers. South American soybean oil is currently being traded at a higher price than palm oil as of April. For the first time since December, the average soybean meal prices also fell during the month.



Soybeans, Brazil, FOB Paranagua for APR'23 delivery trading at USD 522.50/MT Soybean cash premiums in Brazil have dropped to historical low levels amid an ongoing record harvest coupled with slow Chinese demand due to unattractive crush margins.

Argentina's soybean output has been cut by 2 million mt to 27 million mt in the US Department of Agriculture's April update to the World Agricultural Supply and Demand Estimates (Wasde). This is well below market expectations as the country is experiencing a harsh drought and is expected to harvest its smallest bean crop in 23 years. The report shows that Argentina's production was reduced from the previous estimate of 33 million mt, while an Agricensus pre-release poll indicated that participants expected it to be cut to 29 million mt. Following the release of the report, Soybean CBOT futures slightly declined, with the May contract down 6 c/bu a few minutes after.

Argentina's domestic crush projection was also reduced to 32 million mt from the previous forecast of 35.2 million mt. The country's export estimates remained the same at 3.4 million mt, while imports are projected

at 8.3 million mt, up from last month's 7.2 million mt. The report indicates that Argentina's ending stocks are now seen at 18.1 million mt from the previous projection of 19.8 million mt. The country's domestic demand has dropped to 37.7 million mt from the prior month's report of 49.95 million mt outlook.

In contrast, Brazil's soybean output has been increased by 1 million mt to 154 million mt, confirming market estimates. The USDA also increased global ending stocks projection to 100.2 million mt from the previous forecast of 100 million mt, while the average market estimate expected a 1 million mt decline to 99 million mt. Global soybean output has decreased from March's 375.15 million mt to 369.64 million mt, a 5.5 million mt decrease on the month, as lower crops for Argentina and Uruguay were only partly offset by higher production for Brazil. Global beginning stocks have slightly increased from 99 million mt in the previous report to 99.7 million mt.

The report also shows that the global soybean crush declined to 515.2 million mt from the previous projection of 520 million mt due to reduced supplies and the slow pace for Argentina, China, Bangladesh, Pakistan, and Egypt. Crush for Argentina was pegged at 32 million mt, down 3.3 million mt from the previous report. Brazil, on the other hand, is projected to be 53.2 million mt, up from the previous projection of 52.7 million mt.

The USDA slightly decreased global soybean exports to 168 million mt from the previous estimates of 168.4 million mt. Global domestic use declined to 365.8 million mt from the previous 371.1 million mt, while global soybean imports declined to 164.7 million mt from the prior report's 165.3 million mt. The US soybean data remained broadly unchanged from the previous report, with ending stocks held at 210 million bushels (5.7 million mt), above market expectations. US production figures remained unchanged at 116.3 million, while exports were unchanged at 58.8 million mt.

Technical Analysis

US Soybean futures

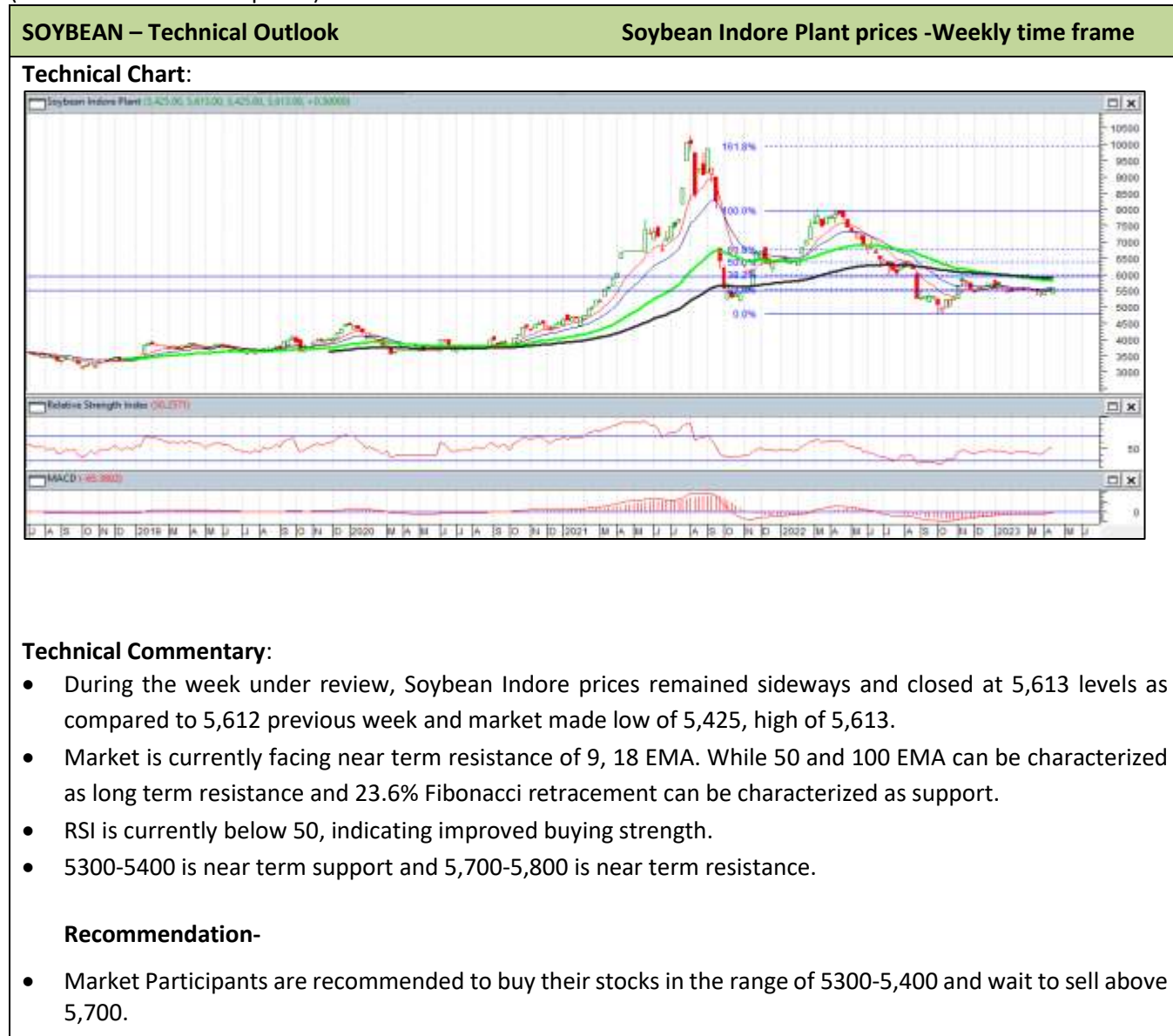


As depicted in the above chart, during the week under review, US Soybean posted marginal loss and went down by 0.03% to \$15/bushels. 9, 18, and 50 DMA can be characterized as resistance while 100 DMA can be

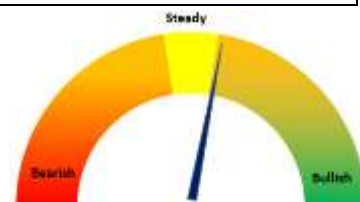
characterized as support. RSI is at 50 indicating steady buying strength. And MACD indicating steady momentum in short run. Over all market is expected to take support from 14-14.3 in short run and resistance from 15.50-16.00.

Technical Analysis (Domestic market)

(Based on Indore Plant prices)



Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,614/qtl. and are expected to trade range bound with slightly firm bias in the range of INR 5,500-5,800 in short run.

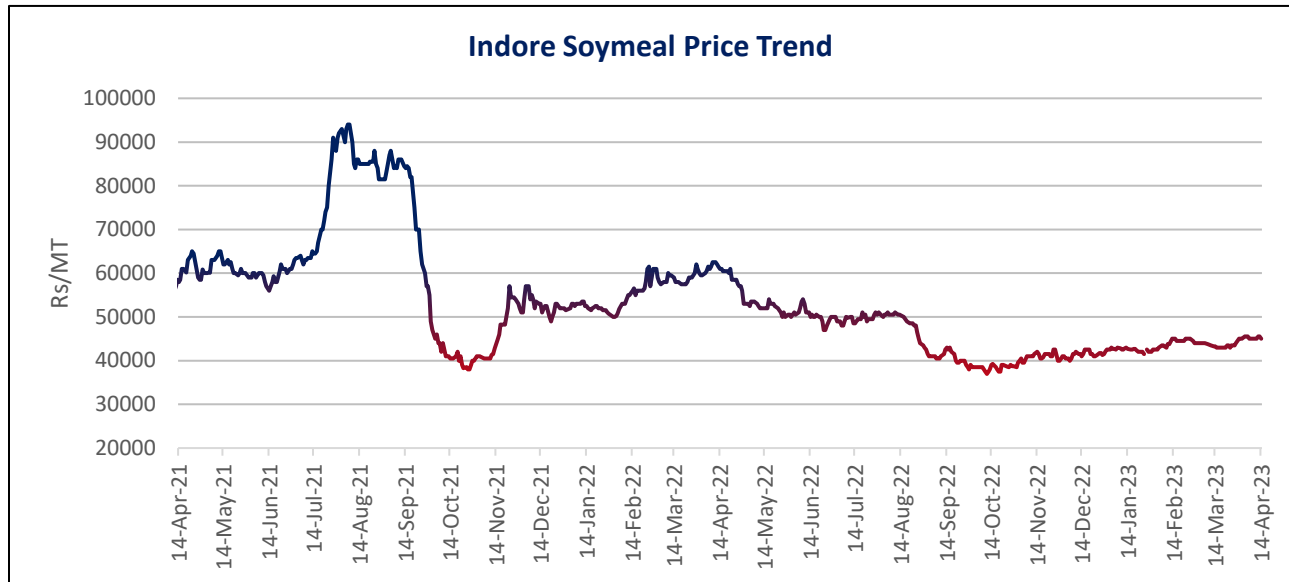


Soybean Plant Price Outlook (INR./Qtl)	Previous week 1st Apr'23- 7th Apr'23	Week under review 8th Apr'23- 14th Apr'23	Next week 15th Apr'23- 21st Apr'23
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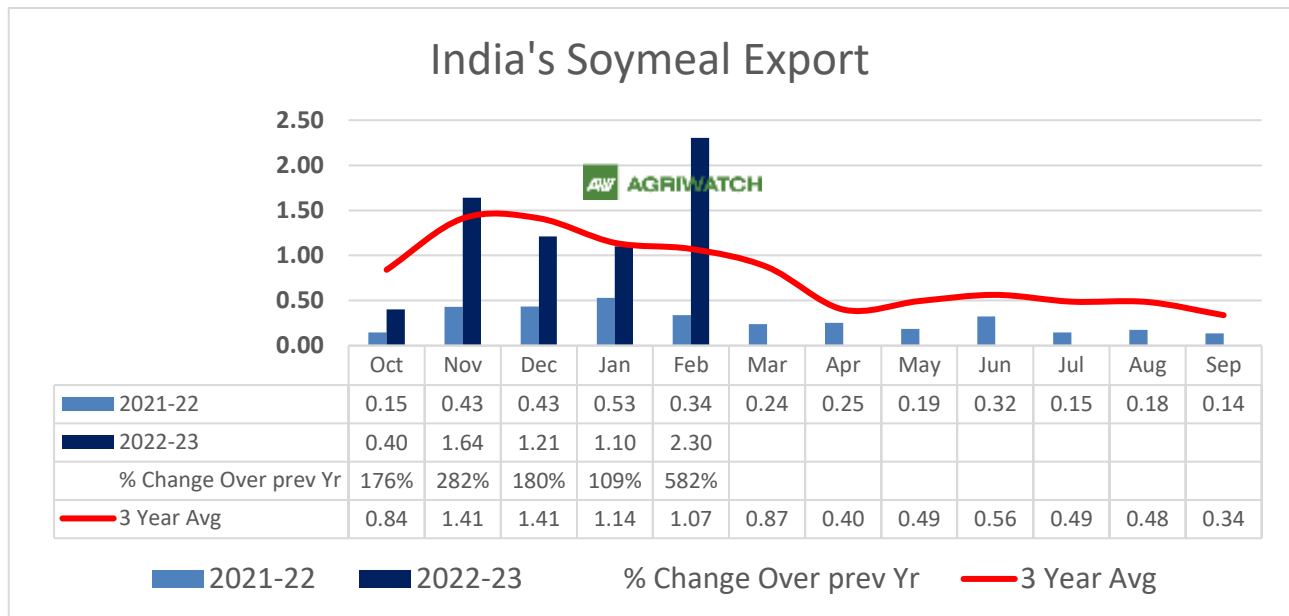


Weekly Average Price	5,475-5,613	5,425-5,613	5,500-5,800
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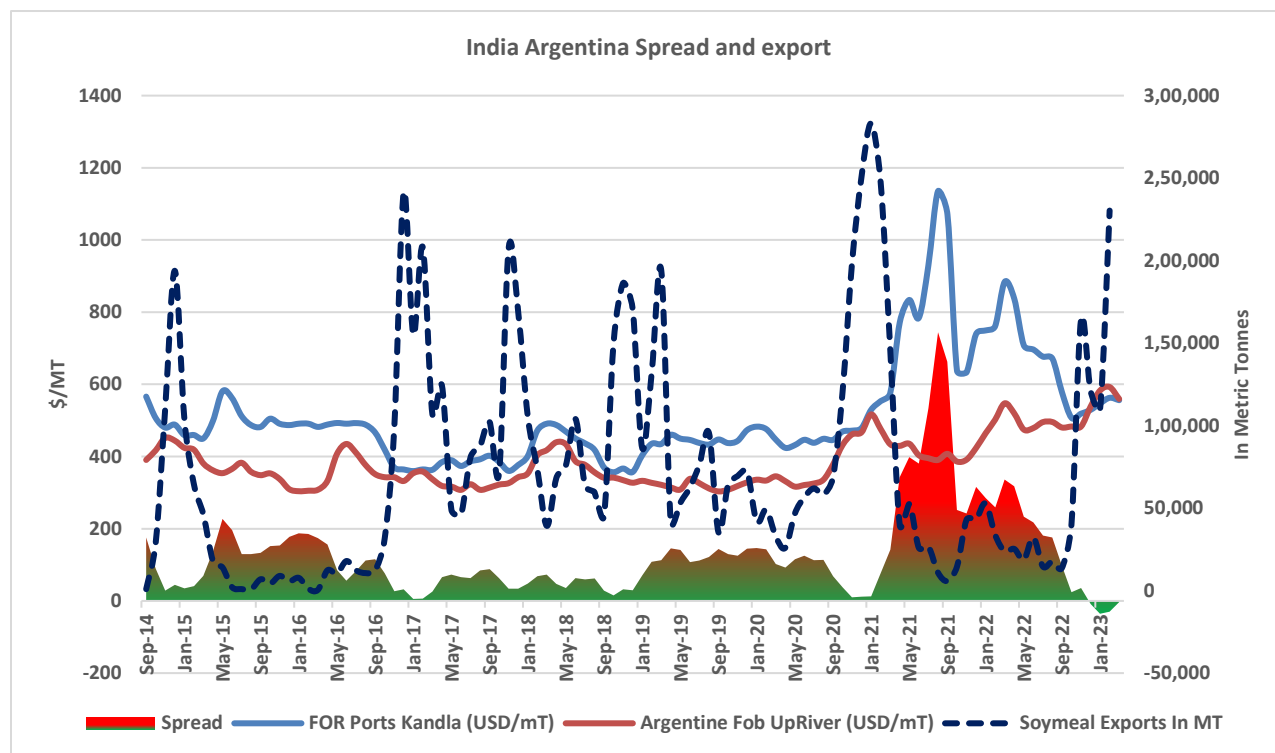
Soymeal



During the week under review, Indore Soymeal weekly average prices went marginally down by 0.18% to INR 45,167/MT as compared to last week at INR 44,250/ MT amid 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.



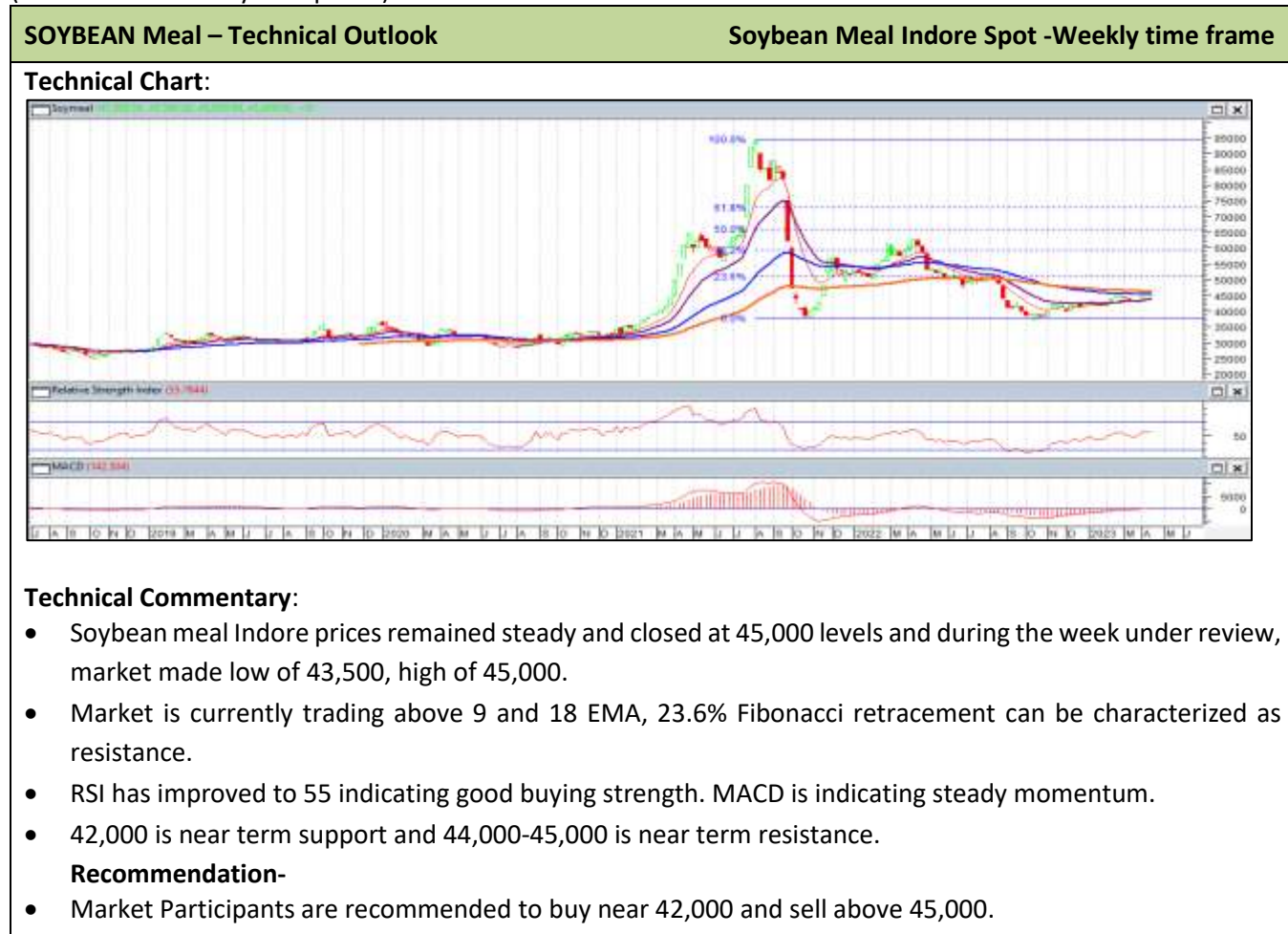
Total Soy meal exports in Oct'22- Feb'23 went up by 256% to 6.66 Lakh tonnes vs 1.87 Lakh tonnes previous year same period. However, Soymeal exports up by 582% to 2.30 Lakh tonnes in Feb'23 Vs 0.34 Lakh tonnes previous year same period. Soymeal exports went up for the sixth straight month on good soymeal 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.



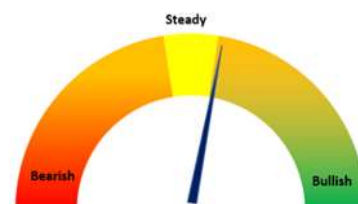
During the week under review, Weekly Indian Soymeal FOB average prices stood at \$571/MT, Argentina Soymeal FOB prices trading at \$514/MT and spread stands at \$57/MT. Upon increase in spread, soymeal export demand likely to get affected if it continues for long duration.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

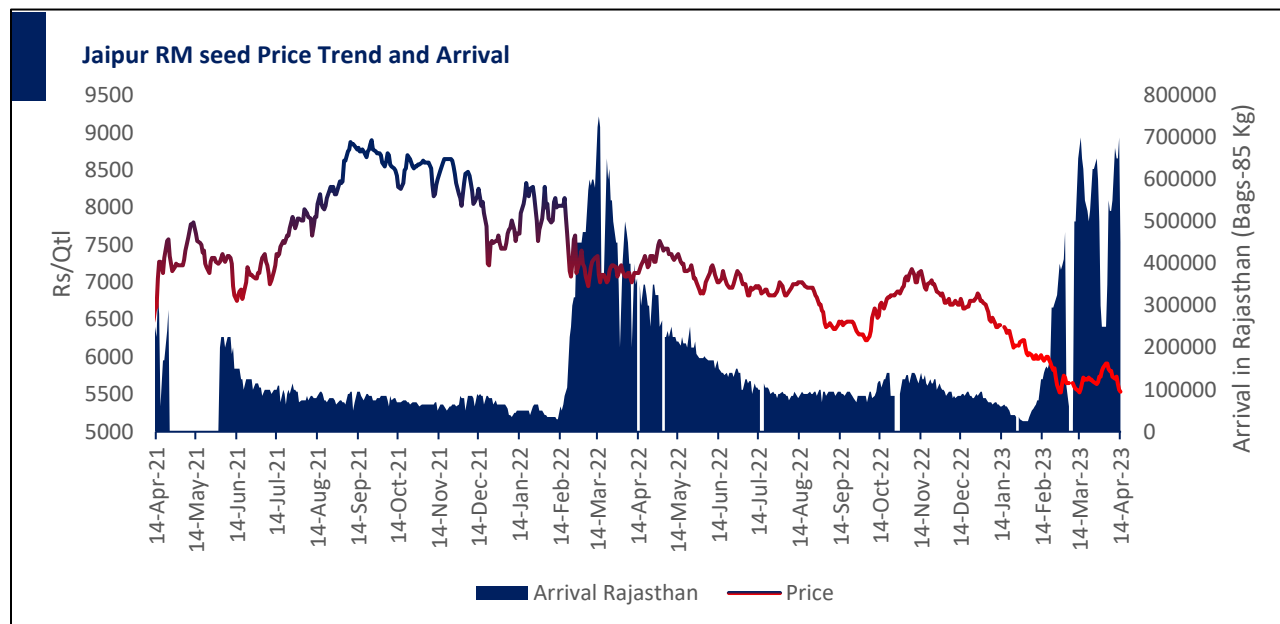


Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with slightly firm bias. Revival in soymeal export demand likely to support soy prices.

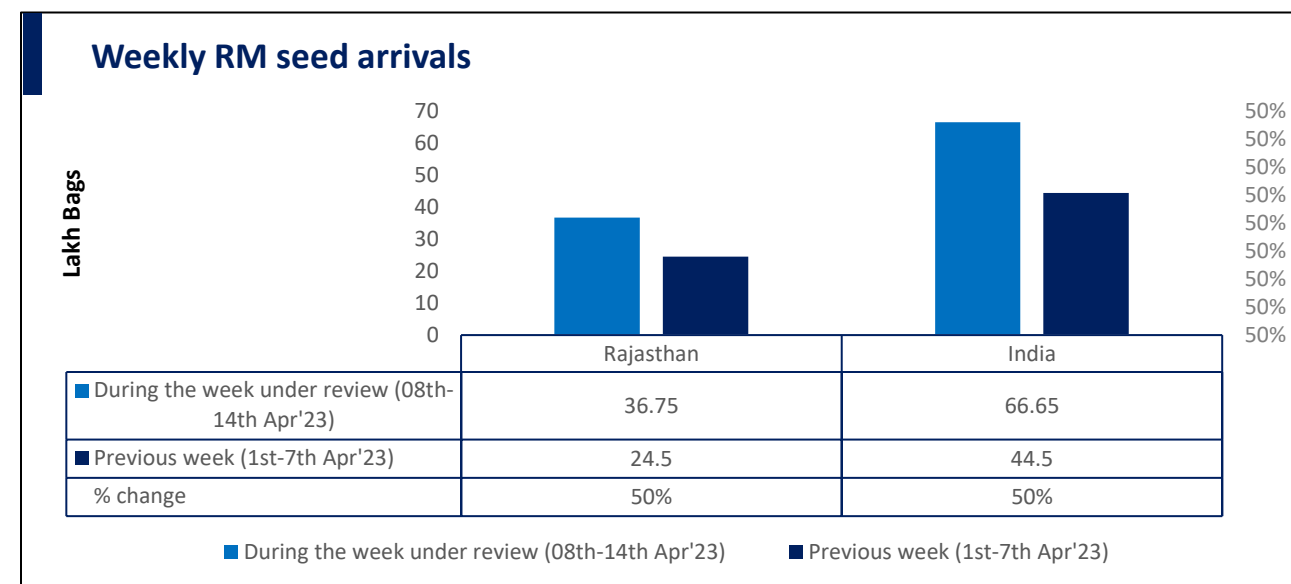


Soymeal Indore Price Outlook (INR./MT)	Previous week 1st Apr'23- 7th Apr'23	Week under review 8th Apr'23- 14th Apr'23	Next week 15th Apr'23- 21st Apr'23
Weekly Average Price	45,000-45,500	45,000-45,500	44,000-46,000

Rapeseed - Mustard Seed

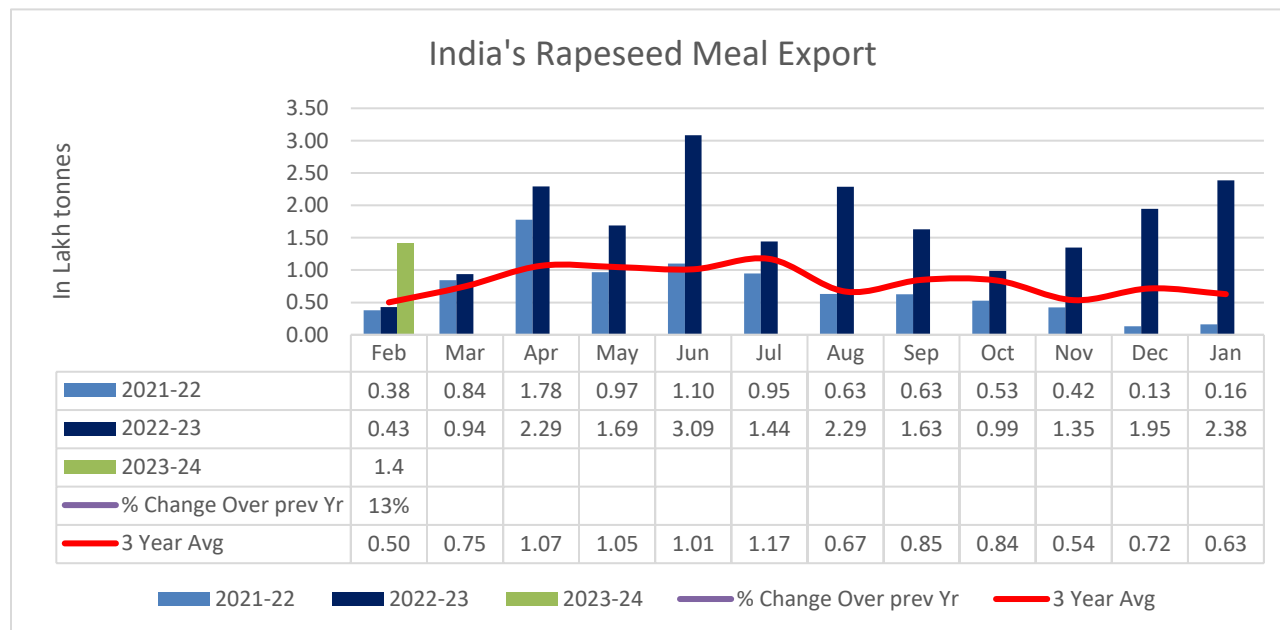


During the week under review, Jaipur RM seed weekly average prices declined after three weeks of consecutive gains and went down by 3% to INR 5,654/Qtl as compared to previous week at INR 5,857/Qtl. amid increased arrivals, weak demand from millers and decline in mustard oil prices which declined by 3%, to INR 1,063/10 Kg, down from INR 1,101/10 Kg. However, the in Month-to-date RM seed prices show a 4.7% decrease, the year-to-date prices have decreased by 17.5% due to record production, weak demand and global bearish cues.



During the week under review, RM Seed arrivals rebounded. Arrivals in Rajasthan recorded up by 50% to 36.75 Lakh bags as compared to 24.5 lakh bags previous week. All India arrivals too went up by 50% to 66.65 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 5,537, made low of 5,537, high of 5,737.
- 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 declined to 30 indicating weakening 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

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 marginal loss and went down by 1.08% to 763 as compared to previous week at 771. Market made low of 760 and high of 784.
- 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.

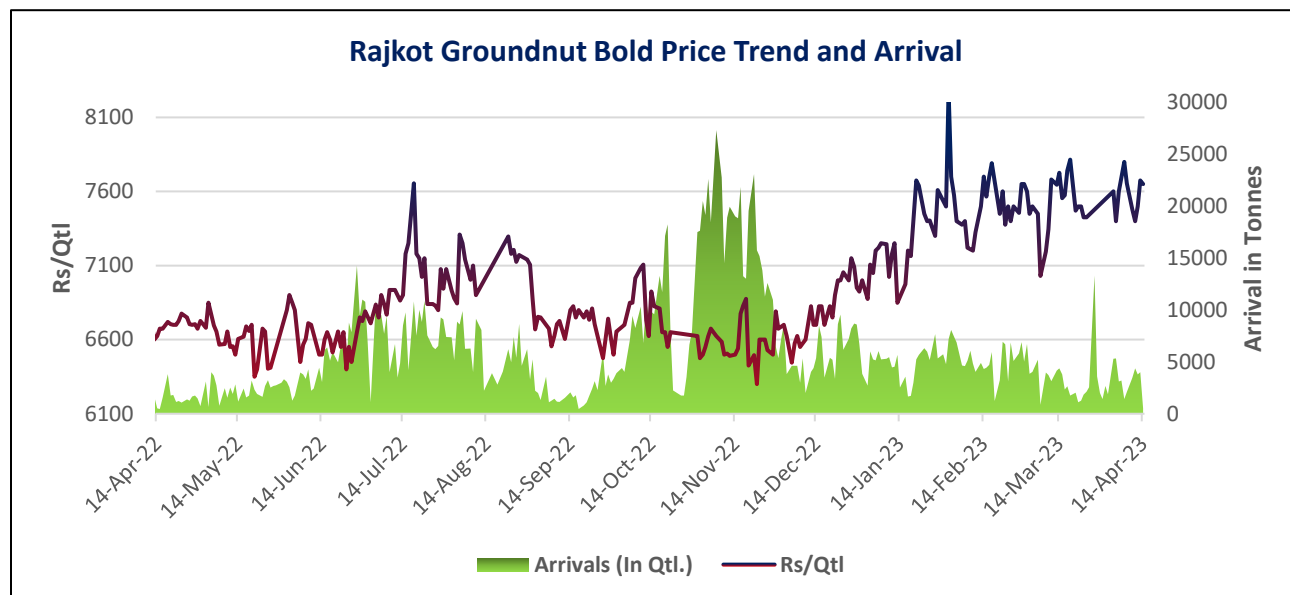


RM seed Price Outlook for coming week: In upcoming week RM Seed is expected to trade sideways with weak bias amid weak demand from millers tracking disparity, However, procurement from NAFED will limit fall.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 1st Apr'23- 7th Apr'23	Week under review 8th Apr'23- 14th Apr'23	Next week 15th Apr'23- 21st Apr'23
Weekly Average Price	5,813-5,913	5,538-5,738	5,500-5,800

Groundnut



During the week under review, Rajkot market weekly average prices remained elevated at INR 7,560/Qtl. amid improved groundnut oil prices and decreased arrivals. The weekly average prices of groundnut oil remained sideways and went up by 1% at INR 1,720 from 1,705/10 Kg. All India arrivals recorded down by 11% to 0.18 Lakh tonnes as compared to 0.20 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 7,650 made low of 7,400, high of 7,675.
- Market is trading below 9 DMA, 50, 100 DMA, and 50% 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 7,400, 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 1st Apr'23- 7th Apr'23	Week under review 8th Apr'23- 14th Apr'23	Next week 15th Apr'23- 21st Apr'23
Weekly Average Price	7,400-7,800	7,400-7,675	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		14-Apr-23	07-Apr-23	15-Mar-23	14-Apr-22
Indore –Plant	0%	5650	5650	5400	7925
Indore–Mandi	-	Closed	5400	5250	7800
Nagpur-Plant	0%	5500	5500	5400	7600
Nagpur – Mandi	-	Closed	Closed	5100	7400
Latur – Mandi	-	Closed	Closed	5300	7480
Akola – Mandi	-	Closed	5295	5045	7350
Kota-Plant	1%	5600	5550	5400	8050
Kota – Mandi	-1%	5300	5350	5200	7850
Bundi-Plant	-5%	5300	5550	5400	8020
Bundi-Mandi	-6%	5100	5450	5200	7650
Baran-Plant	0%	5500	5500	5400	8080
Baran-Mandi	-	Closed	5300	5200	7830
Bhawani Mandi Jhalawar–Plant	1%	5650	5600	5400	8050
Jhalwar-Mandi	-	Closed	5400	5200	7950
Rapeseed/Mustard					
Jaipur-(Condition)	-5%	5550	5825	5575	7125
Alwar-(Condition)	-3%	5250	5400	5300	6800
Sri Ganganagar-(Non-Condition)	-7%	4850	5200	5200	6300
New Delhi–(Condition)	-3%	5400	5550	5500	6900
Kota-(Condition)	-5%	5200	5450	5450	6900
Agra-(Condition)	-3%	5738	5905	5667	7238
Neewai-(Condition)	-3%	5200	5375	5100	6850
Hapur (UP)-(Condition)	-	Closed	5500	5250	6800
Groundnut Seed					
Rajkot	-2%	7650	7800	7555	6625
Bikaner	0%	7500	7500	7800	6500
Groundnut (Bold Without shell 40/50)					
Bikaner	2%	11200	11000	11000	9500
Sunflower Seed					



Maharastra/Karnataka	3%	6200	6000	6100	0
Soybean Prices are in INR/qrtl. (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/qrtl.					

		Today	Week Ago	Month Ago	Year Ago
Other Oilseed Prices at Mumbai (INR/100 Kg):					
Oilseeds	Change	14-Apr-23	7-Apr-23	15-Mar-23	14-Apr-22
Groundnut Kernel	-1%	8550	8625	8550	8000
Gr. Bolds 60/70	-3%	9600	9900	10000	8800
Gr. Javas 60/70	-3%	10900	11200	11300	9900
Gr Javas 70/80	-3%	10600	10900	11000	9800
Gr.Javas 80/90	-3%	10400	10700	10800	9400
KardiSeed 2% Exp Qly	-2%	4600	4700	5100	5800
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	-3%	6200	6400	6600	6600
Niger Seed (4% FM)	0%	9500	9500	9200	8500

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