

### Oilseeds Domestic Fundamentals:

#### Today's Update-

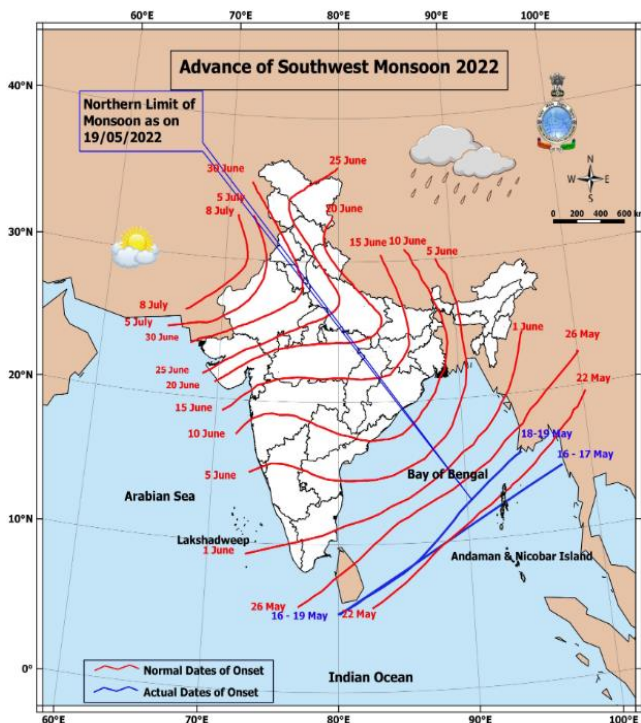
Today in Indore, soybean plant prices went down by 1.44% at Rs. 6,850/qtl. In other cash markets too, soybean traded with weak sentiments amid edible oil import tariff cut by govt. CBOT Soybean, July expiry went down by 0.71%. Soybean (plant delivery, Indore) prices are expected to trade with weak bias in the range of 6800-7200/qtl levels in the near-term tracking Soymeal import and import tariff cut. The government scrapped customs duty and agriculture infrastructure development cess on the import of crude soybean oil and crude sunflower oil for 20 lakh metric tonnes each per year to ease local prices.

#### Weather Updates-

According to Skymet, the onset of monsoon over Kerala this year is likely to be on May 26, with a model error of +/- 3 days. Heavy to very heavy rainfall with extremely heavy rainfall at isolated places very likely over meghalaya. Heavy to very heavy rainfall at isolated places over sub himalayan west bengal-sikkim, Arunachal pradesh, Assam kerala-Mahe and Tamilnadu-Puducherry-karaikal.

#### 5 Day Rainfall Forecast (MID-DAY) 23-May-2022

Met-Sub-Division	23-May Today	24May Tue	25May Wed	26May Thu	27May Fri
1. Andaman & Nicobar Islands	FWS	FWS	FWS	SCT	SCT
2. Arunachal Pradesh	SCT	ISOL	ISOL	SCT	FWS
3. Assam & Meghalaya	SCT	SCT	SCT	FWS	FWS
4. N. M. M. & T.	FWS	FWS	FWS	FWS	FWS
5. S.H. West Bengal & Sikkim	SCT	SCT	SCT	FWS	FWS
6. Gangetic West Bengal	SCT	SCT	SCT	ISOL	ISOL
7. Odisha	SCT	FWS	ISOL	ISOL	ISOL
8. Jharkhand	SCT	FWS	ISOL	ISOL	ISOL
9. Bihar	SCT	SCT	ISOL	ISOL	ISOL
10. East Uttar Pradesh	WS	SCT	ISOL	DRY	ISOL
11. West Uttar Pradesh	WS	SCT	ISOL	DRY	ISOL
12. Uttarakhand	WS	FWS	ISOL	ISOL	ISOL
13. Haryana, Chd & Delhi	WS	SCT	DRY	DRY	DRY
14. Punjab	WS	SCT	DRY	DRY	DRY
15. Himachal Pradesh	WS	FWS	ISOL	ISOL	ISOL
16. J & K and Ladakh	WS	FWS	ISOL	ISOL	ISOL
17. West Rajsthan	ISOL	ISOL	DRY	DRY	ISOL
18. East Rajsthan	SCT	ISOL	ISOL	DRY	ISOL
19. West Madhya Pradesh	SCT	ISOL	ISOL	ISOL	DRY
20. East Madhya Pradesh	SCT	SCT	ISOL	ISOL	ISOL
21. Gujarat Region	DRY	DRY	DRY	DRY	DRY
22. Saurashtra & Kutch	DRY	DRY	DRY	DRY	DRY
23. Konkan & Goa	ISOL	ISOL	ISOL	ISOL	ISOL
24. Madhya Maharashtra	DRY	DRY	DRY	DRY	ISOL
25. Marathawada	DRY	DRY	DRY	DRY	DRY
26. Vidharbha	DRY	ISOL	ISOL	ISOL	ISOL
27. Chhattisgarh	ISOL	ISOL	ISOL	ISOL	ISOL
28. Coastal A. P. & Yanam	ISOL	ISOL	ISOL	ISOL	ISOL
29. Telangana	DRY	DRY	ISOL	ISOL	ISOL
30. Rayalaseema	ISOL	ISOL	ISOL	ISOL	ISOL
31. T.N.,Puducherry & Karaikal	ISOL	ISOL	SCT	SCT	ISOL
32. Coastal Karnataka	FWS	FWS	SCT	SCT	SCT
33. North Interior Karnataka	ISOL	ISOL	ISOL	ISOL	ISOL
34. South Interior Karnataka	ISOL	ISOL	SCT	SCT	SCT
35. Kerala & Mahe	FWS	FWS	WS	WS	WS
36. Lakshadweep	WS	WS	WS	WS	WS



SW monsoon has arrived over the Andaman sea on 16th May'22, nearly a week prior to its scheduled time. Conditions are favorable for further advancement over entire Andaman Sea and more parts of South and Central Bay of Bengal. Monsoon is heading towards mainland Kerala around 26th May, before the normal date

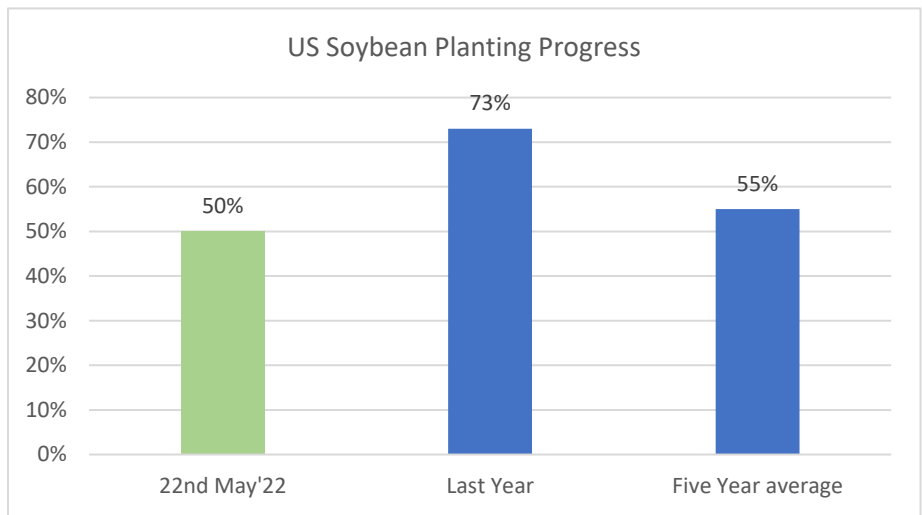
#### % Station Reporting Rainfall

% Stations	Category	% Stations	Category
76-100	Widespread (WS/Most Places)	26-50	Scattered (SCT/ A Few Places)
51-75	Fairly Widespread (FWS/ Many Places)	1-25	Isolated (ISOL)
No Rain	Dry		

of 01st June. This is likely to be the earliest onset since 2009, when it struck the Kerala coast on 23rd May. Incidentally, year 2009 was an El Nino year and the monsoon hit hard to result severe drought over Indian Sub-Continent.

**International:**

According to USDA latest report, US Soybean planting progress reached at 50% vs 73% last year and 55% five-year average.



According to General Administration of Customs, China's soybean imports from Brazil in April surged from the previous month with the arrival of delayed cargoes. China, the world's top importer of soybeans,

received 6.3 million tonnes of the oilseed from Brazil in April, up 120% from 2.87 million tonnes in March.

**RM seed**

**Today's Update-**

Today Jaipur RM seed prices went down by 1.4% at Rs. 7,050/qtl. In other cash markets too traded with weak sentiments on sluggish demand and import tariff cut in sunflower and soy oil. RM seed prices are expected to trade with weak bias in the range of 6,800-7100 in near term tracking palm oil export ban revoke by Indonesia

**Previous Updates-**

Indonesian farmers protested to uplift palm oil export ban as their income slashed amid low buying from mills. According to Indonesia smallholder farmers' group APAKSINDO, 25% mills have stopped procuring palm fruits from farmers due to lack of storage capacity. Farmers are in dilemma, whether to harvest fruits to render damage due to low shelf life or to leave it on trees, which will harm palm trees.

Pressure of farmers' protest led the Indonesian Government to uplift ban of palm oil export even before the prices hit the 14,000 Rupiah level. President Jokowi, announced to uplift the palm oil export ban from 23rd of May onwards.

<b>USDA May'22 Rapeseed Production estimate (In MMT)</b>		
	<b><u>2021-22</u></b>	<b><u>2022-23</u></b>
Canada	<b>12.6</b>	<b>20</b>

Australia	<b>6.35</b>	<b>4.7</b>
USA	<b>1.24</b>	<b>1.78</b>
China	<b>14</b>	<b>14.7</b>
European Union	<b>17.26</b>	<b>18.5</b>
Ukraine	<b>3.15</b>	<b>3.2</b>
India	<b>10.8</b>	<b>11</b>
Global	<b>71.17</b>	<b>80.3</b>

- RM seed crushers are facing challenges as farmers hold back anticipating higher price which has resulted into almost 45% decline in market arrivals in April'22 compared with March which is affecting the crushing of the oil seed.
- Currently, Mustard is trading at three months high, tracking Palm oil export ban by Indonesia coupled with shrinking arrivals. The premium of mustard oil over CPO has been to reversed to discount due to low palm oil supply side. Currently, CPO to Mustard spread has become positive at INR 70-100/ 10 Kg. This is likely to push the demand for Mustard oil, as it's been seen that at palm oil demand at higher prices is usually substituted with comparatively discounted oils. It is inferred that discounted mustard oil price will boost crushing and so the RM seed demand which is likely to underpin RM seed prices.
- Statistics Canada on Tuesday pegged Canada's 2022 canola plantings at 20.9 million acres, down 7% from last year, 6% below the five-year average and lighter than analyst expectations of 22.1 million.
- According to of Agriculture and Agri-Food Canada's (AAFC), Demand for Canadian Canola remains firm on a strong world oilseed crush and high prices for competing oilseeds and vegetable oils. Disruption of Black Sea exports of sunflower seed oil as a result of the Russian invasion of Ukraine is tightening world supplies and supporting world prices. Domestically, processing of canola is estimated to fall to 8.5 Mt, a drop of 18% from last year, while exports are expected to fall by 49% to 5.4 Mt, as commercial buyers outbid exporters for the tight supplies. For the crop year, the major importers of Canadian canola to-date are China, Japan, Mexico and the European Union.
- In order to check blending of mustard oil with other edible oil, FSSAI has directed state food safety officials. And has also sought an action taken report from the states by May 15, 2022, and added that the enforcement department should be informed at regular intervals about the same.
- USDA, in its April'22 reports, kept India's 2021-22 production estimate at 108 lakh tonnes, crushing estimate at 96.50 lakh tonne as compared to 75 lakh tonnes.

#### **Groundnut:**

Rajkot Groundnut bold prices continued to trade with firm bias on good domestic demand amid tight substitute oils. However, there is sluggish demand this year on high freight charges to the potential destinations. Rajkot groundnut bold average prices is likely to trade with firm bias in the range of INR 5,800-6,100/Qtl.

**Oilseed Prices at Key Spot Markets:**

Commodity / Centre	Prices (Rs/Qtl)				Change
	26-May-22		25-May-22		
Soybean	Low	High	Low	High	
Indore –Plant	6750	6850	6850	6950	-100
Indore–Mandi	6400	6600	6600	6850	-250
Nagpur-Plant	5500	6580	5800	6660	-80
Nagpur – Mandi	5400	6480	5600	6560	-80
Latur – Mandi	6100	6600	6300	6700	-100
Akola – Mandi	5700	6730	5400	6885	-155
Kota-Plant	6300	6700	6500	6900	-200
Kota – Mandi	6200	6600	6400	6850	-250
Bundi-Plant	5800	6500	5800	6720	-220
Bundi-Mandi	5900	6400	5900	6620	-220
Baran-Plant	6000	6670	6100	6900	-230
Baran-Mandi	5900	6570	6000	6800	-230
Bhawani Mandi Jhalawar–Plant	6100	6600	6300	6850	-250
Jhalwar-Mandi	6000	6550	6200	6800	-250
<b>Rapeseed/Mustard</b>					
Jaipur-(Condition)	7025	7050	7125	7150	-100
Alwar-(Condition)	6700	6800	6750	6850	-50
Sri Ganganagar-(Non-Condition)	6430	6480	6565	6615	-135
New Delhi–(Condition)	6700	6750	6750	6800	-50
Kota-(Condition)	6435	6535	6520	6620	-85
Agra-(Condition)	6667	6857	6857	7048	-190
Neewai-(Condition)	6500	6700	6630	6830	-130
Hapur (UP)-(Condition)	6750	6800	6800	6850	-50
<b>Groundnut Seed</b>					
Rajkot	1060	1060	1055	1055	5
<b>Sunflower Seed</b>					
Gulbarga	4800	6100	4500	5700	400

Latur	7100	7200	7100	7200	Unch
Sholapur	7100	7200	7100	7200	Unch
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/20 kg, Sunflower Seed in Rs/qtl.					

**Oilseed Arrivals in Key Centers:**

Commodity / Centre	Arrivals in Bags/Qtl		Change
	26-May-22	25-May-22	
<b>Soybean</b>			
Madhya Pradesh	70000	70000	Unch
Maharashtra	70000	65000	5000
Kota	8000	7000	1000
Bundi (Raj)	2300	1600	700
Baran (Raj)	1700	1500	200
Jhalawar (Raj)	2500	2000	500
<b>Rapeseed/Mustard</b>			
Rajasthan	200000	200000	Unch
Alwar	5000	3000	2000
Sri Ganganagar	1500	700	800
Kota	4000	8000	-4000
<b>Groundnut Seed</b>			
Rajkot (Gujarat)	5855	5840	15
<b>Sunflower Seed</b>			
Sholapur (Maharashtra)	1000	1000	Unch

**Other Oilseed Prices at Mumbai (INR/100 Kg):**

Oilseeds	26-May-22	25-May-22	Change
Groundnut Kernel	8000	8000	Unch
Gr. Bolds 60/70	9100	9150	-50
Gr. Javas 60/70	10200	10250	-50
Gr Javas 70/80	9150	9200	-50
Gr.Javas 80/90	9650	9700	-50
KardiSeed 2% Exp Qly	5500	5500	Unch
Sesame White 98/2/1 FM	10000	10000	Unch
Whitish 95/5/FFA/1FM	9800	9800	Unch
Brown 48/2 FFA/4 FM	9400	9400	Unch

Brown 48/3 FFA/4 FM	9100	9100	Unch
Brown 48/4 FM/* No FFA Guarantee	8800	8800	Unch
Sunflower Seed	6800	6800	Unch
Niger Seed (4% FM)	8400	8400	Unch

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