



Oil seed Weekly Research Report

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Executive Summary

The weekly average prices of Soybean Indore plant went marginally up by 0.63% to INR 5,180/ Qtl. amid improved soy oil prices.

The weekly average prices of Indore soymeal remained sideways and went marginally up by 0.66% to INR 43,233/MT. amid improved soy oil prices.

During the week under review, Jaipur RM seed weekly average prices went up by 1.84% to INR. 5,321/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

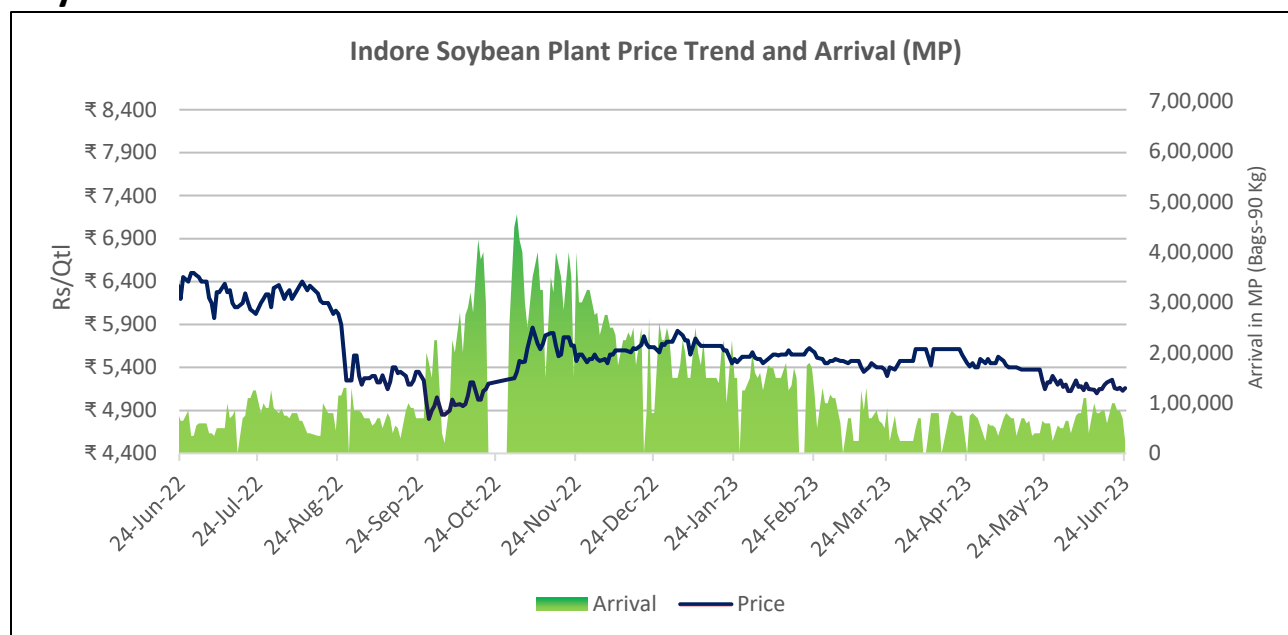
Outlook - Soybean (Spot Indore): During the upcoming week, it is anticipated that soybean prices may rebound amid improved soy oil prices and firm global cues. It is expected that the prices at Indore Mills, will range between 5,100-5,400 levels in the short term.

Outlook – Soy meal:

It is anticipated that soy meal (Indore) likely to trade sideways 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 41,000-44,000 per metric ton.

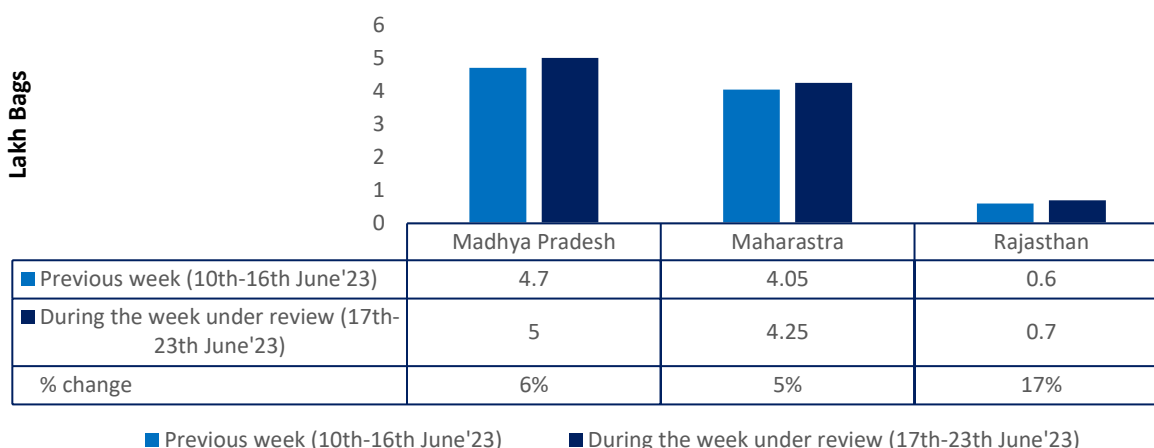
Outlook - Rapeseed-Mustard (Spot, Jaipur basis): In the upcoming week, it is anticipated that Rapeseed-Mustard may rebound amid improved mustard oil prices and firm global cues. The prices of seeds are projected to remain within the range of 5,200-5,500 per quintal.

Soybean



During the week under review, Soybean weekly average prices remained sideways and went marginally up by 0.63% to INR 5,180/Qtl. as compared to INR 5,148/Qtl. previous week amid rebound in soy oil prices. Month-to-date soybean prices are marginally down by 0.29%. while Year-to-date down by 9.74%, and in last one year down by 20%. Additionally, soy oil prices weekly average prices increased by 2% to INR 954/10 Kg as compared to INR 937/ 10 Kg previous week.

Weekly Soybean Arrivals



During the week under review, the total arrival in MP increased by 6% to 5 Lakh bags Vs 4.7 Lakh bags previous week. In Maharashtra arrivals increased to 4.25 Lakh bags as compared to last week at 4.05 Lakh bags. In Rajasthan the arrivals recorded up to 0.7 lakh bags Vs 0.6 Lakh bags previous week.

Soybean Kharif Sowing Progress (As on 23rd June '23)			
State	Area Covered		% Change
	(Lakh Ha)		
	2023	2022	
Karnataka	0.61	1.26	-51%
Gujarat	0.16	0.09	77%
Nagaland	0.13	0.13	0%
Uttarakhand	0.05	0.05	0%
Rajasthan	0.02	-	-
Mizoram	0.01	0.01	-27%
Maharashtra	0.00	0.01	-71%
Tamil Nadu	0.00	0.00	-75%
Total	0.99	1.55	-36%
Source: MoA			in Lakh Ha

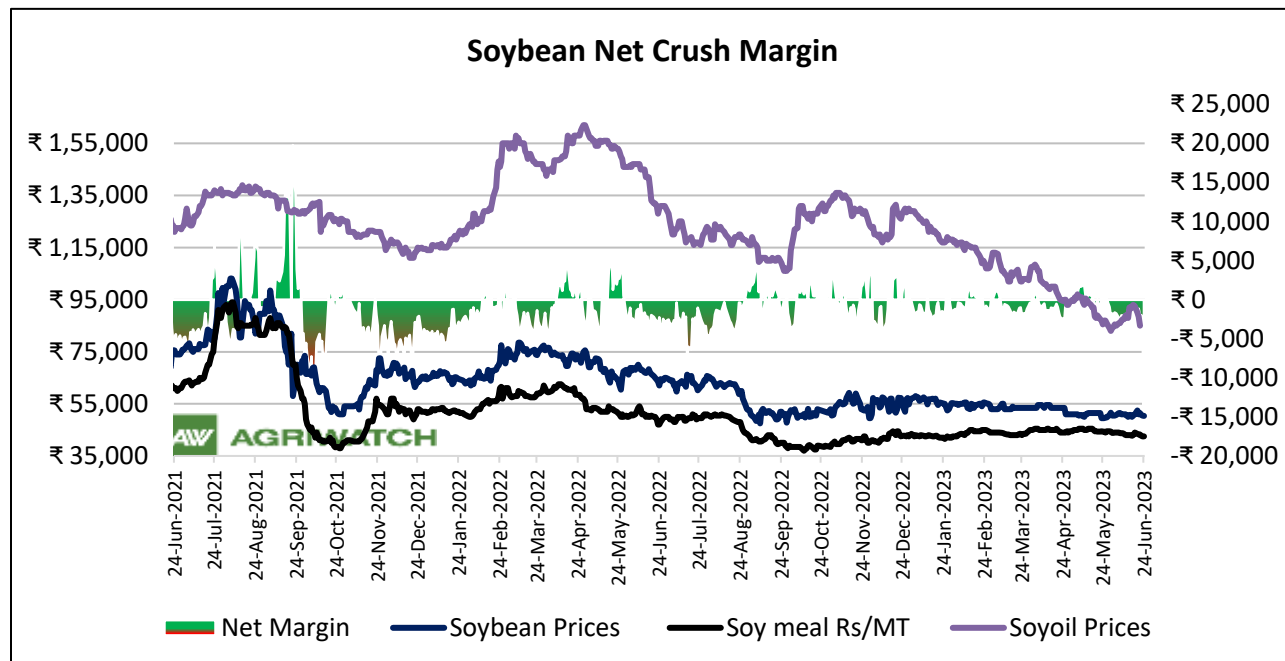
According to the most recent government data, India's soybean sowing for the year 2023 is currently 36% behind as compared to the previous year, with a total of 0.99 lakh hectares compared to 1.55 lakh hectares. Decline in soybean acreage may be attributed to late monsoon which has delayed Kharif Sowing of soybean; As on 22nd June, MP and Maharashtra experienced -

70% and -87% rainfall deficiency respectively. Most of the soybean growing districts of MP and Maharashtra

Madhya Pradesh	Cumulative Rainfall Departure (%) 1st June to 22nd June '23	Maharashtra	Cumulative Rainfall Departure (%) 1st June to 22nd June '23	Rajasthan	Cumulative Rainfall Departure (%) 1st June to 22nd June '23
Rajgarh	-81%	Nagpur	-75%	Kota	-42%
Vidisha	-76%	Latur	-73%	Jhalawar	-58%
Dewas	-77%	Yavatmal	-87%	Bundi	123%
Shajapur	-70%	Parbhani	-83%	Pratapgarh	-99%
Mandsaur	-79%	Amaravati	-85%	Baran	-5%
Ashok nagar	-61%	Washim	-82%	Chittaurgarh	101%
Ratlam	-81%	Jalna	-99%	Rajasthan	238%
Ujjain	-76%	Buldhana	-90%		
Indore	-58%	Hingoli	-100%		
Dhar	-90%	Akola	-93%		
MP	-70%	Maharashtra	-87%		

are experiencing rainfall deficiency. However, Rajasthan is experiencing 238% of excess rainfall. Additionally, farmers are expected to shift their focus towards pulses and maize cultivation due to the attractive prices.

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 19th May – 23th June was in disparity of INR -1793/ MT as compared to previous week at INR -1525/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.

International Update:

Month-to-date, CBOT soybean (Most recent contract) went up by 14.98% This rise was attributed to a government report indicating that U.S. crops were in worse condition than anticipated due to a recent dry spell.

EPA finalized the New Renewable Fuel Standards announcing the target production volume of Renewable fuel to be 21.54 billion gallons and 22.33 billion gallons for 2024 and 2025 respectively which is slightly less than the proposed volume by EPA. The decline in the volume of renewable fuel has negatively impacted the CBOT Soy complex market whose impact is also seen in the Palm oil future market as well.

The National Oilseed Processors Association (NOPA) expressed disappointment in the lower-than-expected blend volume outlined in the government's announcement. NOPA, representing member companies, highlighted that this volume failed to reflect the significant investment made by these companies. Additionally, NOPA expects U.S. soybean crushing capacity to grow by over 30% by 2026, indicating the association's commitment to the industry's expansion and development.

As of 18th June, 2023, the most recent report from the USDA reveals that U.S. soybean emergence recorded at 92%, Vs 86% previous week and 81% during the same period in the previous year. The soybean crop condition in the U.S. stood at 7% excellent, 47% good, 34% fair 9% poor and 3% very poor.

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 unprecedented drought that commenced last year, expectations for the 2022/2023 harvest have been reduced by half.

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

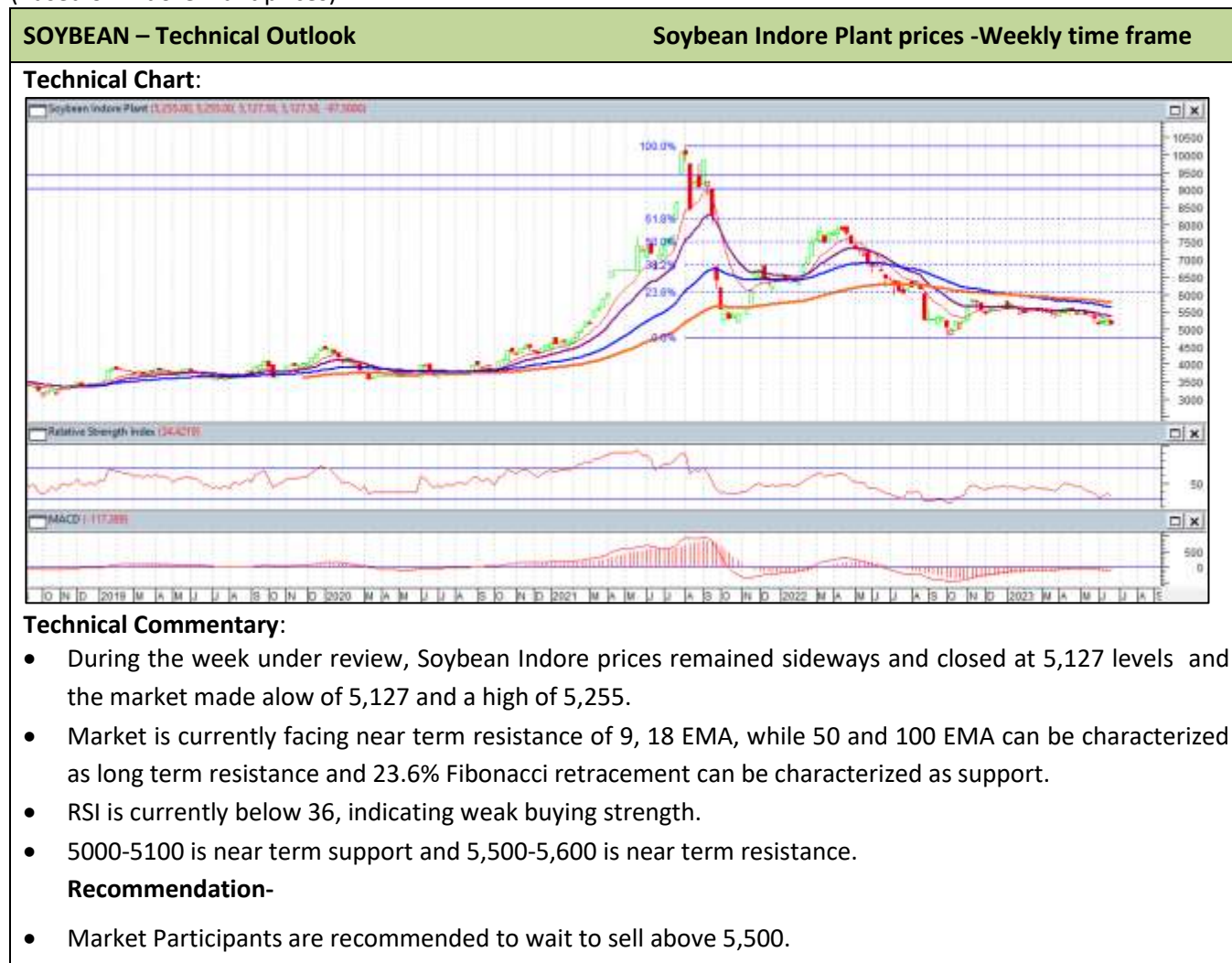


As depicted in the above chart, US Soybean went up for the for five consecutive weeks and during the week under review, US Soybean (Most active contract) went up by 1.91% to \$14.94/bushels. 18, 50 and 100 DMA can be characterized as support. RSI has rebounded to 56 indicating a good buying strength. MACD indicating

firm momentum in short run. Over all market is expected to take support from 14.5 in short run and resistance at 15.5.

Technical Analysis (Domestic market)

(Based on Indore Plant prices)

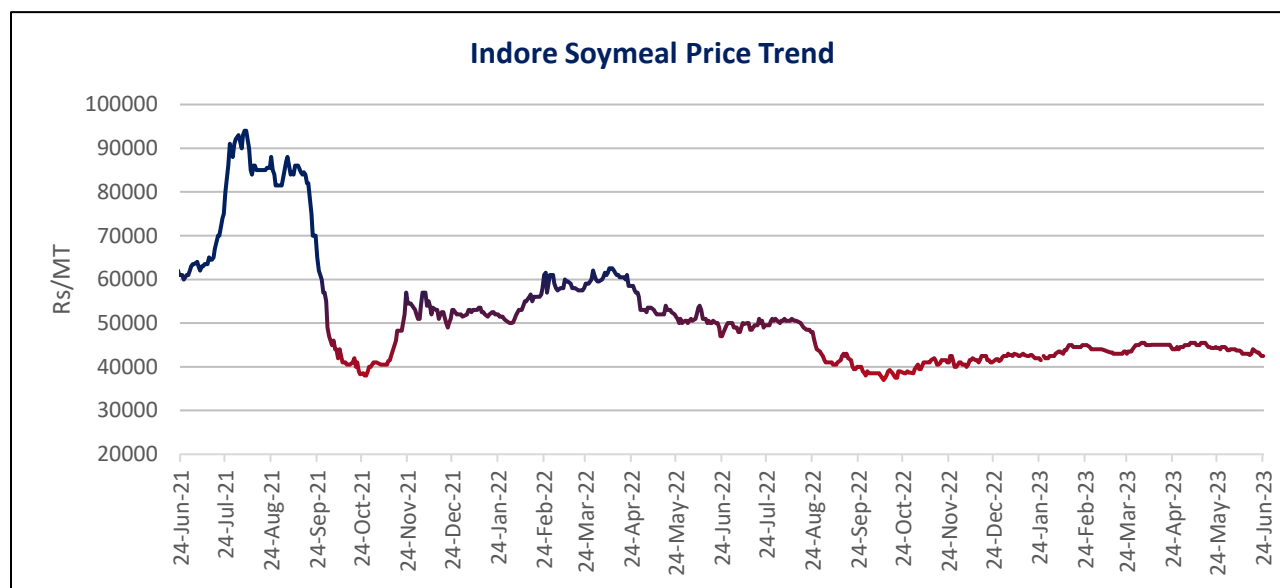


Soybean Price Outlook for coming week: Indore Soybean plant are currently trading at INR. 5,128/qtl. and are expected to rebound from current level amid firm global cues and improved soy oil prices.

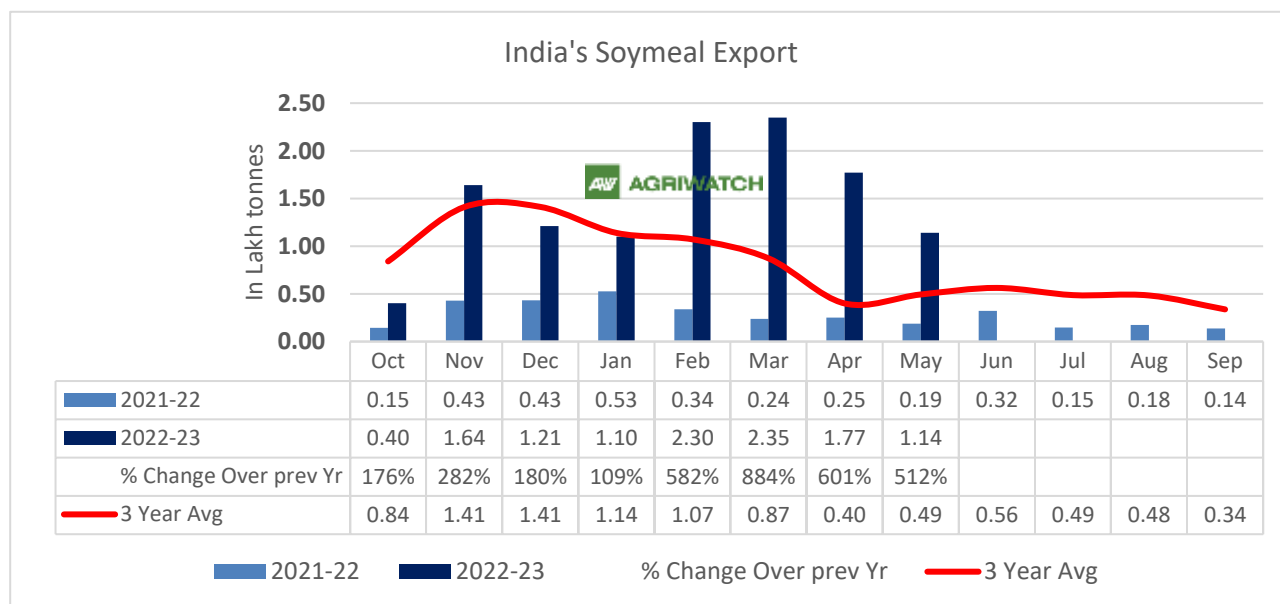


Soybean Plant Price Outlook (INR./Qtl)	Previous week 10th June'23- 16th June'23	Week under review 17th June'23- 23rd June'23	Next week 24 th June'23- 30th June'23
Weekly Average Price	5,100-5,198	5,128-5,255	5,100-5,400

Soymeal



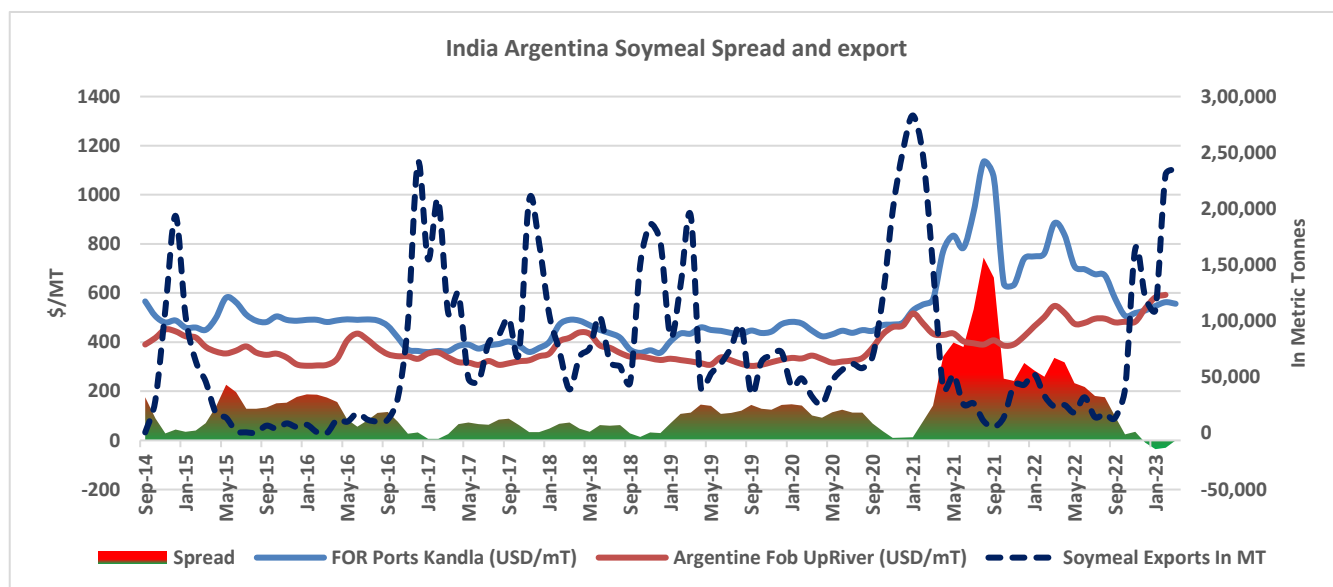
During the week under review, Indore Soymeal weekly average prices remained sideways and went marginally up by 0.66% to INR 43,233/MT as compared to last week at INR 43,767/ MT, amid improved soy oil prices and firm global cues. Month-to-date soymeal prices are marginally down by 3%. Year-to-date remain unchanged. However, in last one year down by 11.5%.



Indian soybean prices has experienced a significant decrease, dropping from Rs. 7640 per quintal in April 2022 to Rs. 5,100 per quintal. This price decline has made the export of soybean meal more attractive in

recent months, leading to a revival in exports. As of June 19, 2023, Indian soybean meal ex-Kandla is quoted at US\$ 595 per ton.

One of the primary consumers of Indian soybean meal is South East Asia, where India has a logistical advantage and the ability to supply in small quantities. Additionally, Indian soybean meal has the advantage of being non-GMO, which is preferred by certain European countries and the United States. Furthermore, the depreciation of the Indian rupee has also contributed to the overall increase in soybean meal exports.



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 24th June, Indian Soymeal Ex-Kandla prices stood at \$569/MT, Soymeal FOB Rotterdam prices trading at \$ 527.25 / and spread stands at \$41/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 down at 42,500 levels and during the week under review, market made low of 42,500, high of 43,500.
- Market is currently trading below 9, 50, 100 EMA can be characterized as resistance.
- RSI is near 42 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.

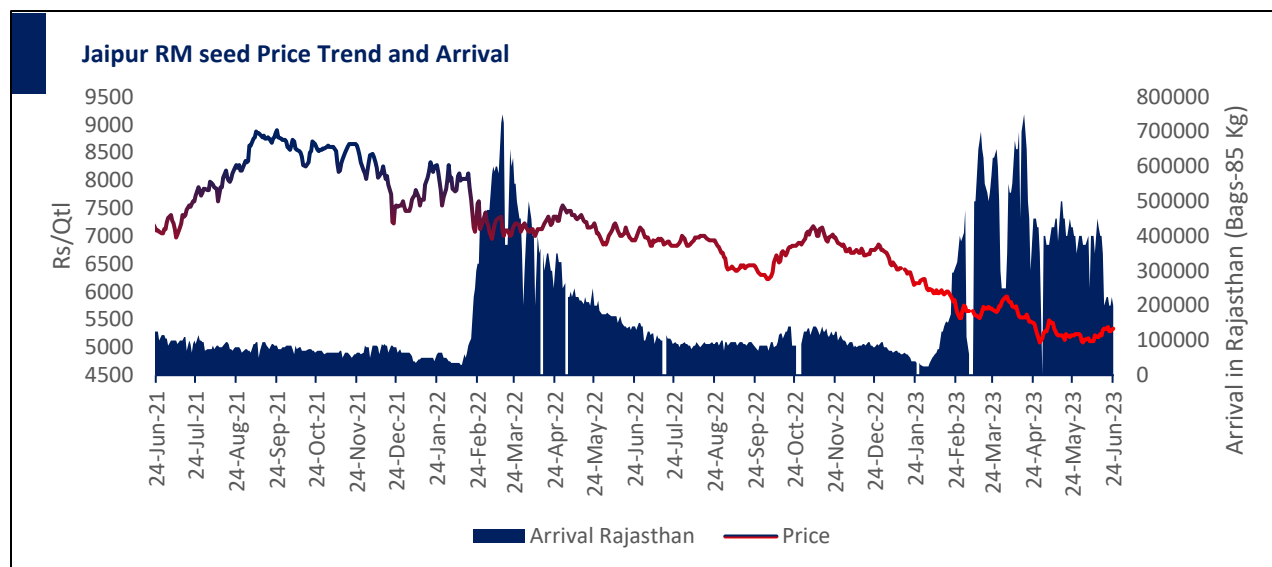
According to USDA Apr'23 report, India's 2023/24, Soybean crush is estimated to be at 9.8 MMT as compared to previous year at 9.9 MMT and country's domestic Soymeal consumption is estimated to be at 7.15 MMT Vs 6.72 MMT previous year. Moreover, Soymeal exports is projected at 0.8 MMT as compared to 1.45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

Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade sideways with slightly weak bias amid increase in spread between Ex- Rotterdam and Ex- Kandla.

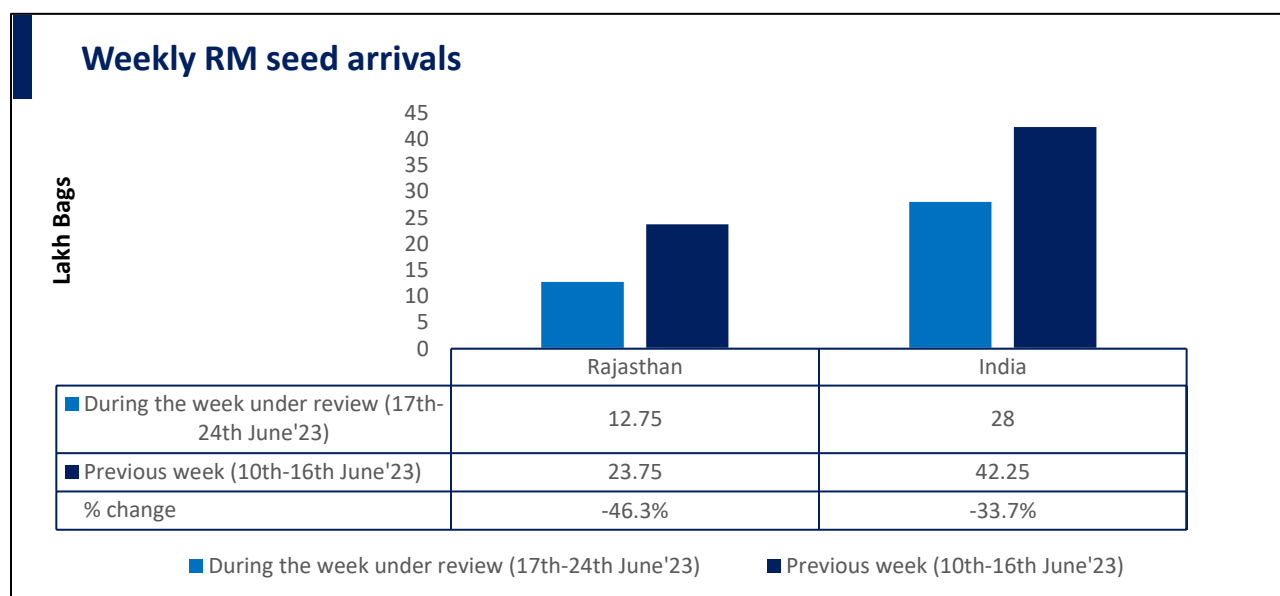


Soymeal Indore Price Outlook (INR./MT)	Previous week 10th June'23- 16th June'23	Week under review 17th June'23- 23rd June'23	Next week 24th June'23- 30th June'23
Weekly Average Price	42,700-43,000	42,500-44,000	41,000-44,000

Rapeseed - Mustard Seed



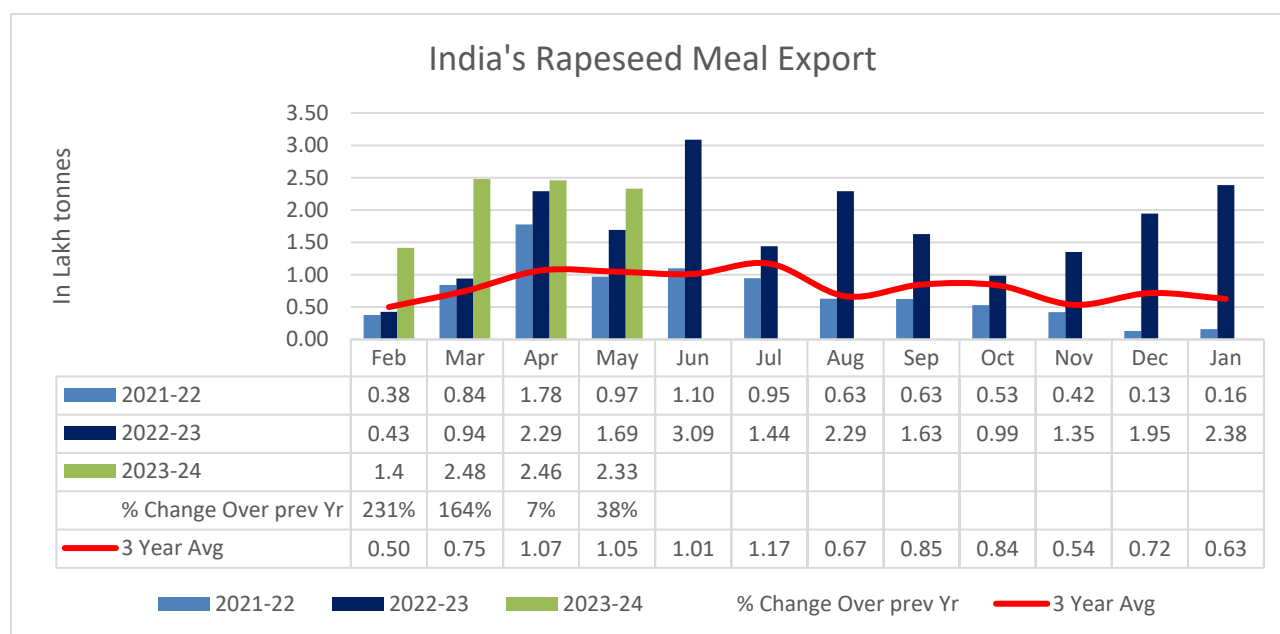
During the week under review, Jaipur RM seed weekly average prices rebounded and went up by 1.84% to INR 5,321/Qtl. as compared to previous week's INR 5,225/Qtl. amid increase in mustard oil prices which went up by 2%, to INR 970/10 Kg, down from INR 950/10 Kg. However, Month-to-date, RM seed prices are up by 3.9%, the year-to-date prices have decreased by 20.8% 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.



During the week under review, arrivals in Rajasthan recorded down by 46% to 12.75 Lakh bags as compared to 23.75 lakh bags previous week. All India arrivals went down by 33.7% to 42.25 Lakh bags Vs 28 Lakh bags previous week.

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).

INDIA'S RAPESEED MEAL EXPORT



There was a significant jump in export of rapeseed meal in May'23 and reported at 2.33 Lakh tons compared to 1.69 Lakh tons previous year same period i.e., up by 38%. 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 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.

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 5,287, high of 5,362.
- Market is currently trading below 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:



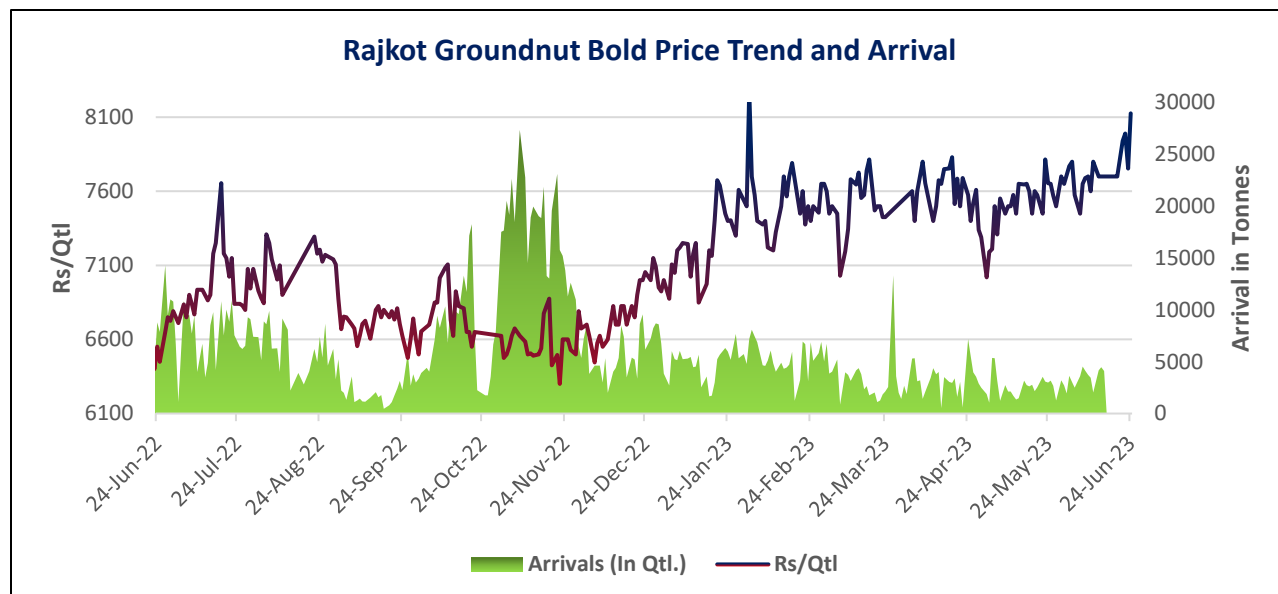
- As depicted in the above chart, market has witnessed gain and went marginally up by 0.10% to 734 as compared to previous week at 733. Market made low of 6 and high of 763.
- Market is currently trading below 18, 50 and 100 DMA and can be characterized as resistance and 9 DMA can be characterized as 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 800.

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 10th June'23- 16th June'23	Week under review 17th June'23- 23rd June'23	Next week 24th June'23- 30th June'23
Weekly Average Price	5,188-5,313	5,288-5,363	5,200-5,500

Groundnut



During the week under review, Rajkot groundnut bold weekly average prices remained elevated at INR 7,846/Qtl. amid improved ground nut oil prices. Groundnut oil increased by 3% at INR 1,675 from 1,625/10 Kg. All India arrivals increased by 6% to 0.23 Lakh tones as compared to 0.21 Lakh tonnes previous week.

As per govt. latest data, Groundnut sowing is up by 13% at 7.67 lakh Ha as compared to 6.76 Lakh ha previous year same period. This rise in acreage can be attributed to good rainfall and good prices.

Groundnut Kharif Sowing Progress (As on 23rd June '23)			
State	Area Covered		Change
	(Lakh Ha)		
	2023	2022	
Rajasthan	3.92	2.14	<div><div></div></div> 83%
Gujarat	3.04	3.67	<div><div></div></div> 17%
Karnataka	0.35	0.53	<div><div></div></div> 35%
Andhra Pradesh	0.20	0.21	<div><div></div></div> 3%
Uttar Pradesh	0.07	0.06	<div><div></div></div> 31%
Tamil Nadu	0.07	0.14	<div><div></div></div> 51%
Nagaland	0.02	0.02	<div><div></div></div> 0%
Total	7.67	6.76	<div><div></div></div> 13%
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 7,846 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 improved groundnut oil prices, lower availability in the market and good demand.



Rajkot Groundnut Bold Price Outlook (INR./Qtl)	Previous week 10th June'23- 16th June'23	Week under review 17th June'23- 23rd June'23	Next week 24 th June'23- 30th June'23
Weekly Average Price	-	7,700-7,990	7,400-8,000

Annexure

Oilseed Prices at Key Spot Markets:					
Commodity / Centre	% Change over previous week	Today	Week Ago	Month Ago	Year Ago
Soybean		23-Jun-23	16-Jun-23	22-May-23	23-Jun-22
Indore –Plant	-1%	5235	5270	5500	6400
Indore–Mandi	-1%	5105	5150	5300	6250
Nagpur-Plant	-1%	5110	5150	5200	6300
Nagpur – Mandi	-1%	4980	5012	4985	6250
Latur – Mandi	-4%	5200	5400	5100	6450
Akola – Mandi	0%	4960	4945	4895	6365
Kota-Plant	-1%	5200	5250	5200	6400
Kota – Mandi	-1%	5060	5100	5060	6300
Bundi-Plant	4%	5200	5000	5200	6400
Bundi-Mandi	5%	5070	4850	5000	6000
Baran-Plant	-1%	5150	5200	5300	6450
Baran-Mandi	0%	5000	5000	5150	6300
Bhawani Mandi Jhalawar– Plant	-4%	5000	5225	5300	Closed
Jhalwar-Mandi	-5%	4850	5100	5150	Closed
Rapeseed/Mustard					
Jaipur-(Condition)	0%	5325	5325	5200	6925
Alwar-(Condition)	-3%	5000	5150	5000	6600
Sri Ganganagar-(Non-Condition)	2%	4815	4725	4750	6300

New Delhi-(Condition)	2%	5050	4950	5100	6650
Kota-(Condition)	-2%	5100	5200	5100	6400
Agra-(Condition)	0%	5452	5476	5381	6810
Neewai-(Condition)	-2%	4875	4950	4875	6550
Hapur (UP)-(Condition)	3%	5250	5100	5000	6600
Groundnut Seed					
Rajkot	-	7755	-	7450	6400
Bikaner	0%	7400	7400	7400	6400
Groundnut (Bold Without shell 40/50)					
Bikaner	0%	10600	10600	11200	9600
Sunflower Seed					
Maharastra/Karnataka	0%	6300	6300	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	23-Jun-23	16-Jun-23	22-May-23	23-Jun-22
Groundnut Kernel	-1%	8250	8300	8150	7750
Gr. Bolds 60/70	-1%	9900	10000	10200	8950
Gr. Javas 60/70	-8%	11000	12000	11300	10050
Gr Javas 70/80	-1%	10700	10800	11000	9000
Gr.Javas 80/90	-1%	10400	10500	10700	9500
KardiSeed 2% Exp Qly	0%	4500	4500	4500	5300
Sesame White 98/2/1 FM	0%	13500	13500	13500	9900
Whitish 95/5/FFA/1FM	0%	13300	13300	13300	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	7000
Niger Seed (4% FM)	2%	10700	10500	10100	8000



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