



Oil seed Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Outlook – Cash Market
- ❖ Soybean – Domestic & International
- ❖ Soy meal
- ❖ Technical Analysis - Soybean
- ❖ Rapeseed - Mustard
- ❖ RM Seed Supply, Rajasthan
- ❖ Technical Analysis – RM Seed
- ❖ Annexure – Prices etc.

Executive Summary

The weekly average prices of Soybean Indore plant went marginally down by 0.82% to INR 5,148/ Qtl. amid weak demand in the market.

The weekly average prices of Indore soymeal remained sideways and went down by 1.87% to INR 43,767/MT. amid disparity.

During the week under review, Jaipur RM seed weekly average prices remained sideways and went marginally up by 1.95% to INR. 5,225/qtl amid improved mustard oil prices.

Weekly average prices for Groundnut (bold), Bikaner remained sideways and went up by 1% to INR 7,300/Qtl. amid good demand.

Outlook – Cash Market

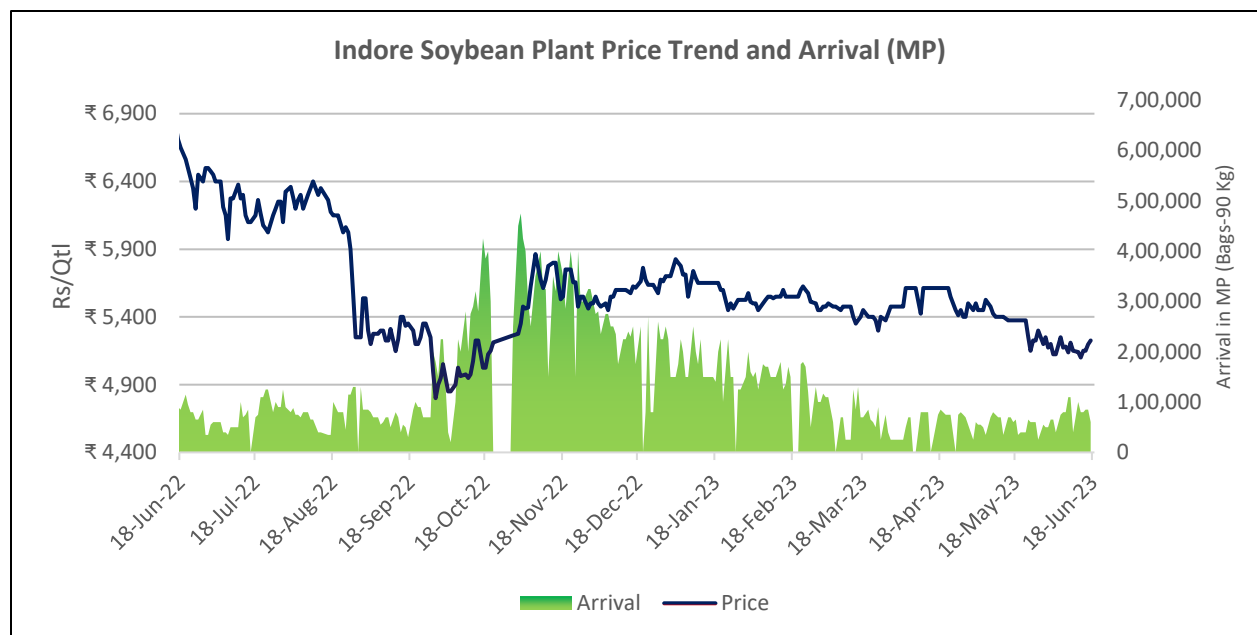
Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean prices may rebound amid improved soy oil prices and firm global cues. It is expected that the prices at Indore Mills, will range between 5,200-5,400 levels in the short term.

Outlook – Soy meal:

It is anticipated that soy meal (Indore) likely to trade sideways with weak bias during the upcoming period tracking increase in Ex kandla and Ex-Rotterdam soymeal prices. The prices of soy meal Indore are expected to remain within the range of 40,000-44,000 per metric ton.

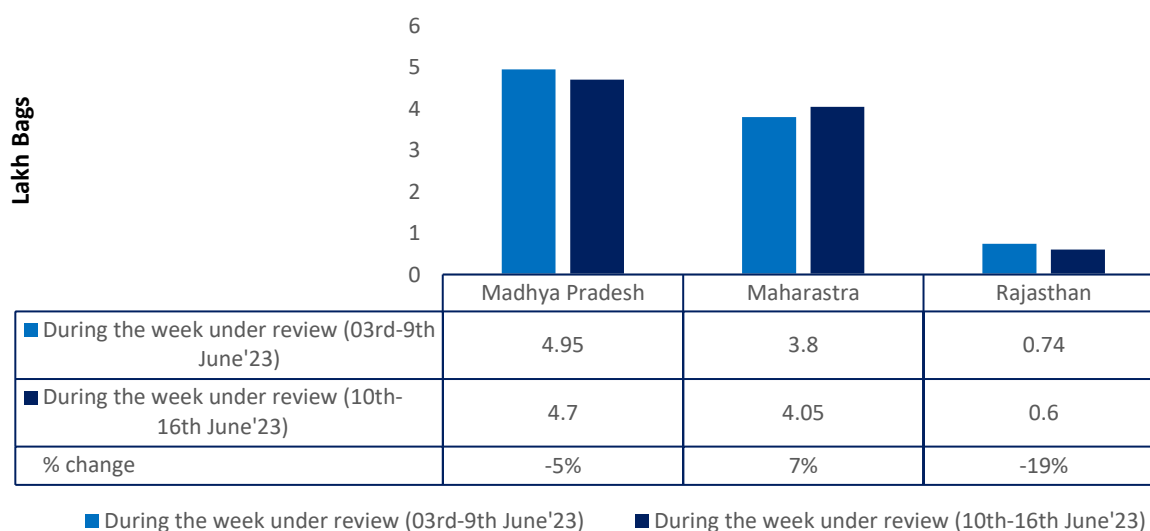
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In the upcoming week, it is anticipated that Rapeseed-Mustard may rebound amid improved mustard oil prices and firm global cues. The prices of seeds are projected to remain within the range of 5,000-5,300 per quintal.

Soybean



During the week under review, Soybean weekly average prices remained sideways and went marginally down by 0.82% to INR 5,148/Qtl. as compared to INR 5,191/Qtl. previous week amid rebound in soy oil prices. Month-to-date soybean prices are marginally up by 0.38%. while Year-to-date down by 9.14%, and in last one year down by 21%. Additionally, soy oil prices weekly average prices increased by 5% to INR 937/10 Kg as compared to INR 891/ 10 Kg previous week.

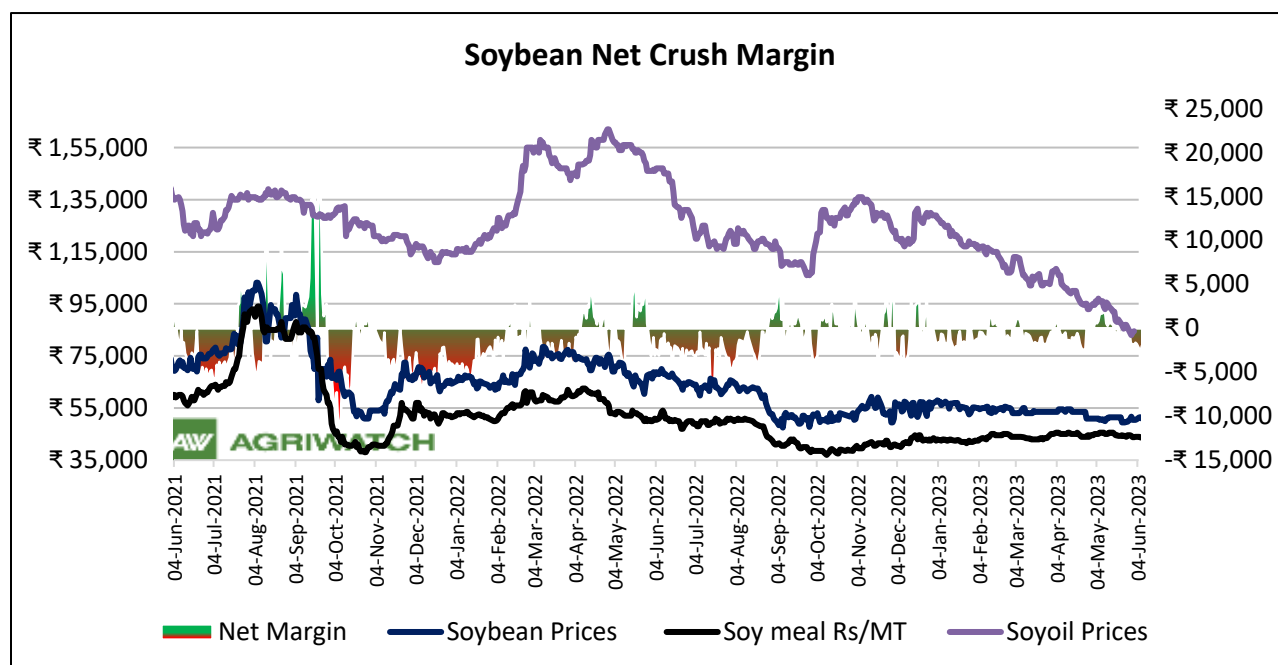
Weekly Soybean Arrivals



During the week under review, the total arrivals in MP decreased by -5% to 4.7 Lakh bags Vs 4.95 Lakh bags previous week. In Maharashtra arrivals increased to 4.05 Lakh bags as compared to last week at 3.8 Lakh bags. In Rajasthan the arrivals recorded down to 0.6 lakh bags Vs 0.74 Lakh bags previous week.

Soybean Kharif Sowing Progress (as on 9th June '23)			
State	Area Covered		% Change
	(Lakh Ha)		
	2023	2022	
Gujarat	0	0.014	-100%
Karnataka	0.019	0.089	-79%
Nagaland	0.128	0.128	0%
Uttarakhand	0.04	0.01	300%
Total	0.187	0.241	-22%
Source: MoA		in Lakh Ha	

Soybean Crush Margin-



During the week under review Soybean net crush margin remained squeezed amid weaker soy meal prices. Weekly average soybean net crush margin for the period of 10th May – 18th June was in disparity of INR -1525/ MT as compared to previous week at INR -2141/MT.

According to Solvent Extractors Association (SEA), India's May edible oil imports jumped 4.75 percent y-o-y to 10.53 lakh tons compared to 10.06 lakh tons in May 2022, primarily due to increased Crude Soya oil imports. On a monthly basis the edible oil imports rose by 3.1 percent compared to 10.22 lakh tons in April 2023. For the oil year 2022-23, imports of edible oil between Nov 2022 and May 2023 stood at 90.5 lakh tons compared to 75.48 lakh tons in corresponding period last oil year, up by 19.96 percent as there was a considerable rise in refined Sunflower oil import and RBD Palmolein imports.

The Department of Revenue under the Ministry of Finance has issued Notification No. 39/2023-Customs dated 14th June 2023 notifying the cut in import duty of refined soy oil and refined sunflower oil to match it with the import duty of RBD palm olein and RBD palm oil. India mainly imports crude soy oil and crude sunflower oil; however, it may shift the demand toward import of refined soft oils, weighing on edible oil basket prices.

International Update:

In Argentina, the total soybean production is expected far below the previous year's yield at just 21 million metric tonnes. Although Argentina is the world's leading exporter of soybean, but due to an Oil Seed Daily Fundamental 12th June, 2023 unprecedented drought that commenced last year, expectations for the 2022/2023 harvest have been reduced by half.

According to National Oilseed Processors Association (NOPA), U.S. May soybean crush rose by 2.70 percent m-o-m to 177.915 million bushels from 173.232 million bushels last month. Soy oil stocks in the U.S. at the end of May declined by 4.34 percent m-o-m to 1.875 billion lbs compared to 1.957 billion lbs in previous month. Stocks of soy oil in May'23 is up by 6 percent y-o-y, which was reported at 1.765 million lbs. Soy oil stocks is in lower than trade expectation of 1.942 million lbs.

As of 11th June, 2023, the most recent sowing progress report from the USDA reveals that soybean planting has reached a total of 96% completion vs 87% previous year same period. This surpasses the five-year average of 86% for this period in the year.

Crops in the U.S. Midwest are under stress due to an extended period of dry weather after the planting season. This has caused worries that the anticipated record-breaking soybean harvest may not meet expectations. It is crucial to achieve a plentiful harvest in order to replenish global reserves and regain competitiveness in the export market, which has been dominated by low-cost Brazilian crops in recent times.

Technical Analysis

US Soybean futures



As depicted in the above chart, US Soybean has gone up for four consecutive weeks and during the week under review, US Soybean (Most active contract) went up by 5.77% to \$14.66/bushels. 18, 50 and 100 DMA can be characterized as resistance. RSI has rebounded to 53 indicating a weak buying strength. MACD indicating weak momentum in short run. Over all market is expected to take support from 13 in short run and resistance at 15-16.

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 rebounded but remained weak and closed up at 5,150 levels as compared to previous week and market made low of 5,137, high of 5,250.
- 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 36, indicating weak buying strength.
- 5000-5100 is near term support and 5,500-5,600 is near term resistance.

Recommendation-

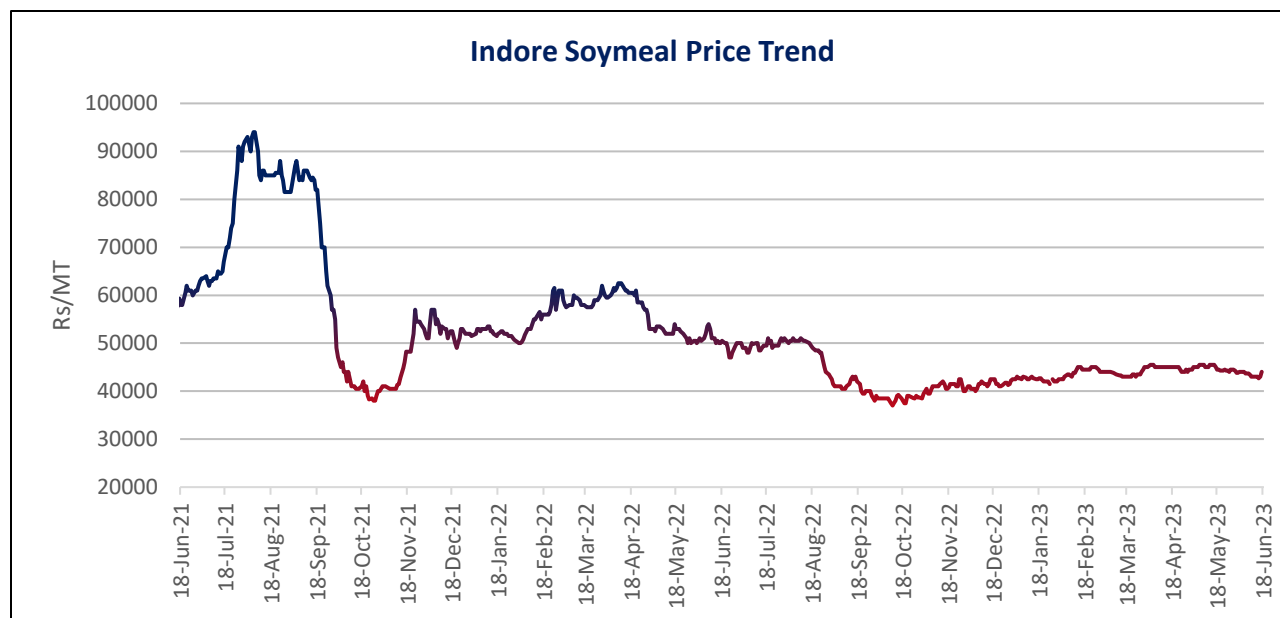
- Market Participants are recommended to wait to sell above 5,500.

Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,225/ctl. and are expected to rebound from current level amid firm global cues and improved soy oil prices.

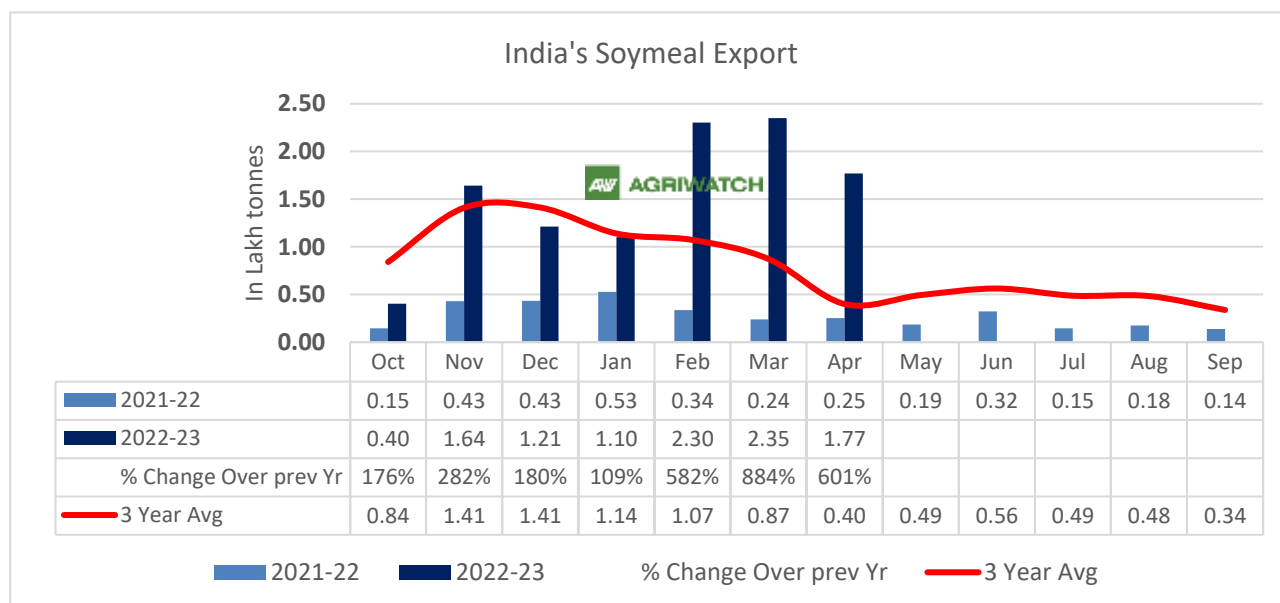


Soybean Plant Price Outlook (INR./Qtl)	Previous week 3rd June'23- 9th June'23	Week under review 10th June'23- 16th June'23	Next week 17 th June'23- 23rd June'23
Weekly Average Price	5,125-5,250	5,100-5,198	5,200-5,400

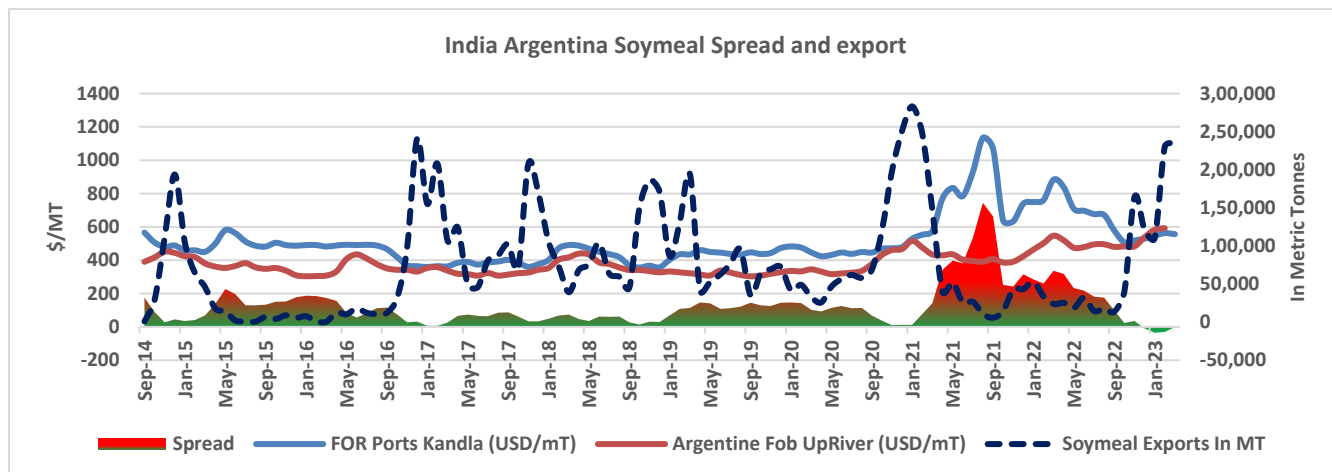
Soymeal



During the week under review, Indore Soymeal weekly average prices went down by 1.87% to INR 43,767/MT as compared to last week at INR 43,767/ MT, amid disparity and increase in Ex-Kandla and Ex-Rotterdam prices. Month-to-date soymeal prices are marginally down by 1.8%. Year-to-date up by 1.2%. However, in last one year, it is down by 15%.



It can be depicted from the above chart, that soymeal 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, as on 19th June, Indian Soymeal FOB prices stood at \$565/MT, Argentina Soymeal FOB prices trading at \$486/MT Ex-Rotterdam and spread stands at \$79/MT.

Technical Analysis (Domestic market)

(Based on Indore Soymeal prices)

SOYBEAN Meal – Technical Outlook

Soybean Meal Indore Spot -Weekly time frame

Technical Chart:



Technical Commentary:

- Soybean meal Indore prices closed up at 44,000 levels and during the week under review, market made low of 42,700, high of 44,000.
- Market is currently trading above 18 EMA can be characterized as support and 9, 50, 100 EMA can be characterized as resistance.
- RSI is near 49 indicating steady buying strength. MACD is also indicating steady momentum.

- 40,000 is near term support and 44,000-45,000 is near term resistance.

Recommendation-

- Market Participants are recommended to sell above 44,000.

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.

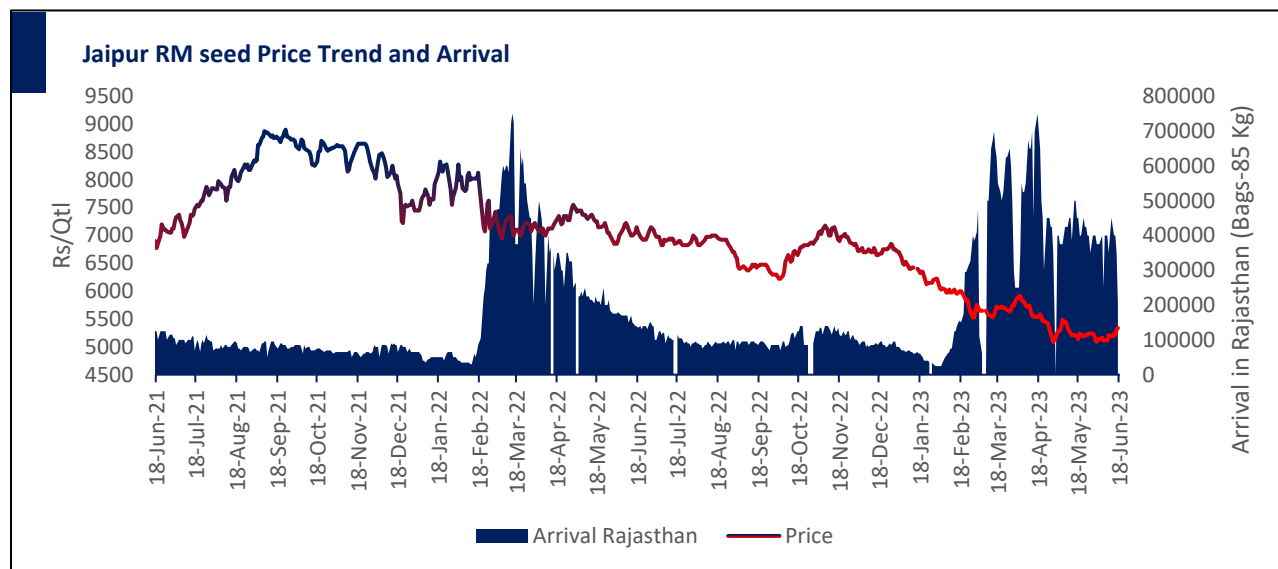
According to USDA Apr'23 report, India's 2023/24, Soybean crush is estimated to be at 9.8 MMT as compared to previous year at 9.9 MMT and country's domestic Soymeal consumption is estimated to be at 7.15 MMT Vs 6.72 MMT previous year. Moreover, Soymeal exports is projected at 0.8 MMT as compared to 1.45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

Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with slightly weak bias. Increase in Ex-Kandla and Ex- Rotterdam soy meal price spread may weigh on soymeal prices.



Soymeal Indore Price Outlook (INR./MT)	Previous week 3rd June'23- 9th June'23	Week under review 10th June'23- 16th June'23	Next week 17 th June'23- 23rd June'23
Weekly Average Price	43,500-44,000	42,700-43,000	40,000-44,000

Rapeseed - Mustard Seed

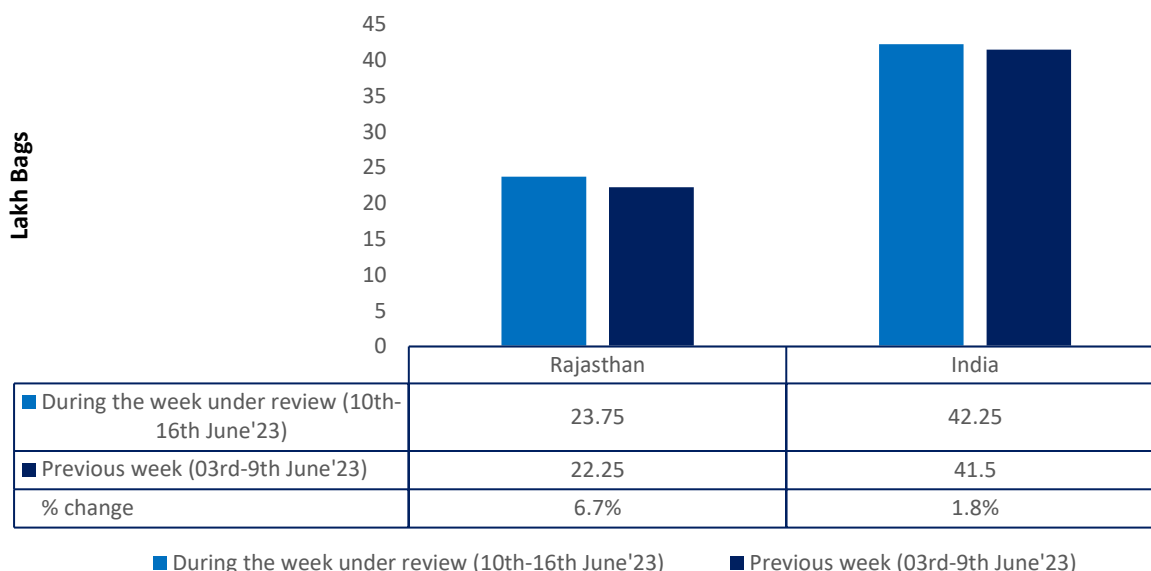


During the week under review, Jaipur RM seed weekly average prices rebounded and went up by 1.95% to INR 5,225/Qtl. as compared to previous week's INR 5,125/Qtl. amid increase mustard oil prices which went up by 4%, to INR 950/10 Kg, down from INR 914/10 Kg. However, the in Month-to-date, RM seed prices are up by 3.9%, the year-to-date prices have decreased by 20% 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 8,14,555 Metric tonnes of Mustard have been procured in five states, namely Haryana (3.47 Lakh tonnes), Rajasthan (2.09 Lakh tonnes), Madhya Pradesh (1.67 Lakh tonnes), Gujarat (0.73 Lakh tonnes) and Uttar Pradesh (0.16 Lakh tonnes).

During the week under review, Arrivals in Rajasthan recorded up by 3.3% to 23.75 Lakh bags as compared to 22.25 lakh bags previous week. All India arrivals went up by 1.8% to 42.25 Lakh bags Vs 41.5 Lakh bags previous week.

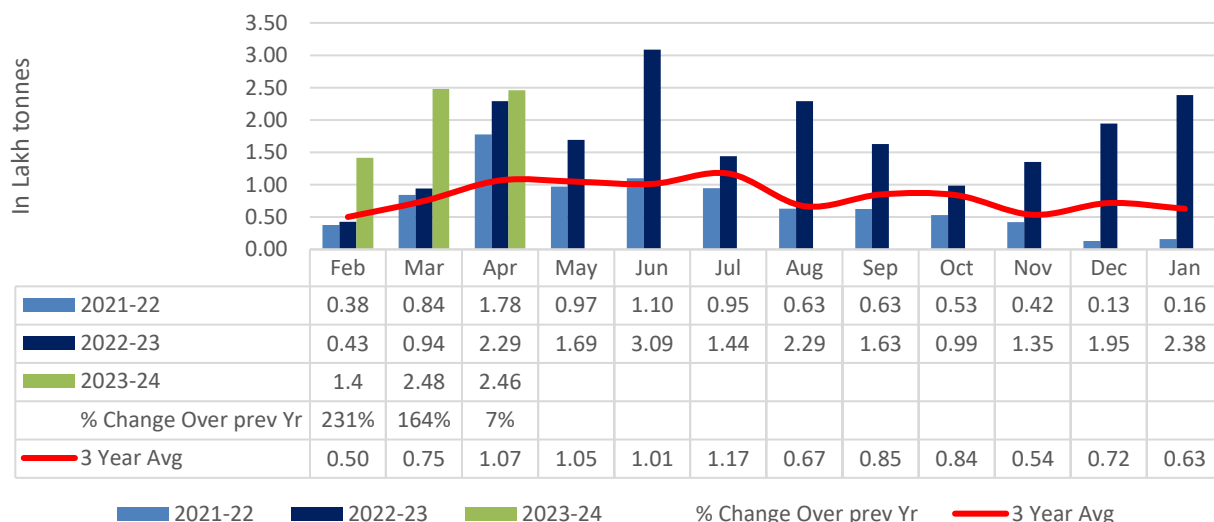
Weekly RM seed arrivals



INDIA'S RAPESEED MEAL EXPORT

There is a significant jump in export of rapeseed meal in Apr'23 and reported at 2.46 Lakh tons compared to 2.29 Lakh tons previous year same period i.e., up by 7%. 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's Rapeseed Meal Export



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.

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 5,337, made low of 5,187, high of 5,337.
- 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 rebounded to 39 indicating improved 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.

Technical Analysis

(ICE Canola)

ICE Canola – Technical Outlook

ICE Canola -Weekly time frame

Technical Chart:

Technical Commentary:



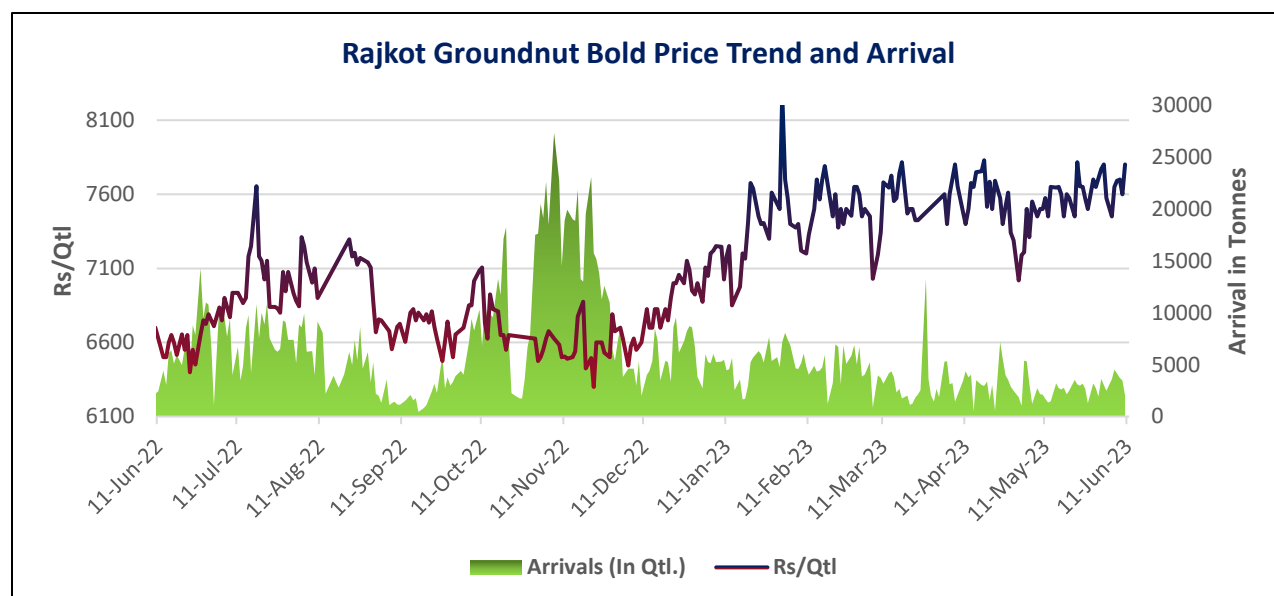
- As depicted in the above chart, market has witnessed gain and went up by 6.91% to 733 as compared to previous week at 685. Market made low of 679 and high of 763.
- Market is currently trading below 18, 50 and 100 DMA and can be characterized as resistance and 9 DMA can be characterized as support.
- RSI is below 43 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 rebound amid rebound in mustard oil prices and firm global cues.



Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Previous week 3rd June'23- 9th June'23	Week under review 10th June'23- 16th June'23	Next week 17 th June'23- 23rd June'23
Weekly Average Price	5,113-5,163	5,188-5,313	5,100-5,400

Groundnut



During the week under review, Rajkot market remained closed. However, weekly average prices of groundnut in Bikaner went up by 1% to INR 7300/Qtl to INR 7200/Qtl. Additionally, groundnut oil increased by 3% at INR 1,583 from 1,583/10 Kg. All India arrivals increased by 6% to 0.23 Lakh tones as compared to 0.21 Lakh tones previous week.

Groundnut Kharif Sowing Progress (as on 9th June '23)			
State	Area Covered		Change
	(Lakh Ha)		
	2023	2022	
Gujarat	0.176	0.36	-51%
Karnataka	0.02	0.049	-59%
Nagaland	0.02	0.018	11%
Uttar.Pradesh	0.052	0.034	53%
Total	0.268	0.462	-42%
Source: MoA			in Lakh Ha

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

Technical Chart:



Technical Commentary:

- As depicted in the above chart, during the week under review, market closed up to 7,800 and made low of 7,450, high of 7,800.
- Market is above 9 and 18 DMA, and 38.2% Fibonacci retracement level can be characterized as immediate support and 61.8% Fibonacci retracement level can be characterized as immediate resistance.
- RSI is at 58 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 3rd June'23- 9th June'23	Week under review 10th June'23- 16th June'23	Next week 17 th June'23- 23rd June'23
Weekly Average Price	7,450-7,700	-	7,200-7,800

Annexure

Oilseed Prices at Key Spot Markets:					
Commodity / Centre	% Change over previous week	Today	Week Ago	Month Ago	Year Ago
Soybean		16-Jun-23	09-Jun-23	15-May-23	16-Jun-22
Indore –Plant	0%	5270	5270	5500	6950
Indore–Mandi	0%	5150	5150	5350	6850
Nagpur-Plant	1%	5150	5100	5200	6740
Nagpur – Mandi	1%	5012	4940	4900	6540
Latur – Mandi	4%	5400	5200	5400	6700
Akola – Mandi	1%	4945	4900	5050	6570
Kota-Plant	1%	5250	5200	5300	6750
Kota – Mandi	1%	5100	5060	5150	6650
Bundi-Plant	-1%	5000	5050	5100	6700
Bundi-Mandi	-1%	4850	4900	5000	6500
Baran-Plant	4%	5200	5000	5300	6740
Baran-Mandi	4%	5000	4800	5100	6640
Bhawani Mandi Jhalawar–Plant	1%	5225	5170	5350	6800
Jhalwar-Mandi	1%	5100	5050	5200	6750
Rapeseed/Mustard					
Jaipur-(Condition)	4%	5325	5125	5225	7050
Alwar-(Condition)	5%	5150	4900	5000	6650
Sri Ganganagar-(Non-Condition)	5%	4725	4510	4800	6500
New Delhi–(Condition)	-1%	4950	5000	5000	6800
Kota-(Condition)	3%	5200	5050	5050	6400
Agra-(Condition)	4%	5476	5286	5405	7095
Neewai-(Condition)	3%	4950	4800	4925	6750
Hapur (UP)-(Condition)	3%	5100	4950	5175	6800
Groundnut Seed					
Rajkot	-	Closed	7600	7645	6650
Bikaner	3%	7400	7200	7400	6200
Groundnut (Bold Without shell 40/50)					

Bikaner	0%	11500	11500	11200	9600
Sunflower Seed					
Maharastra/Karnataka	0%	6300	6300	6300	-

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	16-Jun-23	9-Jun-23	15-May-23	16-Jun-22
Groundnut Kernel	3%	8300	8050	8300	8000
Gr. Bolds 60/70	1%	10000	9900	10500	8950
Gr. Javas 60/70	9%	12000	11000	11600	10050
Gr Javas 70/80	0%	10800	10800	11300	9000
Gr.Javas 80/90	1%	10500	10400	11000	9500
KardiSeed 2% Exp Qly	0%	4500	4500	4500	5400
Sesame White 98/2/1 FM	0%	13500	13500	13400	9900
Whitish 95/5/FFA/1FM	0%	13300	13300	13200	9700
Brown 48/2 FFA/4 FM	0%	12600	12600	12600	9500
Brown 48/3 FFA/4 FM	0%	12400	12400	12400	9200
Brown 48/4 FM/* No FFA Guarantee	0%	12000	12000	12000	8900
Sunflower Seed	0%	5800	5800	5800	6800
Niger Seed (4% FM)	0%	10500	10500	10100	8400

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2023 Indian Agribusiness Systems Limited