



Oil seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant remained sideways and went up by 1.30 % to INR 5,508/ Qtl. amid decline in arrivals.

The weekly average prices of Indore soymeal remained sideways and went marginally down by 0.37% to INR 45,083/MT. amid good export demand.

During the week under review, Jaipur RM seed weekly average prices went down by 3% to INR. 5,200/qtl amid decline in mustard oil prices.

Weekly average prices for Groundnut (bold), Rajkot went up by 1.27% to INR 7,599/Qtl. amid good demand.

Outlook – Cash Market

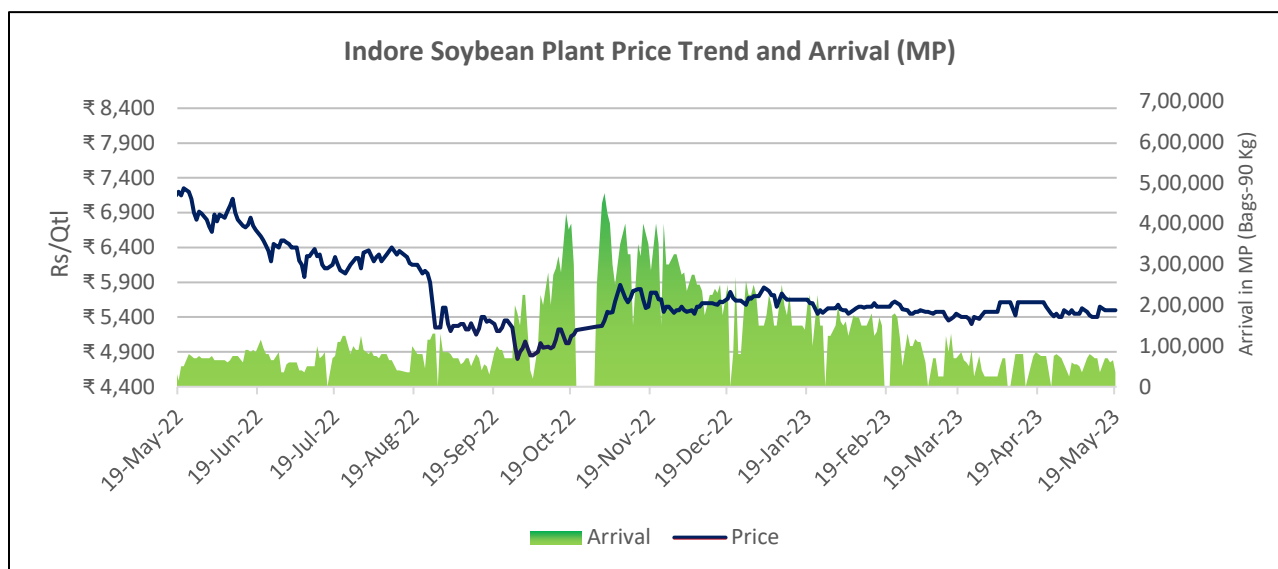
Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean will maintain a weak bias due to decline in soy oil prices. It is expected that the prices at Indore Mills, will range between 5,300-5,600 levels in the short term.

Outlook – Soy meal:

It is anticipated that soy meal (Indore) likely to trade sideways with weak bias during the upcoming period tracking weak oil complex, however, good export demand likely to limit fall. The prices of soy meal Indore are expected to remain within the range of 43,000-45,000 per metric ton.

Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In the upcoming week, it is anticipated that Rapeseed-Mustard will 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 5,200-5,500 per quintal.

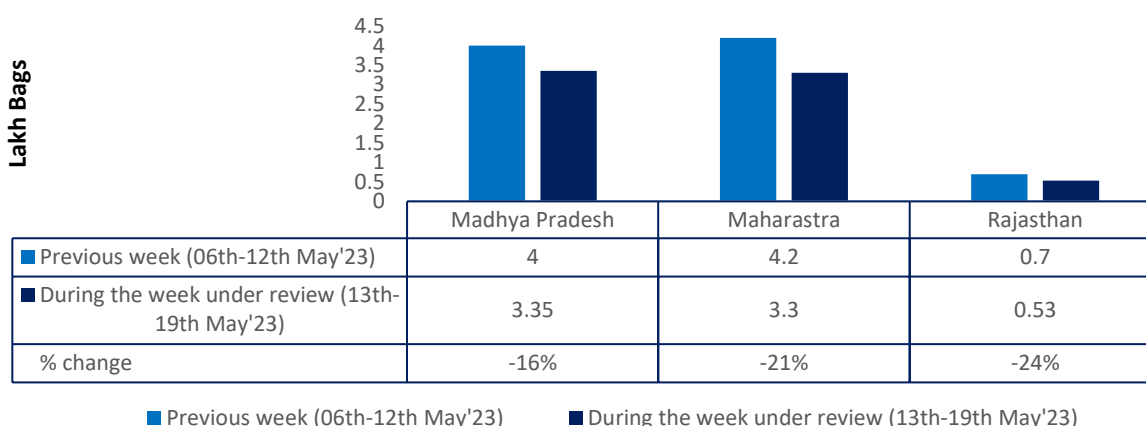
Soybean



During the week under review, Soybean weekly average prices remained sideways and went up by 1.30% to INR 5,508/Qtl. as compared to INR 5,438/Qtl. previous week amid decline in arrivals. Month-to-date soybean prices are marginally down by 0.90% while Year-to-date down by 5.17%, and in last one year down by 25%. Additionally, However, soy oil prices declined to 2.5 years low and this week, weekly average prices declined by 5% to INR 936/10 Kg as compared to INR 986/ 10 Kg previous week.

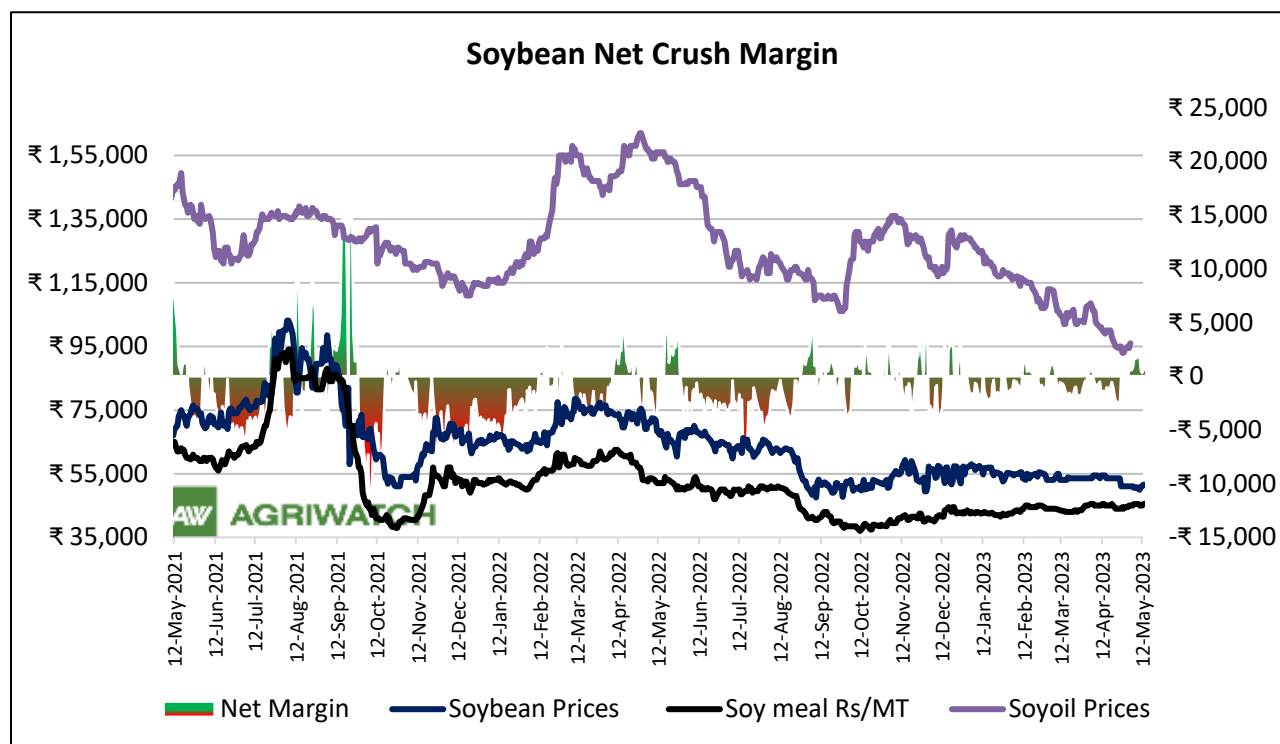
During the week under review, the total arrival in MP decreased by 16% to 3.35 Lakh bags Vs 4 Lakh bags previous week. In Maharashtra arrivals recorded down to 3.3 Lakh bags vs 4.2 Lakh bags last week. In

Weekly Soybean Arrivals



Rajasthan the arrivals recorded down to 0.53 lakh bags Vs 0.7 Lakh bags previous week.

Soybean Crush Margin-



During the week under review Soybean net crush margin remained squeezed amid decline in soy oil prices. Weekly average soybean net crush margin for the period of 13th May – 19th May was in disparity of INR -38/MT as compared to previous week at INR 1336/MT.

International Update:

As of the end of last week, the soybean harvest in Argentina reached 51.6%, which is a decrease compared to both the previous year's rate of 70.6% and the average rate of 74.2%. The progress made during the week was 15%. In the primary production regions, approximately 75-80% of soybeans have been harvested, while in southern Argentina, the figure stands at 25-45%, and in the far northern regions, it reaches 15-20%. Among the soybeans that were planted early, 64% have been harvested, whereas for the later-planted ones, only 23% have been harvested so far.

In the May Crop report, Conab raised its estimate for Brazilian soybean production in the 2022/23 season by 1.18 million tons, now projecting a total of 154.8 million tons. This upward revision is attributed to expanded cultivation area and a slightly improved yield compared to the previous month's assessment. Furthermore, Conab also raised its estimate for Brazilian corn production in the same season by 0.66 million tons, now forecasting a total of 125.5 million tons. This increase in the corn estimate is primarily driven by higher yields for the safrinha corn variety.

Previous updates:

According to the latest update from CONAB, the national entity responsible for commodity supply in Brazil under the Ministry of Agriculture, the progress of the soybean harvest in Brazil as of May 13th stands at 97.2%. This marks a significant increase from the previous week's rate of 95.4%. In comparison, during the corresponding period last year, the harvest rate was recorded at 96.8%.

As of April 14th May, 2023, the most recent report from the USDA reveals that the progress of soybean planting has reached a total of 49% completion vs 27% previous year same period. This surpasses the typical five-year average of 36% for this period in the year.

According to the forecast, global soybean production is expected to reach a record 410.6 million tons in 2023/24, showing an increase of 11% from 2022/23. If this forecast materializes, it would be the most significant year-over-year expansion in soybean production in over a decade, primarily due to higher yields in Argentina after the historic drought that occurred this year. Argentina is responsible for over half of the increase in production, while Brazil, Uruguay, and Paraguay together account for more than a quarter of the gains, which is due to expanded planted areas and higher yields in all three countries. Although there is an anticipated drop in prices in 2023/24, planted area in Brazil is at a record high due to strong returns and a favorable exchange rate. Meanwhile, plantings in the United States are expected to remain unchanged from the previous year, with higher yields predicted to make up for any shortfall.

Global soybean supplies are projected to achieve record levels due to expanding production. China remains the leading importer, although its import demand has slowed over the past five years. Almost 75% of the growth in global imports is expected to come from Pakistan, Egypt, and Bangladesh, where economic challenges and restrictive trade policies reduced imports significantly in 2022/23. Moreover, Argentina's domestic production recovery will result in reduced soybean imports. However, imports are expected to stay at elevated levels since farmers are holding supplies to mitigate the risks of inflation, exchange rate fluctuations, and upcoming elections in October. Soybean stocks in the top three exporter countries are expected to increase by 27% compared to the previous year. Stocks among the three major exporters will grow more than use (exports and crush combined) due to supply gains outpacing global demand. Consequently, with the global and exporter stocks increasing, soybean prices are anticipated to soften in 2023/24.

USDA 2022/23 highlights (May'23)

2022/23 OUTLOOK CHANGES (All figures are in thousand metric tons)

Country	Commodity	Attribute	Previous	Current	Change	Reason
Argentina	Meal, Soybean	Exports	22,400	22,200	-200	Lower exportable supplies on weak crush pace
	Oil, Soybean	Exports	4,100	3,950	-150	
Brazil	Oilseed, Soybean	Exports	92,700	93,000	300	Higher exportable supplies on larger production
	Oilseed, Soybean	Imports	750	500	-250	Slow trade pace
Canada	Meal, Rapeseed	Exports	4,950	5,150	200	Raised crush and trade pace
	Oil, Rapeseed	Exports	3,100	3,250	150	
	Oilseed, Rapeseed	Exports	8,400	8,600	200	Trade pace
	Meal, Rapeseed	Imports	2,000	2,200	200	Trade pace
China	Oil, Rapeseed	Imports	2,000	1,800	-200	
	Oil, Soybean	Imports	800	450	-350	
	Oilseed, Rapeseed	Imports	3,400	3,800	400	Strong demand for large Brazilian exportable supplies; trade pace
	Oilseed, Soybean	Imports	96,000	98,000	2,000	
Egypt	Oilseed, Soybean	Imports	3,800	2,500	-1,300	Trade pace; negative economic outlook
European Union	Oil, Palm	Imports	5,300	5,000	-300	Trade pace
	Oilseed, Sunflowerseed	Imports	2,700	2,300	-400	
India	Meal, Soybean	Exports	1,200	1,450	250	Trade pace
	Oil, Palm	Imports	9,030	9,450	420	
Indonesia	Oilseed, Soybean	Imports	2,700	2,500	-200	Trade pace
	Oil, Palm	Exports	16,900	16,300	-600	
Malaysia	Oil, Palm	Imports	1,300	1,000	-300	Production cut and trade pace
	Oil, Palm Kernel	Exports	1,150	1,000	-150	
Paraguay	Meal, Soybean	Exports	2,000	1,700	-300	Lower exportable supplies on smaller production
	Oilseed, Soybean	Exports	6,400	5,700	-700	
Russia	Oilseed, Sunflowerseed	Exports	700	550	-150	Trade pace
Thailand	Oil, Palm	Exports	650	800	150	Production increase
	Meal, Soybean	Exports	325	550	225	
Ukraine	Meal, Sunflowerseed	Exports	3,450	3,650	200	Trade pace
	Oil, Sunflowerseed	Exports	4,100	4,400	300	
	Oilseed, Soybean	Exports	2,400	3,250	850	Production increase; trade pace
United Arab Emirates	Oilseed, Rapeseed	Imports	1,200	1,000	-200	Trade pace

INDIA: As per the latest USDA report, in 2023/24, India's soybean crush is expected to decrease slightly to 9.8 million tons due to a projected stagnation in supplies. The production of soybeans is anticipated to remain at 12.0 million tons. Continued growth in domestic soybean meal consumption is predicted to exert pressure on soybean meal exports to reach an 8-year low. Although soybean oil imports are forecast to increase slightly to 3.2 million tons, the demand is hampered by increased consumption of sunflowerseed oil and palm oil in food use.

USA: Despite larger soybean supplies, United States' soybean exports are expected to decrease by 1.1 million tons to 53.8 million due to stronger domestic crush and greater global competition. The soybean supplies in 2023/24 are projected to increase, driven by a larger crop fueled by higher yields, which will more than offset lower carryin. The soybean crush is predicted to reach a record high, driven by strong margins on high domestic soybean oil prices. Soybean stocks are anticipated to increase to the highest level in 4 years due to increased export competition. Soybean meal exports are expected to be a record high, but strong domestic demand for soybean oil as a renewable diesel feedstock will keep U.S. prices at a premium and continue to limit exports.

Argentina's soybean production is expected to rebound strongly from the historic drought of the current year, with a projected increase of 21.0 million tons to reach 48.0 million. Trade is expected to recover as well, with exports mainly to China forecasted at 4.6 million tons and imports primarily from Paraguay at 5.7 million. Crush will see a boost due to strong global demand for soybean products and larger supplies. However, it is projected to remain below recent levels. While product exports are expected to recover from this year's low, competition from Paraguay, Brazil, and the United States will limit the growth of soybean meal exports. Meanwhile, oil is likely to face less competition from Brazil and the United States due to increased domestic industrial consumption. The forecast for soybean meal and soybean oil exports is expected to rebound to 24.7 million tons and 4.6 million, respectively.

BRAZIL: The forecast for Brazil's soybean production in 2023/24 is to reach a record 163.0 million tons, up by 8.0 million tons due to higher planted area and slightly better yields. This marks the 17th consecutive year of expanded soybean plantings in Brazil, fueled by strong export demand and high grower returns. Exports are projected to increase to 96.5 million tons, 3.8 million tons higher than the previous year. Crush is expected to rise by 2.5 million tons over the current year's record, driven by ample domestic supplies and strong margins. September 30 ending stocks are forecast to reach a record high, up by 7.3 million tons due to increased supplies, growth in domestic crush, and greater export competition. Soybean meal exports are projected to rise, despite the recovery in Argentina's exports, while soybean oil exports are expected to decline due to the strong domestic consumption of biodiesel.

China: It is projected that China's soybean imports will increase by 2.0 million tons to 100.0 million tons as a result of recovering demand for crushing. It is expected that crushing growth will increase by 4.0 million tons, while stocks are expected to rise by 2.4 million. Soybean meal exports are forecasted to more than double in 2023/24, but they will still remain well below the typical export volumes of the past decade.

Technical Analysis

US Soybean futures



As depicted in the above chart, US Soybean is trading at 17 months low and during the week under review, US Soybean (Most active contract) went down by 5.95% to \$13.07/bushels. 9, 18, 50 and 100 DMA can be characterized as resistance. RSI is at 30 indicating a weak buying strength. MACD indicating weak momentum in short run. Over all market is expected to take support from 12.5-13 in short run and resistance at 14.5-15.00.

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 sideways and closed unchanged at 5,400 levels as compared to previous week and market made low of 5,400, high of 5,475.
- 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 40, indicating weak buying strength.
- 5300-5400 is near term support and 5,700-5,800 is near term resistance.

Recommendation-

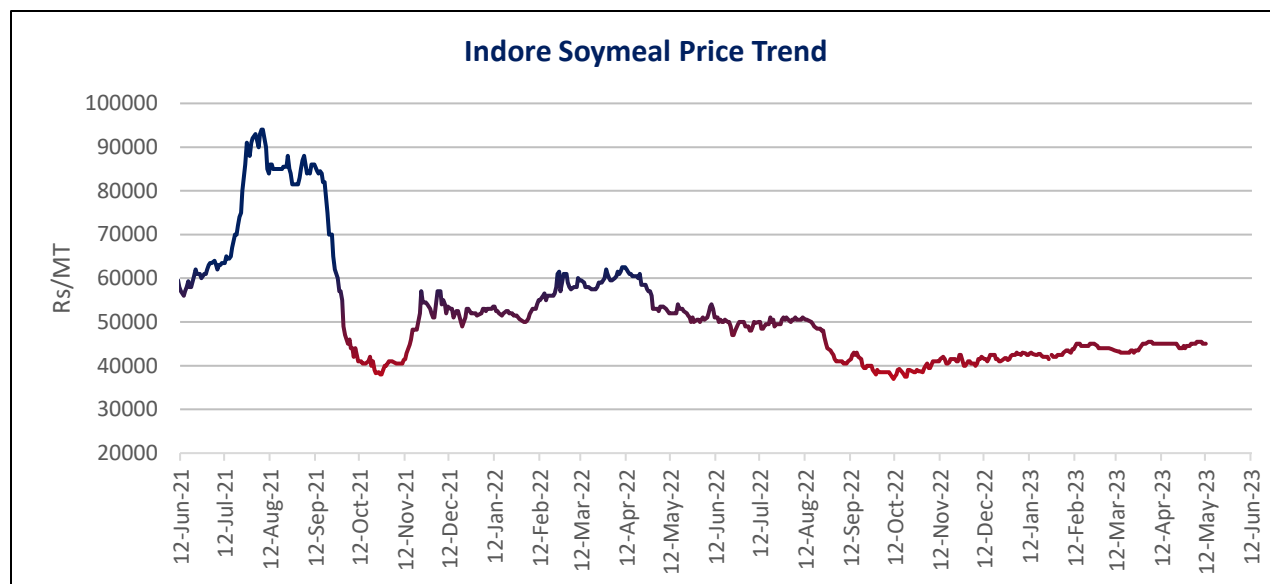
- Market Participants are recommended to wait to sell above 5,600.

Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,375/qtl. and are expected to trade range bound with weak bias in the range of INR 5,300-5,600 in short run.

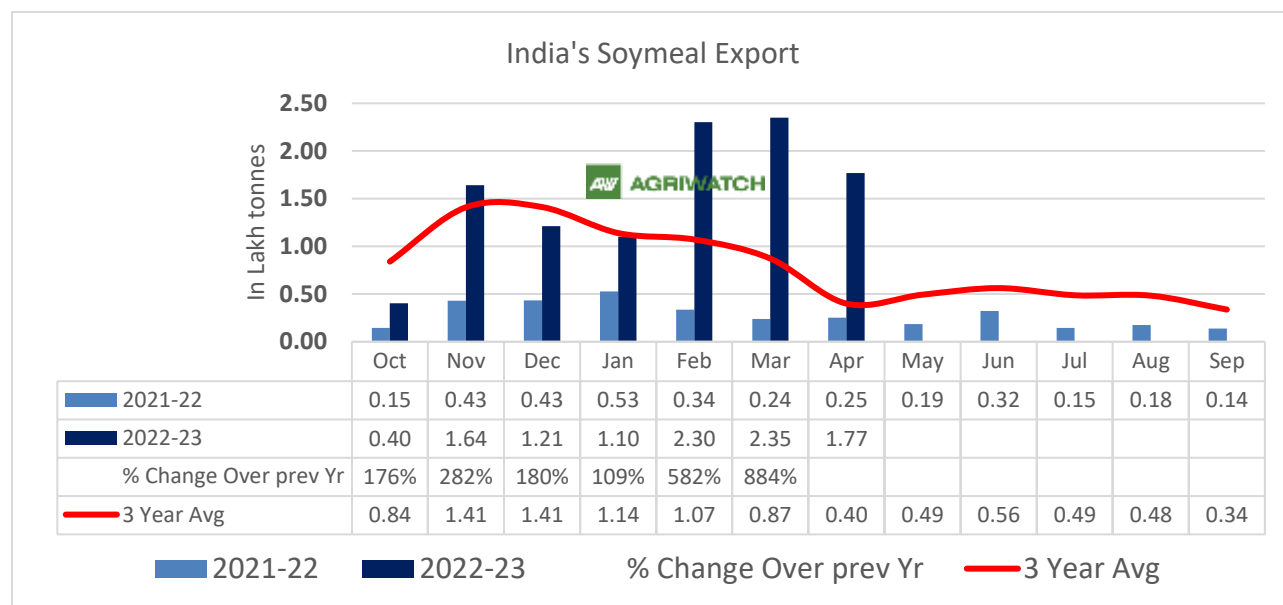


Soybean Plant Price Outlook (INR./Qtl)	Previous week 06th May'23- 12th May'23	Week under review 13th May'23- 19th May'23	Next week 20th May'23- 26th May'23
Weekly Average Price	5,400-5,525	5,375-5,400	5,300-5,600

Soymeal



During the week under review, Indore Soymeal weekly average prices went marginally down by 0.37% to INR 45,083/MT as compared to last week at INR 45,250/ MT, amid good export demand. Month-to-date soymeal prices are unchanged Year-to-date up by 4.7%. However, in last one year down by 15.2%. Good export demand from south east Asian countries has kept soymeal prices stable.



Total Soy meal exports in Oct'22- March'23 went up by 327% to 9.01 Lakh tonnes vs 2.11 Lakh tonnes previous year same period. However, Soymeal exports up by 884% to 2.35 Lakh tonnes in Mar'23 Vs 0.24 Lakh tonnes previous year same period. Soymeal exports went up for the seventh 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.

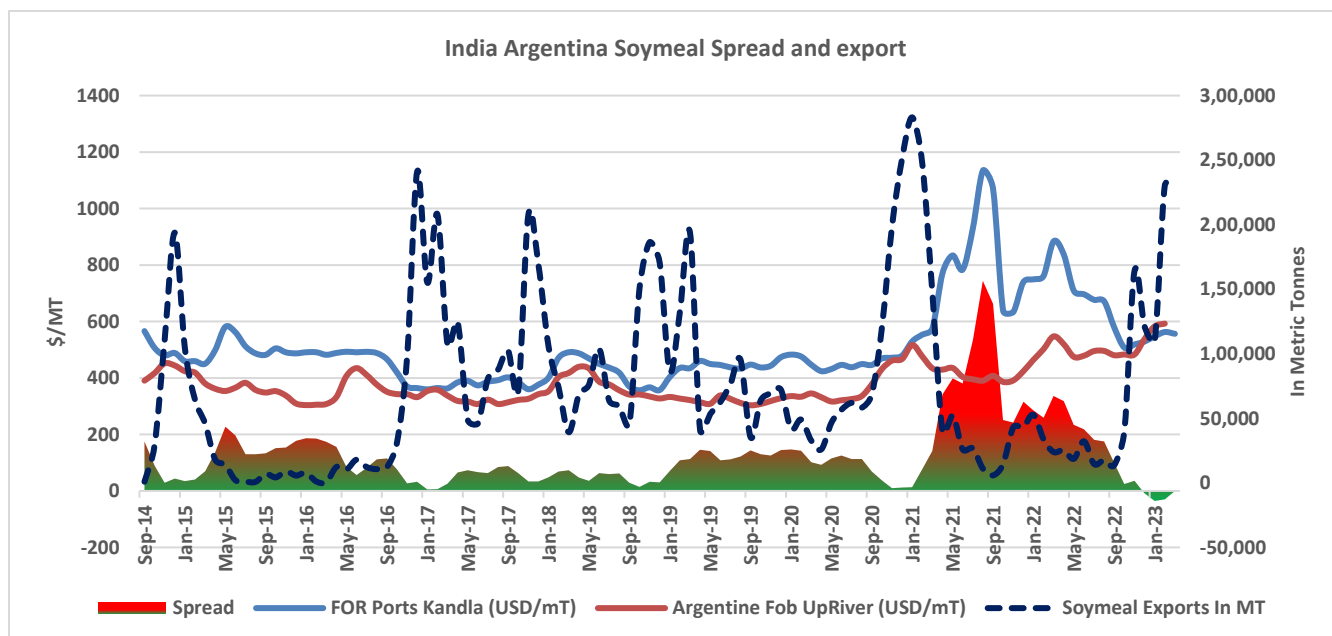
India's overall export of oilmeals experienced a remarkable growth of 48.47 percent in April, driven by a surge in soymeal exports. According to data from the Solvent Extractors' Association (SEA) of India, the country exported 4.93 lakh tonnes (lt) of oilmeals in April 2023, a significant increase from 3.32 lt during the same period in 2022.

BV Mehta, the Executive Director of SEA of India, pointed out that the price of soybeans has dropped to around INR 4,550 per quintal from its peak of INR 7,640 per quintal in April 2022. This decline has made the export of soybean meal more attractive over the past seven months.

In April 2023, India exported 1.77 lt of soybean meal, compared to 24,937 tonnes in April 2022. As of May 12, the price of Argentina soybean meal (ex-Rotterdam) was quoted at \$516 per tonne, while Indian soybean meal (ex-Kandla) was quoted at \$570 per tonne.

Southeast Asia is a major consumer of Indian soybean meal, and India has a logistical advantage in supplying to this region, even in small quantities. Additionally, the depreciation of the rupee is contributing to the overall increase in exports.

The local price_s of soybeans in India has dropped significantly from its peak of Rs.7640 per quintal in April 2022 to Rs.4500 per quintal, leading to increased crushing and better price parity. As a result, the export of soybean meal has become attractive in the last six months. Currently, as of May 20th, 2023, Indian soybean meal is quoted at US\$ 560 per ton Ex-Kandla, while Argentina soybean meal is quoted at US\$ 514 per ton Ex-Rotterdam. India has a logistic advantage in supplying soybean meal to Southeast Asia in small lots, which is its major consumer. Additionally, Indian Soybean Meal is Non-GMO, giving it an advantage and making it the preferred choice for certain European countries and the USA. The depreciation of the rupee has also



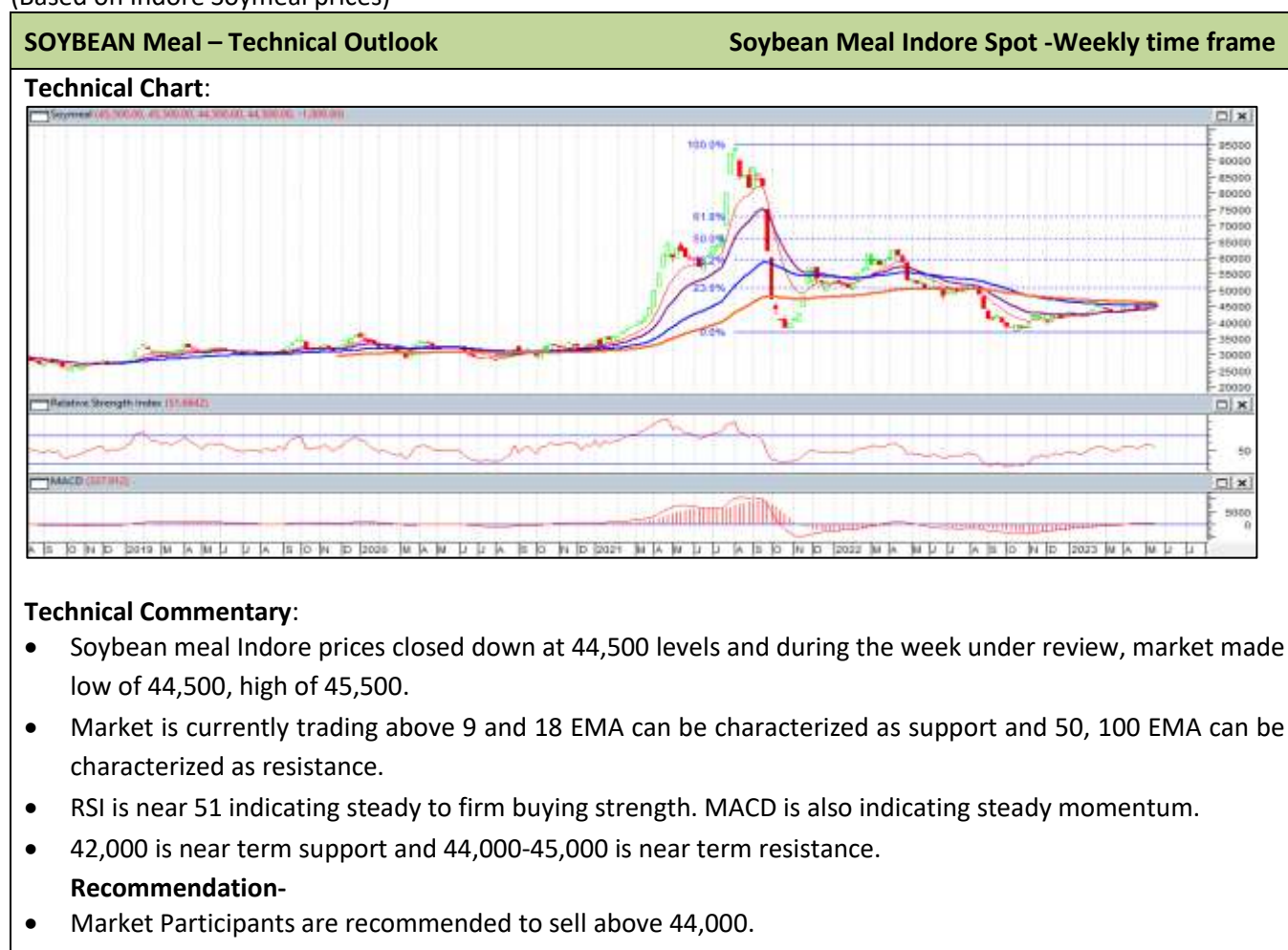
contributed to the overall export growth. As a result, India's export of soybean meal has rebounded since the new crop season in November 2022, with reported shipments of 860,902 tons, compared to just 196,614 tons in the same period the previous year (Nov.'21-Mar.'22).

It can be depicted from the above chart, that soybean meal export demand jumps when spread between Argentina FOB and FOR kandla minimizes. The same can be seen in the past.

During the week under review, currently, Indian Soybean meal FOB average prices stood at \$560/MT, Argentina Soybean meal FOB prices trading at \$514/MT Ex-Rotterdam and spread stands at \$46/MT. Upon increase in spread, soybean meal export demand likely to get affected if it continues for long duration.

Technical Analysis (Domestic market)

(Based on Indore Soybean meal prices)



According to USDA latest report, Global soybean meal consumption is anticipated to increase by 4% in 2023/24, supported by ample supplies, which is higher than the 1% growth forecasted for this year. China is expected to contribute almost one-third of the global consumption growth, following several years of

relatively stagnant soybean meal consumption. Additionally, exports are projected to rise by 6% due to a recovery in Argentina crush following improved soybean production prospects, as well as increased supplies in Brazil and the United States. However, Argentina's share of global trade is expected to remain below the 5-year average due to intensified competition from Brazil and the United States.

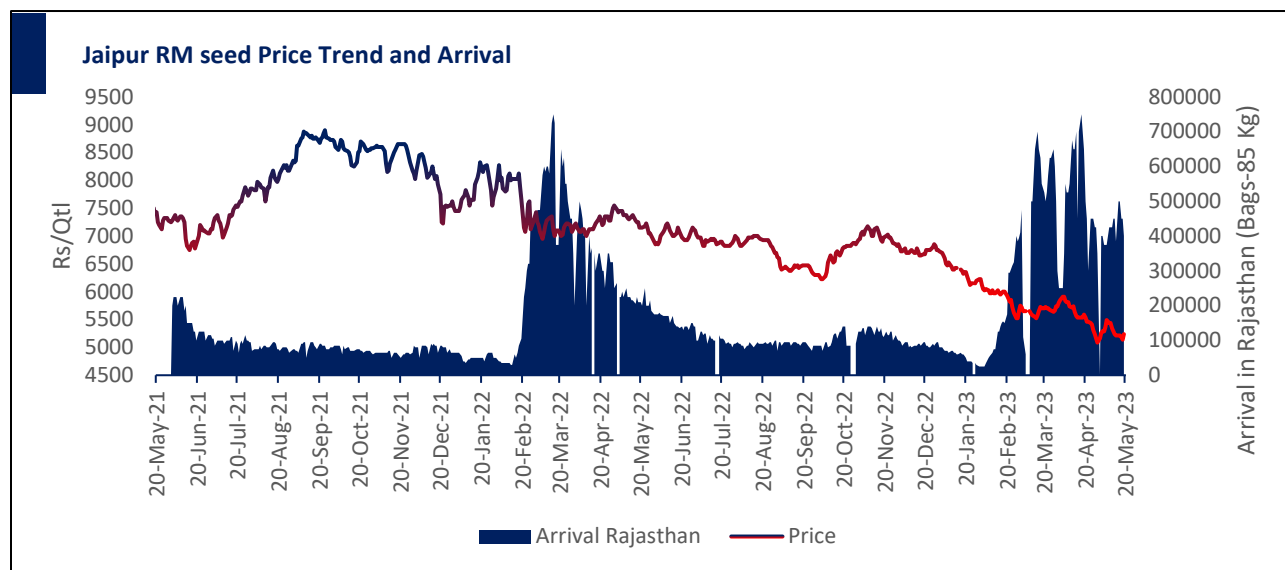
According to USDA Apr'23 report, India's 2023/24, Soybean crush is estimated to be at 9.8 MMT as compared to previous year at 9.9 MMT and country's domestic Soybean meal consumption is estimated to be at 7.15 MMT Vs 6.72 MMT previous year. Moreover, Soybean meal exports is projected at 0.8 MMT as compared to 1.45 MMT previous year.

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



Soybean Indore Price Outlook (INR./MT)	Previous week 06th May'23- 12th May'23	Week under review 13th May'23- 19th May'23	Next week 20th May'23- 26th May'23
Weekly Average Price	45,000-45,500	44,500-45,500	43,000-45,000

Rapeseed - Mustard Seed

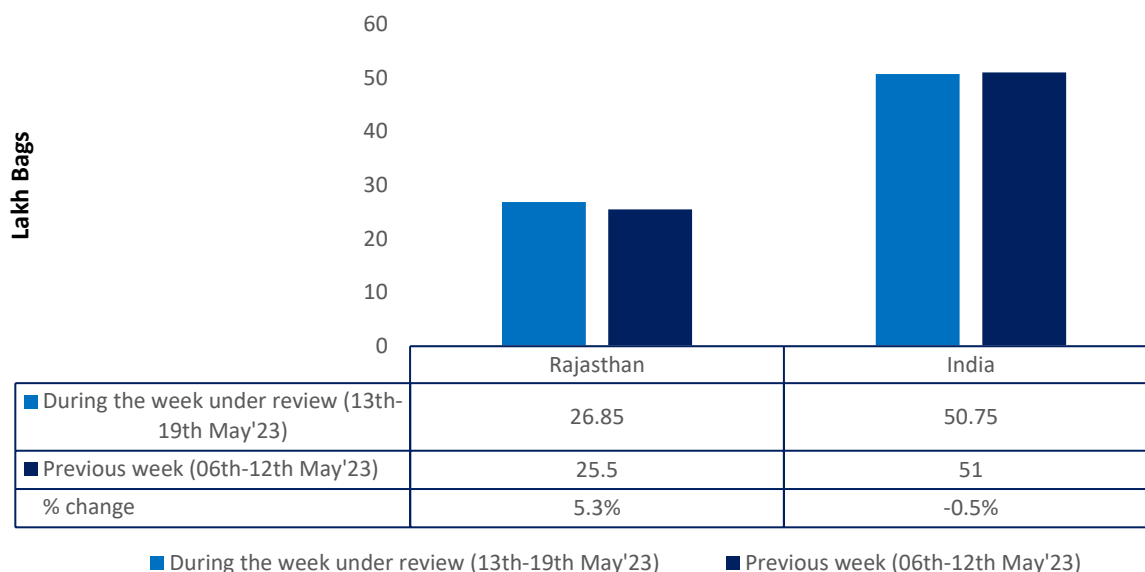


During the week under review, Jaipur RM seed weekly average prices declined after previous week gains and went down by 3% to INR 5,200/Qtl. as compared to previous week's INR 5,371/Qtl. amid decline in mustard oil prices which went up by 3%, to INR 941/10 Kg, down from INR 975/10 Kg. However, the in Month-to-date, RM seed prices show a 1.4% increase, the year-to-date prices have decreased by 21% due to record production, weak demand from millers on disparity. Currently, RM seed is trading near three years low tracking weak demand from oil millers amid disparity due to weak mustard oil prices. As per Agriwatch primary sources, upon disparity, most of the expeller are shut and only few kacchi ghani are operational. Farmers are reluctant to offload their stock at current levels in anticipation of better prices in future. And millers are buying as per their daily need for crushing.

As per NAFED latest report, a total of 5,40,713 Metric tonnes of Mustard have been procured in four states, namely Haryana (3.47 Lakh tonnes), Madhya Pradesh (1.02 Lakh tonnes), Gujarat (0.28 Lakh tonnes), and Rajasthan (0.61 Lakh tonnes).

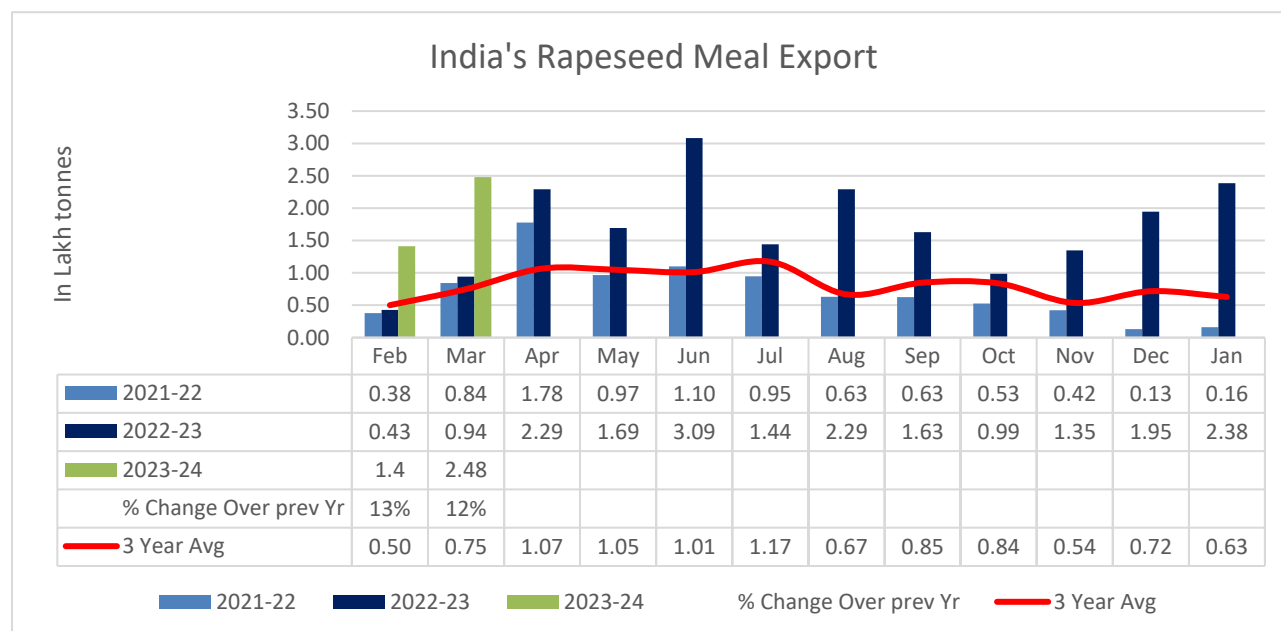
In order to facilitate seamless procurement of mustard by the government, an official directive has been issued by the Madhya Pradesh government. The order prohibits private entities, including traders, millers, and stockists, from transporting these commodities from warehouses.

Weekly RM seed arrivals



During the week under review, Arrivals in Rajasthan recorded up by 5.3% to 25.5 Lakh bags as compared to 19 lakh bags previous week. All India arrivals too went marginally down by 0.5% to 50.75 Lakh bags Vs 51 Lakh bags previous week.

INDIA'S RAPESEED MEAL EXPORT



There is a significant jump in export of rapeseed meal in Mar'23 and reported at 2.48 Lakh tons compared to 0.94 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.

India achieved a remarkable milestone by exporting a record-breaking 22.96 million metric tons of rapeseed meal in the fiscal year 2022-23.

India has established itself as the most competitive supplier of rapeseed meal to various Far East countries, including South Korea, Vietnam, and Thailand, offering it at a competitive price of \$240 per tonne (FOB India). The ex-mill price of rapeseed meal in Hamburg, Germany, has been quoted at \$299 per tonne.

Mustard is currently being sold at 5,100-5200 rupees per quintal, which is below the Minimum Support Price (MSP) of 5,450 rupees per quintal. This decline in mustard prices is a result of the deteriorated prices of edible oil in both international and domestic markets. Consequently, farmers are being discouraged from selling their mustard crop for crushing purposes.

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 down to 5,212, made low of 5,212, high of 5,437.
- Market is currently trading below 9, 50 and 100 DMA and can be characterized as resistance. And market is trading above support level of 5000.
- RSI has declined to below 30 indicating weak buying strength. MACD is indicating weak momentum.
- Immediate support is at 5,000 and immediate resistance is at 5,500.

Recommendation-

Market participants are recommended to wait to sell above 5,500.

International
USDA May'23 update

The global production of rapeseed in 2023/24 is forecasted to remain nearly unchanged at 87.0 million tons. The European Union is projected to maintain its position as the world's largest producer for the third consecutive year, surpassing Canada. Australia is expected to show a 10 percent decrease in harvested area, while other countries such as China and India are anticipated to offset this decline.

Global carryover is predicted to recover slightly, reaching the 5-year-average levels primarily due to Canada and the EU. On the other hand, global exports are projected to decrease significantly due to lower production in Australia. Canada's exports are expected to grow modestly, while China's import demand declines due to increased domestic production and demand for other oilseeds and products. Furthermore, global rapeseed crush is anticipated to reach a record 81.0 million tons, primarily due to growth in the European Union, Canada, and China.

Global production of rapeseed meal is forecast to reach a new record of 47.0 million tons, up 1 percent from the previous year. The growth is driven by the European Union and China, where larger domestic production and continued high levels of seed imports are expected to facilitate crush and meal production growth in 2023/24. However, global trade of rapeseed meal is projected to decline.

In 2023/24, global rapeseed meal production is expected to reach a new record of 47.0 million tons, up 1 percent from the previous year. The European Union and China are anticipated to lead the way due to their increased domestic production and seed imports, leading to higher crush and meal production. However, global rapeseed meal trade is projected to slightly decline as China and the EU boost their protein meal production. The United States is predicted to continue being the largest importer of rapeseed meal.

Furthermore, global crush is expected to reach a record high, resulting in rapeseed oil production of 33.0 million tons in 2023/24. Despite this, rapeseed oil supplies are expected to remain tight due to rising consumption, which is forecast to hit a record high of 32.4 million tons. While food use is predicted to grow by only 1 percent, industrial use, particularly in biofuels, is anticipated to increase by 4 percent. The growth in industrial consumption is driven by the expansion of biofuel production in the United States, as well as the EU's continued demand for rapeseed oil to replace some imported palm oil.

Although global rapeseed oil stocks are expected to improve and exceed the 5-year average stock level, much of this growth is expected to be observed in China, leaving the rest of the world with tighter supplies.

Australia: The projected outlook for Australia's rapeseed production is not optimistic, with a significant decline to 5.3 million tons expected due to reduced planting area. As a result, exports are forecast to fall by 29 percent to 4.5 million tons. Stocks are also projected to decline year over year and return to average levels.

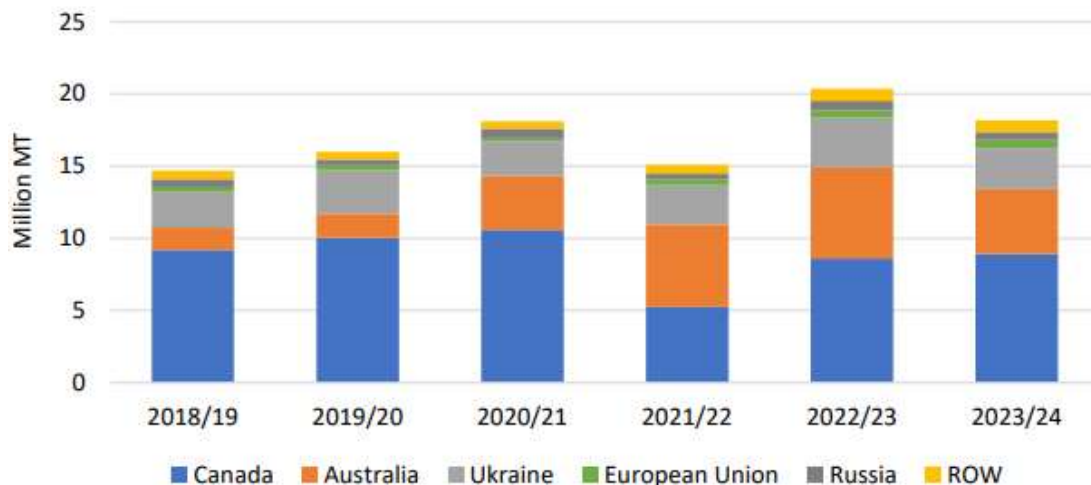
Canada's rapeseed production is expected to increase by 7 percent to reach 20.3 million tons. This growth is expected to boost both the crush and exports from the previous year's levels. However, despite the recovery from the last two years of historical lows, stocks will remain below the 5-year average. Exports of meal and oil are expected to remain robust due to growing demand from the United States and China. However, oil

exports are projected to decrease slightly from the previous year, which will help to moderately recover the stocks.

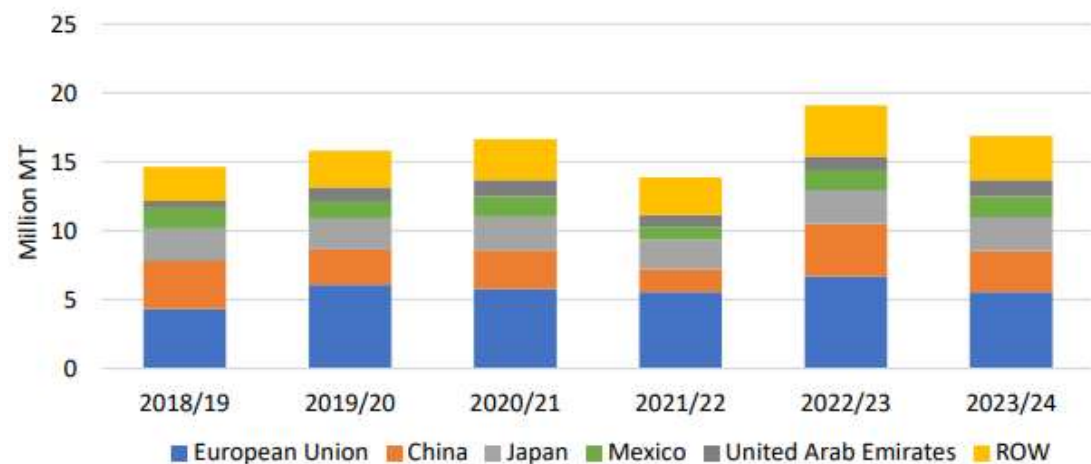
China: It is projected that China's rapeseed imports will significantly decline to 3.0 million tons as the country is expected to achieve a record domestic production of 15.4 million tons. The increased crush is anticipated to lead to lower imports of meal and oil. Nonetheless, China is expected to remain the second-largest importer of both commodities after the United States, owing to the continuing demand for protein meals and vegetable oils for food consumption. With sustained strong imports, China is anticipated to replenish its rapeseed oil stocks, which are expected to return to slightly above the five-year average level.

The **European Union** is expected to see a rise in rapeseed production to 20.5 million tons in 2023/24, thanks to larger plantings. Import levels are projected to decline due to several factors, including declining exportable supplies from Australia, growing domestic supplies within the EU, and an abundance of competing sunflowerseed supplies from both production and imports. These projected larger supplies will allow for both an increase in crush and replenishment of stocks.

Global Rapeseed Exports



Global Rapeseed Imports



Source: USDA

As per USDA latest report, India's 2023-24 RM seed production is estimated at 11.7 MMT vs 11.5 MMT previous year, Area harvested is projected at 9.2 million Ha vs 9 million ha. However, crushing is unchanged at 10.2 MMT.

Technical Analysis

(ICE Canola)

ICE Canola – Technical Outlook

ICE Canola -Weekly time frame

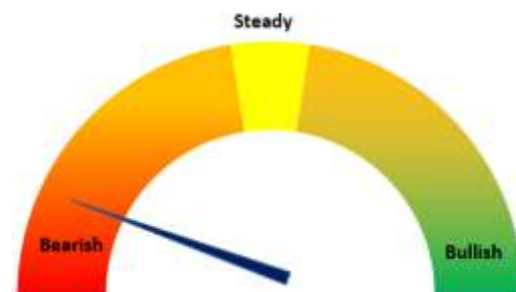
Technical Chart:

Technical Commentary:



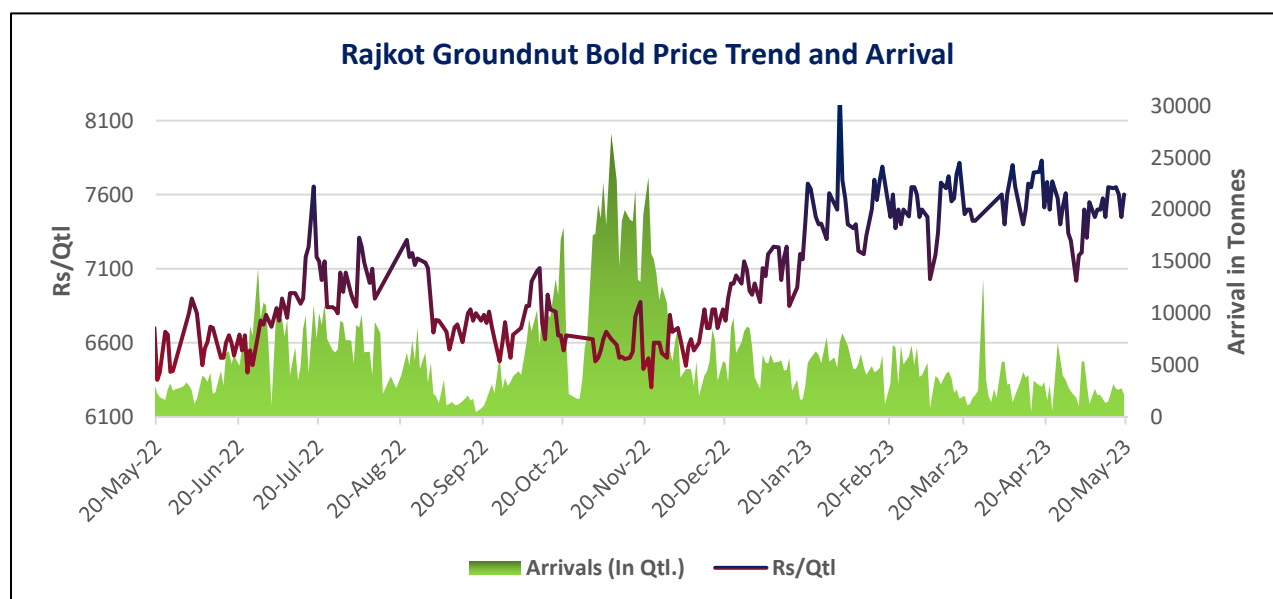
- As depicted in the above chart, market has witnessed loss and went down by 7.98% to 697 as compared to previous week at 757. Market made low of 694 and high of 743.
- Market is currently trading below 18, 50 and 100 DMA and can be characterized as resistance and 9 DMA can be characterized as support.
- RSI is below 50 indicating weak buying strength and MACD is indicating steady to weak momentum.
- Immediate support is at 650 and immediate resistance is at 750.

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



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 06th May'23- 12th May'23	Week under review 13th May'23- 19th May'23	Next week 20th May'23- 26th May'23
Weekly Average Price	5,238-5,488	5,138-5,213	5,100-5,500

Groundnut



During the week under review, Rajkot market weekly average prices went up by 1.27% to INR 7,599/Qtl. amid good demand. However, weekly average prices of groundnut oil declined by 2% at INR 1,637 from 1,675/10 Kg. All India arrivals increased by 32% to 0.14 Lakh tones as compared to 0.11 Lakh tones previous week.

International

According to USDA May'23 report, In 2023/24, the global peanut supply is expected to increase by 1% due to larger production levels, which outweigh the smaller carryover from the previous year. The increased production in countries such as the United States, India, Senegal, Argentina, and Burma will more than make up for the reduced output in Niger, Indonesia, Guinea, and Mali. The rise in global production can be attributed to higher expected yields and greater harvested area, mainly in India.

Additionally, global trade is projected to grow by 8% in 2023/24 as higher exports from Argentina, the United States, India, and Senegal coincide with increased imports from China and the EU. There is also a slight increase in global peanut consumption due to higher usage in China and major exporting countries. Furthermore, snack nut consumption will continue to follow long-term growth trends.

However, ending stocks are projected to fall by 6% due to lower carryout in Senegal and the rest of Sub-Saharan Africa, only partially offset by higher U.S. ending stocks.

USA: In 2023/24, United States production of peanuts is expected to increase slightly to 2.8 million tons due to a larger harvested area and higher yields. Additionally, there is a projected increase in exports, crush, and food use consumption. Peanut meal consumption is expected to rise due to higher crush levels. However, peanut oil consumption is expected to remain relatively flat as smaller imports offset the higher production.

Argentina is expected to increase its exports to 950,000 tons in 2023/24, a significant increase from the low levels in 2022/23 due to drought and lower yields. Despite the reduced carry-in, total supplies are forecast to be higher as a result of a larger crop. Argentina maintains its position as the largest global supplier of snack nuts and holds a significant share of the European market. Moreover, there is a 15% increase in the projected crush, with similar projections for product exports.

India exports are raised 50,000 tons to 800,000 on higher production. Production is forecast up 300,000 tons to 6.6 million leading to higher exports but lower crush and ending stocks. China will account for most of the gain in peanut exports.

China is expected to increase its imports by 150,000 tons, reaching a total of 1.4 million tons in the upcoming year. Additionally, there is a slight increase in exports, projected to reach 500,000 tons. Domestic crush levels are projected to remain flat, while food use is expected to grow due to higher demand. In terms of production, there is no expected change, with levels remaining at 18.3 million tons. Furthermore, peanut oil consumption is expected to remain stable due to stable production levels and imports.

Technical Analysis

(Based on Rajkot GN Bold Mandi prices)

Groundnut Bold – Technical Outlook	Rajkot -Weekly time frame
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Technical Chart:



Technical Commentary:

- As depicted in the above chart, during the week under review, market closed up to 7,600 and made low of 7,450, high of 7,650.
- Market is trading above 9 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support.
- RSI is at 54 indicating good buying strength, MACD is indicating firm momentum.
- Immediate support is at 7,300, next support is at 7,000 and immediate resistance is at 7,800, next resistance is at 8,000.

Recommendation-

Market participants are recommended to 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 06th May'23- 12th May'23	Week under review 13th May'23- 19th May'23	Next week 20th May'23- 26th May'23
Weekly Average Price	7,450-7,575	7,450-7,650	7,200-7,600

Annexure

Oilseed Prices at Key Spot Markets:					
Commodity / Centre	% Change over previous week	Today	Week Ago	Month Ago	Year Ago
Soybean		19-May-23	12-May-23	19-Apr-23	19-May-22
Indore –Plant	-1%	5500	5550	5650	7300
Indore–Mandi	-	Closed	5400	5500	7100
Nagpur-Plant	0%	5200	5200	5400	7100
Nagpur – Mandi	-3%	4800	4950	5100	7000
Latur – Mandi	-	Closed	5300	5300	7135
Akola – Mandi	-	Closed	5030	5110	6950
Kota-Plant	-2%	5300	5400	5600	7350
Kota – Mandi	-2%	5100	5200	5350	7300
Bundi-Plant	2%	5200	5100	5300	7120
Bundi-Mandi	2%	5000	4900	5200	7020
Baran-Plant	-4%	5300	5500	5500	7330
Baran-Mandi	-2%	5100	5200	5250	7250
Bhawani Mandi Jhalawar–Plant	-2%	5300	5400	5450	7250

Jhalwar-Mandi	-	Closed	5250	5350	7200
Rapeseed/Mustard					
Jaipur-(Condition)	0%	5250	5250	5600	7150
Alwar-(Condition)	3%	5100	4950	5250	6700
Sri Ganganagar-(Non-Condition)	5%	4900	4650	5125	6480
New Delhi-(Condition)	2%	5175	5050	5300	6950
Kota-(Condition)	-2%	5100	5200	5450	6575
Agra-(Condition)	0%	5429	5405	5667	7048
Neewai-(Condition)	-2%	4925	5000	5230	6670
Hapur (UP)-(Condition)	-2%	5050	5150	5300	6850
Groundnut Seed					
Rajkot	2%	7600	7450	7515	6700
Bikaner	0%	7400	7400	7400	6800
Groundnut (Bold Without shell 40/50)					
Bikaner	0%	7400	7400	7400	6800
Sunflower Seed					
Maharastra/Karnataka	-	-	6200	6200	-
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/100 kg, Sunflower Seed in Rs/qtl.					

		Today	Week Ago	Month Ago	Year Ago
Other Oilseed Prices at Mumbai (INR/100 Kg):					
Oilseeds	Change	19-May-23	12-May-23	19-Apr-23	19-May-22
Groundnut Kernel	-2%	8125	8300	8450	8125
Gr. Bolds 60/70	-2%	10200	10400	9500	8950
Gr. Javas 60/70	-2%	11300	11500	10800	10050
Gr Javas 70/80	-2%	11000	11200	10500	9000
Gr.Javas 80/90	-2%	10700	10900	10300	9500
KardiSeed 2% Exp Qly	0%	4500	4500	4500	5500
Sesame White 98/2/1 FM	1%	13500	13400	13100	10000
Whitish 95/5/FFA/1FM	1%	13300	13200	12900	9800
Brown 48/2 FFA/4 FM	0%	12600	12600	12300	9400

Brown 48/3 FFA/4 FM	0%	12400	12400	12100	9100
Brown 48/4 FM/* No FFA Guarantee	0%	12000	12000	11700	8800
Sunflower Seed	0%	5800	5800	5900	6800
Niger Seed (4% FM)	1%	10100	10000	9600	8400

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