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## Summary

Firm trends are witnessed at most of the Soybean trading centers during the week due to improved demand from the local crushers and south based traders. Supplies are decreased at major trading centers, standing crops of Soybean in MP got damaged in a good ratio on account of heavy rainfall which may support soybean prices to rise in future. Farmers and traders holding the stocks in expectation of further rise in Soybean prices. RM seed prices showed mixed trend amid mixed sentiments in the market. NCDEX future prices of Soybean rose up sharply by the end of the week with speculators buying activity. RM Seed future prices rose up and ended towards lower side. RM seed and Soybean market is mainly being driven by crop arrivals and local crushers & stockiest demand. CBOT Soybean future settled remain on lower side due to poor demand of China and forecast of favorable Midwest crop weather.

As per Ministry data, the total area under Oilseeds is 176.92 lakh hectares against 177.15 lakh hectares in the previous year. There is a drop-in sowing of groundnuts to 38.88 lakh hectares against 40.01 lakh hectares last year. soybean is 113.30 lakh hectares against 112.51 lakh hectares last year, castor has been planted on 8.76 lakh hectares against 8.36 lakh hectares last year. Sunflower has been planted on 1.02 lakh hectares against 1.11 lakh hectares last year. Sesame has been planted on 13.33 lakh hectares against 13.80 lakh hectares last year, Nigerseed has been planted on 1.63 lakh ha against 1.36 lakh ha last year.

As per USDA recent release estimates, Indian soybean production for marketing year 2019/20 (Oct.-Sept.) is revised lower to 10.5 million metric tons (MMT) on 11.2 million hectares. The national average yield will settle below last year's level due to concerns over prevailing weather conditions. During the period of heavy rainfall in the second week of August, short-duration cultivars were in their reproductive stage (full flowering and pod development) and susceptible to both biotic and abiotic stress. Late planted and long-duration soybean cultivars may benefit from recent heavy rainfall activity, if excessive rains do not continue. The proportion of late-planted soybeans may be slightly higher than usual due to the late monsoon and extended planting window through July.

As per USDA, U.S. oilseed production for 2019/20 is projected at 110.2 million tons, down 1.3 million from last month with lower soybean and cottonseed production partly offset by a higher peanut forecast. Soybean production is projected at 3.6 billion bushels, down 47 million on a lower yield forecast of 47.9 bushels per acre. Soybean supplies are reduced 2 percent on lower production and beginning stocks. With soybean crush and exports unchanged, ending stocks are projected at 640 million bushels, down 115 million from last month. Lower production estimate and high export demand may support the CBOT prices to rise in the coming days.

Oilseeds complex may trade in steady to firm tone in the coming days.

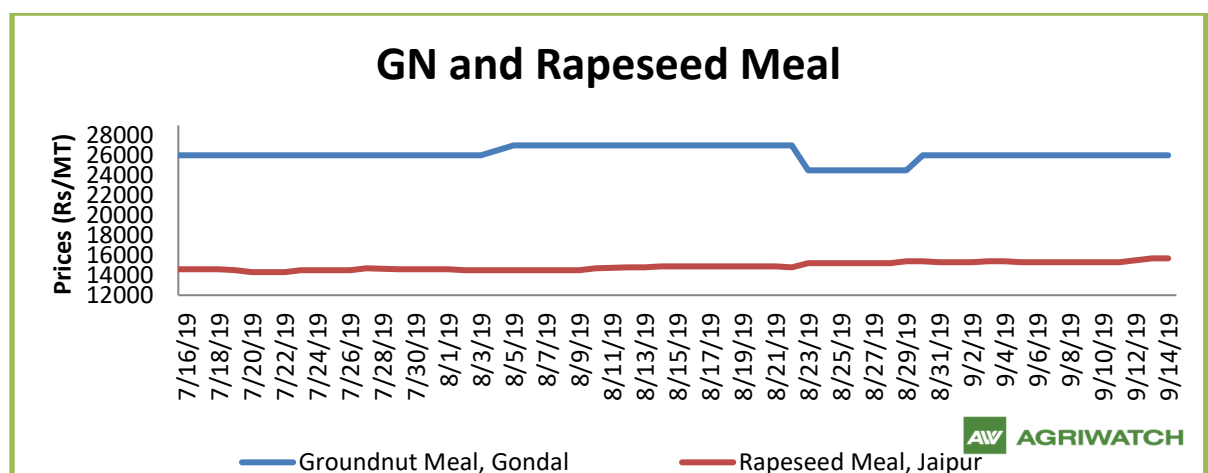
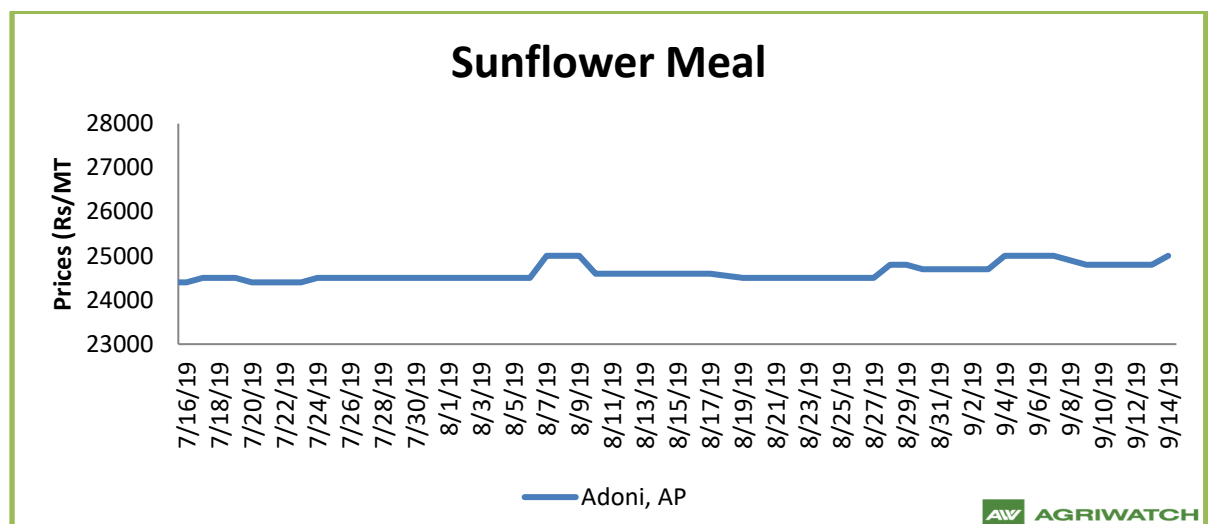
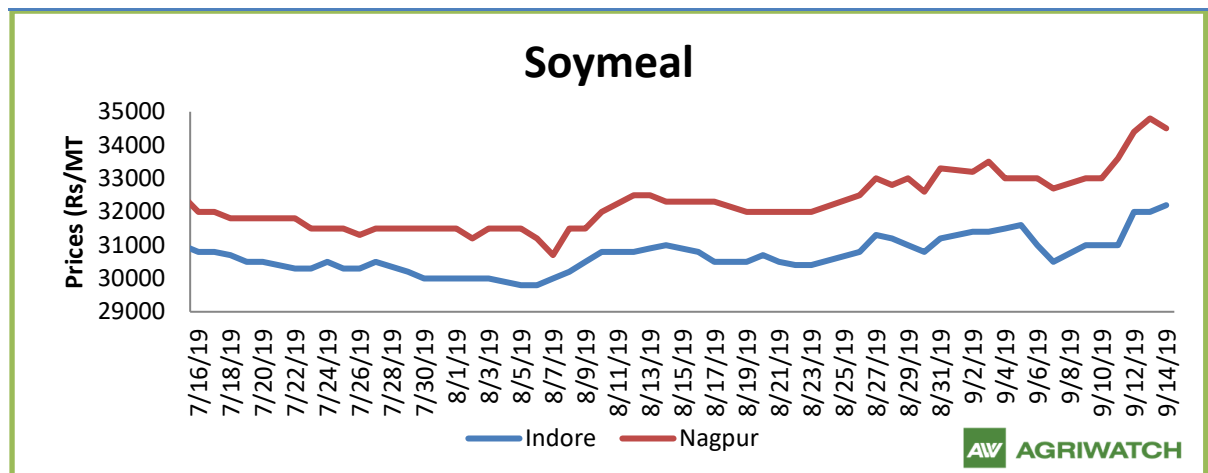
Overall maize cash markets traded steady to slightly weak during the week and is expected to trade steady to slightly weak ahead amid limited demand and expected new crop arrival.

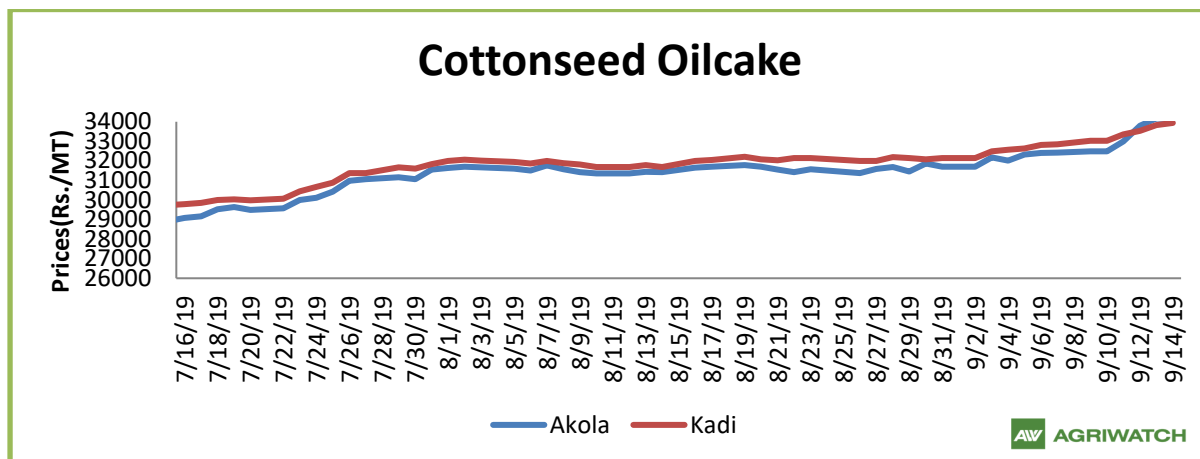
In Nizamabad, new crop arrivals which are lower in quantity and contains moisture up to 21%; being traded at Rs. 1800 per quintal. While, in Mysore and Hassan districts of Karnataka, new crop contains moisture up to 25% and being delivered to Tamilnadu at Rs. 1800-1900 per quintal.

As per trade sources, Vessel (OCEAN CROWN) with 49,999.00 tonnes of corn has arrived at Tuticorin port on 15<sup>th</sup> September, 2019.

All India weekly average prices of wheat increased by 0.15 percent to Rs. 2129.75 per quintal during the week ended 15<sup>th</sup> September 2019. Wheat average price were ruling at Rs 2126.53 per quintal during 01-08 September 2019. As compared to prices in the week 09-15 September 2018, the prices are firm by 2.93 percent. Prices are expected to remain steady to firm in coming days due to hike in import duty and likely increase in demand in domestic market.

**Trend – Raw Material, Feed**





**Source: AgriWatch**

### Soybean

Firm trends are witnessed in Soybean complex by the end of the week with strong demand against less supplies. Farmers and traders holding the stocks in expectation of further rise in soybean prices. Soybean prices may come under pressure once the supplies will increase in the market.

As per state agriculture department of Gujarat, groundnut yield is likely to increase up to 1800kg/ha due to good rainfall compared to last year 1085kg/ha due to scanty rains. Sowing and rainfall pattern of 2019-20 is similar to 2016-17 and 2017-18, the estimated production could reach 28-30 lakh tonnes in the current year with favorable weather conditions. Higher prices at the end of the season last year and government procurement at the MSP promoted more farmers to cultivate groundnut this year.

As per the sources, India's soybean output is seen rising this year, on increase in acreage and copious rains in the key growing regions of Madhya Pradesh, Rajasthan. Soybean production will be higher this year and we expect it to be at least around 14 million tonnes. Farmers in MP and Rajasthan have planted more area while the area has shrunk in Maharashtra. However, last week, SOPA maintained that there was no widespread or excessive damage to the crop from excess rains. The harvesting of the early maturing varieties will begin by September 20-25 and full-scale harvesting will be from October 15.

Announcement of a higher minimum support price (MSP) for MY 2019/20 likely encouraged additional oilseed planting during an extended planting window in anticipation of higher returns, stable yields, and relatively lower crop maintenance compared to cotton. The GOI's MSP announcement claims that farmers receive 1.5 times the production cost of planting a crop.

As per USDA, the latest planting report indicates that kharif groundnut were planted on 3.5 million hectares compared to 3.6 million hectares planted last season. Post estimates that both winter and summer planting of groundnuts will likely be normal. During the current season, an additional 85,000 hectares came from Gujarat, Maharashtra, Tamil Nadu, and Madhya Pradesh, but 42 percent of the net decline reported from Andhra Pradesh, Karnataka, Rajasthan, Odisha, and other states.

As per the sources, recovery of monsoon this season in August has pulled down the prices of agricultural commodities during the past three days on expectations of a recovery in kharif output and favorable climatic condition for the rabi harvest for 2020. Although crop damages have been reported in few areas due to excess rain, which is minimal. However, for rabi crops, including mustard seed, good rain in September (as forecast by weather agencies), would provide better soil moisture for sowing. Besides, there are huge procured stocks of mustard seed with government, and the prices Mustard will remain under pressure

As per Fourth Advance Estimates for 2018-19, total food grain production in the country is estimated at 284.95 million tonnes which is nearly steady compared with 285.01 million tonnes of production for 2017-18, while it is higher by 19.20 million tonnes than the previous five years' (2013-14 to 2017-18) average production of food grain. Total Oilseeds production in the country during 2018-19 is estimated at 32.26 million tonnes which is higher than the production of 31.46 million tonnes during 2017-18.

***The domestic soybean prices are likely to trade in steady to firm tone in coming days.***

### **International Market**

As per the sources, China will exempt additional tariffs on some agricultural products (Soybean and pork) from US. China's official said on Friday, in the latest sign of easing Sino-US tensions before a new round of talks aimed at curbing a bruising trade war. China supports relevant enterprises buying certain amounts of soybeans, pork and other agricultural products from Friday in accordance with market principles and WTO rules. Customs Tariff Commission of China's State Council would exclude additional tariffs on those items.

The U.S. season-average soybean price for 2019/20 is forecast at \$8.50 per bushel, up 10 cents. The soybean meal price is projected at \$305 per short ton, up \$5.00. The soybean oil price forecast is unchanged at 29.5 cents per pound.

As per WASDE report, changes for 2018/19 include higher U.S. soybean exports, higher crush, and lower ending stocks. Exports are increased 45 million bushels based on official trade data through July and indications from August export inspections, which were record high for the month. With crush raised 20 million bushels, ending stocks for 2018/19 are projected at 1.0 billion bushels, down 65 million.

As per WASDE report, this month's 2019/20 global oilseed outlook includes lower production, increased trade, and reduced stocks relative to last month. Global rapeseed production is at a 3-year low, mainly reflecting lower production for the EU on both area and yield. Australia's production is also WASDE-592-3 lowered this month due to dry weather conditions in New South Wales and Queensland. Soybean production is down slightly this month as lower U.S. production is mostly offset by higher output for India, Canada, and China.

Major global oilseed export changes for 2019/20 include higher rapeseed and soybean exports for Canada. For 2018/19, soybean exports for Brazil are lowered based on lower than-expected shipments during the past few months. However, higher-than-expected exports by Argentina and the United States, particularly to China, are offsetting. Global soybean ending stocks for 2019/20 are lower as reduced stocks for Argentina and the United States are partly offset by higher stocks for Brazil, Iran, and India.

As per USDA, During the week (Aug 30 -sept-5th, 2019) Net sales of US for the 2019/2020 marketing year, which began September 1, totaled 1,172,200 MT. Increases were reported for Mexico (644,300 MT, including decreases of 1,800 MT), unknown destinations (150,000 MT), Thailand (84,900 MT), South Korea (58,200 MT, including 63,000 MT switched from unknown destinations and decreases of 5,000 MT), and the Netherlands (56,400 MT, including 60,000 MT switched from unknown destinations and decreases of 3,600 MT). Reductions were primarily for Canada (20,000 MT). A total of 1,934,300 MT in sales were carried over from the 2018/2019 marketing year, which ended August 31. Exports for the period ending August 31 of 581,800 MT brought accumulated exports to 46,770,300 MT, down 17 percent from the prior year's total of 56,350,000 MT. The primary destinations were China (341,100 MT, including 68,200 MT late reporting), Egypt (64,300 MT), Saudi Arabia (53,400 MT), Spain (51,100 MT), and Japan (27,400 MT). Exports for September 1-5 totaled 476,000 MT, with China (206,000 MT), South Korea (60,200 MT), the Netherlands (56,400 MT), Mexico (48,800 MT), and Italy (21,200 MT) being the primary destinations.

As per the sources, EU's production down by almost 3 million tonnes and industrial demand remaining robust despite the lower availabilities, EU imports will reach a record level of 6.1 million tonnes this year, with record flows from Ukraine and Canada.

As per the latest update from USDA, China soybean production is estimated at 17.1 MMT on higher-than-expected area. Most industry sources forecast the crop at 17 MMT or above. Encouraged by subsidies favoring soybean production, farmers have increased planted area; the subsidy has been particularly effective in Northeast provinces. Weather has been favorable as slightly higher yields are expected.

Soybean imports for 2019/20 (Oct. to Sep.) are forecast to be the lowest in five years; significant declines in swine inventories have lowered feed demand and domestic crush margins. Although FAS Beijing projects demand falling year-over-year, some Chinese sources believe imports will be higher in 2019/20. From October 2018 to July 2019, imports were down over fifteen percent from the previous year, and the quantity of U.S. soybeans was less than a quarter of the previous year level.

As per the sources, Ukraine has exported 1.8 million tonnes of oilseeds since the start of the current MY 2019-20 against 1.2 million tonnes of oilseeds over the same period of the last marketing year.

As per the sources, China's customs said on Thursday that it has allowed imports of soybean meal, rapeseed meal, sunflower meal and sugar beet pulp from Russia. Exporters of these animal feed ingredients must be inspected and approved by Russian authorities and also registered with the Chinese regulator. The trade move came after China approved more soybean, wheat and barley imports from Russia, as a festering Sino-U.S. trade war curbed American agricultural shipments.

As per the sources, the area planted with soybeans in Brazil for 2019/2020 season, which starts this month, will grow by 1.1% to 36.3 million ha, the smallest increase in 13 years, as a global trade war and swine fever in China cloud the outlook for farmers.

Brazilian soybean exports fell by 23% to 7.82 million tonnes in July month and down by 11.4% in the first eight months of the year, compared to the same period of 2018. Due to China's demand for soya, which is used to make animal feed, has fallen as the spread of African swine fever has wiped out millions of hogs in the Asian country.

As per the sources, China's largest grain, oilseeds and food company, COFCO International plans to increase investment in Brazilian soybean production, which would buy 5% more soybeans each year from Brazil over the next five years and would finance the expansion of more than 60 million acres of soybean production in Brazil. COFCO last year exported from Brazil to China more than 13 million metric tons of grain and soybeans.

As per the sources, Brazil could see record soya harvests in the 2019-20 season dependent on good weather, and is expected to expand the soybean planted area by 2% to 36.8 million hectares in the upcoming season. That could result in production of 125 million to 126 million tonnes of the oilseeds, compared with 116.76 million tonnes during this year's harvest, which was affected by drought. It would also allow Brazil to overtake the United States as the world's top soya producer. Brazil to export 78 million tonnes of soya during the 2019-20 cycle, compared with 71.7 million tonnes in the 2018-19 harvest.

As per USDA forecast, overall oilseed production of Russia in 2019-20 at 18.8 million tonnes, which will be roughly the same amount produced in 2018-19. Exports of oilseeds in 2019-20 will reach an all-time high of 1.7 million tonnes, 7.3% higher than 2018-19. The major drivers of this growth will be exports of rapeseeds and soybean to China and an active supply of rapeseeds to Belarus that started in 2018-19.



As per USDA, the Chinese soybean production estimated for 2019-20 is 16.8 million MT up by 5.7% from 2018-19, due to the increased government subsidies, acreage expansion and slightly higher expected yield. However, China imported 42.4 million MT of soybeans during the first 7 months of 2018-19, down by 8.2 million MT compared to same period last year. Imports are estimated to be down from 84 million MT in 2018-19 to 83 million MT in 2019-20.

### Soy meal

Firm trends are featured in Soymeal complex due to firm sentiments in the market. Firm trends are featured in International markets. Lower overseas demand and ample stocks availability may put pressure on prices in near future.

During the week (Aug 30 -sept-5th, 2019) US sold 38,000 MT For 2018/2019, resulting in increases for the Philippines (9,200 MT, including decreases of 100 MT), unknown destinations (8,500 MT), Canada (6,300 MT), Japan (4,400 MT, including 4,500 MT switched from unknown destinations and decreases of 200 MT), and El Salvador (4,000 MT, including 4,800 MT switched from Honduras and decreases of 800 MT), were partially offset by reductions for Honduras (9,200 MT). For 2019/2020, net sales of 81,100 MT primarily for Mexico (36,800 MT), Colombia (23,600 MT), Nicaragua (14,200 MT), Honduras (8,100 MT), and Canada (7,700 MT), were partially offset by reductions for unknown destinations (16,000 MT). Exports of 139,300 MT were down 47 percent from the previous week and 40 percent from the prior 4-week average. The destinations were primarily to the Philippines (52,200 MT), Mexico (22,200 MT), Canada (16,700 MT), Panama (9,800 MT), and Japan (7,600 MT).

As per the Solvent Extractors' Association of India the export of oilmeals during August 2019 is provisionally reported at 98,871 tons compared to 359,752 tons in August, 2018 i.e. down by 73%. The overall export of oilmeals during April-Aug., 2019 is reported at 1,016,682 tons compared to 1,326,626 tons in April-Aug., 2018 i.e. down by 23%. This is mainly due to higher price of domestic produce soybean meal. This make the domestic oilmeal expensive in international market compare to other origins. The export of castor seed meal has increased to 247,820(188,040) tons, mainly exported to South Korea.

During April-August 2019 Vietnam imported 147,869 tons of oilmeals (compared to 265,699 tons); consisting of 2,411 tons of soybean meal, 88,087 tons of rapeseed meal and 53,929 tons of De-oiled Rice Bran Extraction. South Korea imported 398,048 tons of oilmeals (compared to 431,084 tons); consisting 18,367 tons of soybean meal, 184,512 tons of rapeseed meal and 195,169 tons of castor seed meal. Thailand imported 118,178 tons of oilmeals (compared to 135,229 tons) consisting 97,229 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 3,368 tons of soybean meal.

The export from Kandla is reported at 399,127 tons (39%), followed by Mundra handled 322,915 tons (32%), and Mumbai including JNPT handled 77,981 tons (8%) and Kolkata handled 78,073 tons (8%) and Others Ports handled 138,586 tons (14%).

As per USDA release data, soybean meal exports slid in the last four months and are likely to stay subdued through September 2019 due to poor overseas demand and uncompetitive pricing. However, Indian soymeal may appeal to those who are willing to pay a more for the non-genetically modified tag and shorter transit time. The export basket will include 2 MMT of soymeal, a little less than 1 MMT of rapeseed meal, and some quantity of groundnut meal. During the first 10 months of MY 2018/19, total oil meal exports (including surface transport) have risen eight percent to 2.3 MMT.

As per USDA, The July 2019 FOB quote for India soybean meal is \$440/MT as against \$330/MT (average) quoted by international suppliers in the United States and Brazil. Between the two, U.S. soymeal is selling at an eight percent premium. Estimated soymeal exports to reach 1.7 MMT, which is 0.2 MMT less than originally forecast in April 2019. Poor soybean export sales will weigh on total

oilmeal exports and therefore estimate has revised down total oilmeal exports for MY 2018/19 to 2.6 MMT against its April 2019 annual forecast of 2.9 MMT.

As per recent WASDE report, Soybean meal production of India is estimated remain at 7.6 million tons for 2019/20 compared to previous year record. It is higher from 6.16 million tons in 2017/18 season. India may export 1.85 million tons Soymeal in 2019/20 same as in previous year. Domestic consumption of the country may stand at 5.75 million tons higher from 5.60 million tons in 2018/19.

During Indian Soymeal premium quoted higher side by \$124 per ton over Argentinean meal with Indian meal bullishness producing the premium rather than Argentinean meal bearishness. Such premiums may limit bookings of Indian Soymeal for forward as well as spot market.

### Rapeseed - Mustard Seed

RM seed prices showed Mixed trend amid mixed sentiments in the market. At the end of week, mustard closed lower at 4195 per quintal against 4155 per quintal last week at the benchmark, Jaipur.

As per Mustard Oil Producers Association of India mills crushed 575,000 tn mustard seed in August, up 15% on year, around 10% higher than 525,000 tn mustard crushed in July. A rise in demand for mustard meal from exporters and a pick-up in purchases by oil millers led to higher crushing. Farmers brought 515,000 tn mustard to markets in August, lower than 685,000 tn in the year-ago period. In Rajasthan, the top producer, total supply of mustard seed was 190,000 tn in August, in Uttar Pradesh 85,000 tn, and in Madhya Pradesh 60,000 tn. Stock with farmers, processors, stockists and state-run agencies were at 3.8 mln tn in August, compared with 2.6 mln tn in the yearago period. The association has estimated mustard output in the country at 8.1 mln tn in 2018-19, up from 7.1 mln tn in the previous year. However, this is lower than 9.3 mln tn, which is what the farm ministry forecast in its fourth advance estimate.

Rapeseed meal exports grew this year due to improved demand from South Korea, Thailand, and Vietnam. Post expects that by September 2019, India will be able to sell a little less than 1 MMT. Currently, it is quoted at \$220/MT (July, FOB Indian port) and is very competitive compared to \$225/MT (July, FOB Hamburg) quoted by international suppliers.

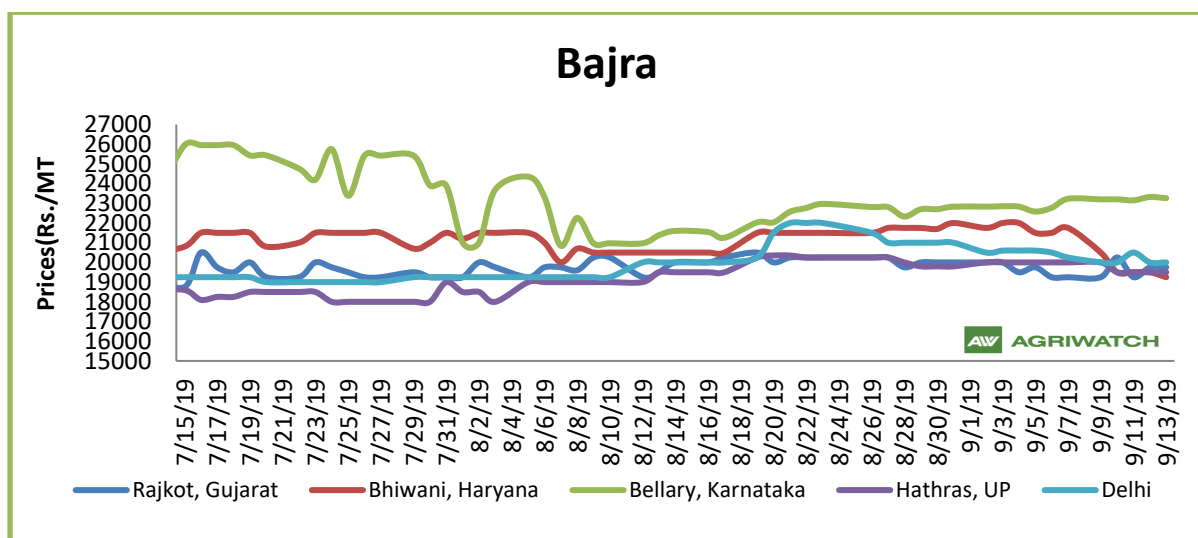
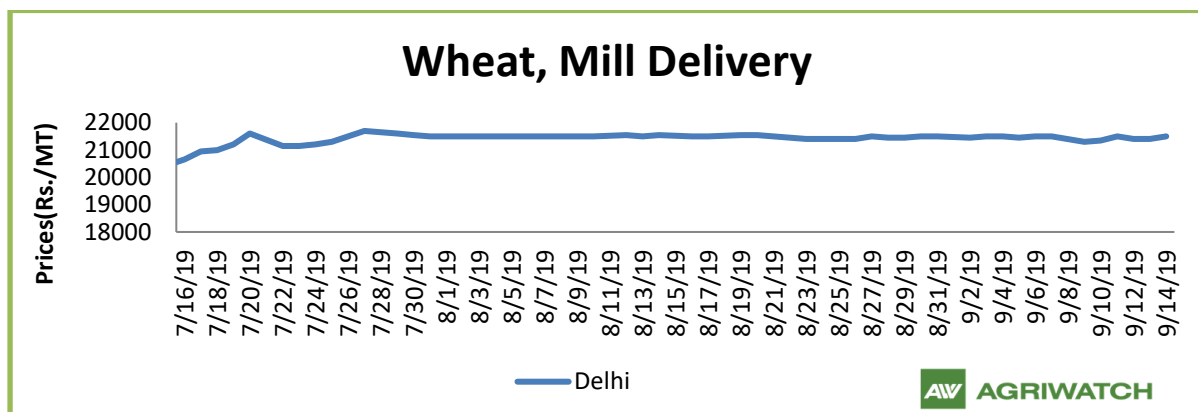
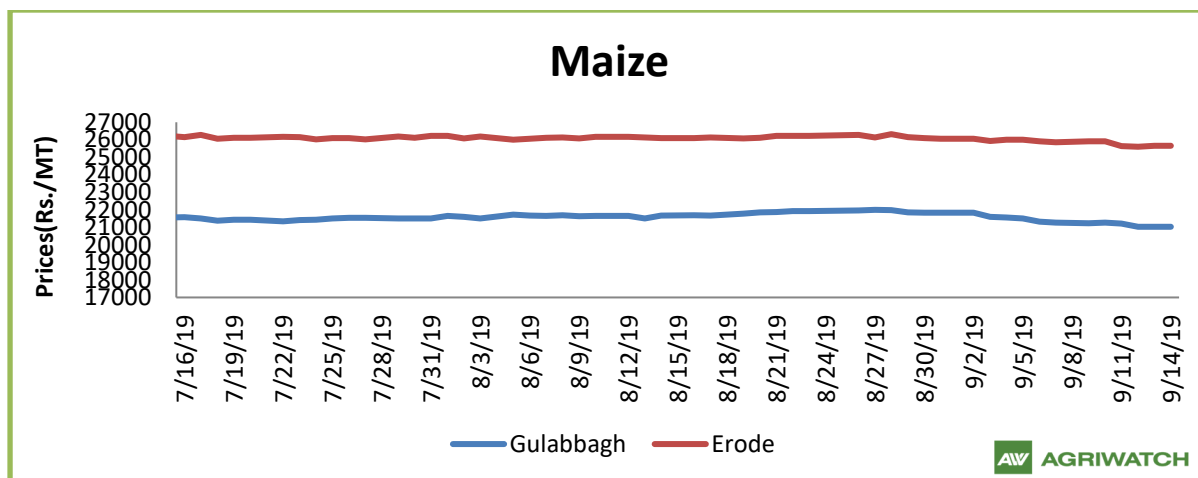
As per Fourth advanced estimates of government, It estimates Mustard seed output at 9.39 lakh tonnes for 2018/19 higher by 9.09 lakh tonnes from 84.3 lakh tonnes in 2017/18. It estimates groundnut crop size at 66.95 lakh tonnes for 2018/19 against 92.53 lakh tonnes.

Agriwatch estimated rapeseed crop at 7.1 MMT in MY 2018-19. However, new rapeseed crop for 2019-20 is estimated at 7.9 MMT above last year due to higher rapeseed sown area and yields. This will lead to lower rapeseed prices in future thereby adversely affecting rapeseed oil prices. New rapeseed crop harvest has peaked. SEA projects Mustard seed crop size at 8.5 MT in 2018/19 which is very close to agriculture ministry estimates i.e. 8.32 MT. While, other sources like Central Organization for Oil Industry and Trade keeps its forecast at 8.7 MT for this season. According to NBHC (National Bulk Handling Corporation) Rabi crop recent report, crop size of Mustard seed is likely to go up by 0.30% than last estimate to 8.72 million metric tonne. The figure is also higher by 4.78% over last year record due to favorable weather condition resulting in higher yields in major producing states.

SEA projects Mustard seed crop size at 8.5 MT in 2018/19 which is very close to agriculture ministry estimates i.e. 8.32 MT. While, other sources like Central Organization for Oil Industry and Trade keep its forecast at 8.7 MT for this season. In the second advanced estimates, ministry expects higher Indian Rapeseed & Mustard crop (Rabi) at 83.97 lakh tonnes for 2018/19 season against 75.40 lakh tonnes in 2017/18. Normal rainfall at the maturity stage of crop improved yield of crop. The estimates are higher than 2016/17 crop size i.e. 79.17 lakh tonnes.



MOPA expects mustard crop output at 8.1 million tonnes in 2018/19 which is lower than farm ministry's second advance estimates of 8.4 million tonnes. Farm ministry quoted higher mustard acreage at 6.58 million hac. due to higher minimum support price, better realizations.



Source: Agriwatch (Prices: Maize-Industrial/Feed Grade. Wheat-Mill Delivery: Narela Market, Delhi)

Overall maize cash markets traded steady to slightly weak during the week and is expected to trade steady to slightly weak ahead amid limited demand and expected new crop arrival.

In Nizamabad, new crop arrivals which are lower in quantity and contains moisture up to 21%; being traded at Rs. 1800 per quintal. While, in Mysore and Hassan districts of Karnataka, new crop contains moisture up to 25% and being delivered to Tamilnadu at Rs. 1800-1900 per quintal.

As per trade sources, Vessel (OCEAN CROWN) with 49,999.00 tonnes of corn has arrived at Tuticorin port on 15<sup>th</sup> September, 2019.

In India, maize has been sown in around 80.38 lakh hectares as of 13th Sep'19 which is higher than 78.54 lakh hectare covered during corresponding period last year. In M.P, maize has been sown in around 15.42 lakh hectares which is higher than 13.60 lakh hectares covered during corresponding period last year. In Rajasthan, maize has been sown in around 8.84 lakh hectares which is higher than 8.71 lakh hectares covered during corresponding period last year. In Karnataka, it has been sown in 11.89 lakh hectare which is slightly lower than 11.59 lakh hectare covered during corresponding period last year. However, In A.P, maize has been sown in around 86,657 hectares as of 11th September'19 which is lower than 96,607 hectare covered during corresponding period last year. Maize sown area is 91.8% to season normal and at vegetative to flowering stage. In Anantapuram, Krishna and Kurnool districts, around 13,046 hectare area is affected by Fall army worm and Stem borer; out of which 9,634 hectare area is treated. In Telangana, it has been sown in 3.81 lakh hectare as of 11th September'19 which is lower than 4.62 lakh hectare covered during corresponding period last year. Maize sown area is 76% to season normal and its sowing is almost completed. Maize crops are at tasselling to cob formation stage. Fall army worm is below ETL level in Mahboobnagar, Gadwal, Janagoan and Khammam districts.

As per trade sources, in mahboobnagar district of Telangana, total yield could be affected around 20-25% due to pest and untimely rainfall while in janagoan district, crop yield could be affected around 5-10%. In hubli-dharbad, and belgaum districts of Karnataka, total crop loss, due to heavy rainfall, could be around 15 to 20%. In shimoga, bagalkot and bijapur districts; crop loss could be around 5 % in each districts while in chikmagalur district; crop loss could be around 2%. Meanwhile, in Sangli region of Maharashtra, around 15% crop loss could be due to flood while in Aurangabad, around 5-10% yield could be affected due to dry spell.

From the trade point of view, In Gulabghat, maize (bilty) is trading at Rs. 2100 per quintal. In Naugachia region of Bihar, new crop contains moisture up to 16% and is small in size and being delivered for the cattle feed purpose to Rajasthan at Rs.2200 per quintal and to Varanasi (U.P) at Rs. 2150 per quintal. Meanwhile, old crop is moving towards U.P at Rs. 2250-2300 per quintal, Haryana and Rajasthan at Rs. 2300-2350 per quintal; sourced from Naugachia region of Bihar.

Corn on CBOT rose by 3.15 USD/MT to 139.56 USD/MT for September'19 contract compared to previous week. Further, price direction depends on the demand for U.S corn.

U.S corn exports reached 49.20 MMT in the 2018-19 marketing year; down 14% from the previous year. In U.S, 55% crop of Corn is in good to excellent condition which is 3% lower than previous week.

All India weekly average prices of wheat increased by 0.15 percent to Rs. 2129.75 per quintal during the week ended 15<sup>th</sup> September 2019. Wheat average price were ruling at Rs 2126.53 per quintal during 01-08 September 2019. As compared to prices in the week 09-15 September 2018, the prices are firm by 2.93 percent. Prices are expected to remain steady to firm in coming days due to hike in import duty and likely increase in demand in domestic market.

As per trade sources, after increase in import duty to 40 percent imports have decreased substantially. India has imported no wheat in the month of August-19. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 498.77 tonnes in the month of April-2019.

As per market sources, wheat off-take in past weeks has increased. Government has sold 121400 tonnes of wheat through OMSS in first two tenders during September. During August, sales of wheat

through OMSS was 152000 tonnes. Reserve price will be increased by Rs 55 per quintal to Rs 2190 per quintal for October-December'19. Sales are expected to witness an increasing trend in upcoming weeks due to lean season and festive demand. Traders are advised to buy on dip.

As per latest update, Rajasthan government has sought to increase the ceiling limit for wheat under food security act. In view of the increase in population an additional 26000 tonnes of wheat is required. The existing ceiling is for 4.46 crores beneficiaries whereas the requirement is for 4.82 crores beneficiaries.

India mainly imports from Australia and Russia. Millers prefer Australian wheat over Russian/Ukrainian wheat due to better quality. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$336.00 (Rs 23825.76) per tonne and \$435.96 (Rs 30913.92) per tonne respectively, after including freight and import duty @40%. Local expenses will further add to cost. Whereas wheat mill quality price in Chennai is ruling around Rs 23500-2400 per tonne. Therefore, as of now, there is no parity for wheat imports.

Indian FoB quote is hovering around \$302.53 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at \$180.20, \$180.70, Euro 164.90, \$209.32 and \$203.28 per tonne respectively. There is little hope for recovery at export front this year. However, India is expected to import around 1-5 thousand tonnes in MY 2018-19.

Global wheat market is expected to trade steady to weak due to ample availability in global market. EU is likely to produce around 148.7 MMT in 2019-20 compared to 137.8 MMT in 2018-19. Russia and Ukraine are likely to harvest 75.70 MMT and 28.00 MMT of wheat in 2019-20 respectively. Production in US is likely to be around 52.30 MMT compared to last year's 51.30 MMT. Australia is likely to produce 21.20 MMT in 2019-20 compared to 17.30 MMT in 2017-18. Argentina is expecting to harvest around 19.7 MMT in 2019-20 compared to 19.5 MMT in 2018-19. Furthermore, Canada is likely to harvest around 32.00 MMT in 2019-20 compared to 31.80 MMT in 2018-19.

**Outlook:** Feed prices are expected to trade steady as overall feed ingredients prices traded mixed during last week.

## Annexure

### Oil Meal Prices at Key Spot Markets: Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	14-Sep-19	07-Sep-19	Parity To
Indore - 45%, Jute Bag	32200	30500	Gujarat, MP
Kota - 45%, PP Bag	34500	32000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	35500	33700	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34500	32700	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	34000	Andhra, AP, Kar ,TN
Latur	34800	33000	-
Sangli	34800	33000	Local and South

Solapur	34500	32500	Local and South
Akola – 45%, PP Bag	34000	32200	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	35000	33800	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	34300	31800	-

**Soy DOC at Port**

Centers	Port Price		
	13-Sep-19	06-Sep-19	Change
Kandla (FOR) (INR/MT)	Unq	33500	-
Kandla (FAS) (USD/MT)	Unq	445	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	460	-

International Soy DOC			
Argentina FOB USD/MT	13-Sep-19	06-Sep-19	Change
Soybean Pellets	304	296	8
Soybean Cake Flour	304	296	8
Soya Meal	302	298	4
Soy Expellers	302	298	4
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	14-Sep-19	07-Sep-19	Change
Adoni	25000	25000	Unch
Khamgaon	Unq	Unq	Unq
Parli	Unq	Unq	Unq
Latur	Unq	Unq	Unq

Groundnut Meal (Rs/MT)	14-Sep-19	07-Sep-19	Change
Basis 45%, Saurashtra	28000	28000	Unch
Basis 40%, Saurashtra	26000	26000	Unch
GN Cake, Gondal	28000	28000	Unch

Mustard DOC/Meal	14-Sep-19	07-Sep-19	Change
Jaipur (Plant delivery)	15700	15300	400
Kandla (FOR Rs/MT)	16000	15600	400

**Maize Spot Market Prices (Rs. /Quintal)**

Market	Grade	12-Sep-19	5-Sep-19	12-Aug-19	12-Sep-18	12-Sep-17
Delhi	Hybrid	2125	2150	2150	1400	1300
Davangere	Bilty	2400	2400	Closed	1500	1450
Nizamabad	Bilty	Closed	2400	2425	1400	1475
Ahmedabad	Feed	2270	2300	2300	1540	1440
	Starch	2275	2250	2300	1550	1410

**FOB, C&F – Maize at Various Destinations (USD/ton)**

	Argentina	Brazil	US	India
<b>FOB</b>	145.28	156.6	160.3	330.89
<b>Cost and Freight</b>	195.28	211.6	220.3	365.89

**Soy Meal Exports (In MT):**

Month	2014	2015	2016	2017	2018	2019
Jan	364444	103934	7707	155160	105678	86378
Feb	183551	64515	1127	207977	73816	132375
Mar	232176	46670	430.1	107059	39209	193920
Apr	75884	18017	12295	124374	68264	40829
May	8226	14046	10400	48900	76026	53272
Jun	2636	2098	17930	45975	104088	62524
Jul	6682	928	12270	80797	63747	76558
Aug	2778	768	10615	87668	59643	32226
Sep	868	6886	12210	102212	45388	
Oct	29071	4237	31390	71425	150388	
Nov	110806	8909	97750	207630	186409	
Dec	193832	5667	241250	168865	170588	
<b>Total</b>	<b>1210954</b>	<b>276674</b>	<b>455374.1</b>	<b>1408042</b>	<b>1143244</b>	<b>678082</b>

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	13-Sep-19	6-Sep-19	Change
Bajra	Karnataka	Hybrid	Bellary	2326	2277	49
		Hybrid	Bangalore	2800	2800	Unch
Jowar	Karnataka	White	Bangalore	2800	2800	Unch
		White	Bellary	2587	2265	322
Maize	Karnataka	Yellow	Davangere	2400	2400	Unch
	Andhra Pradesh	Yellow	Nizamabad	2350	2400	-50
Rice	Haryana	IR8	Karnal	3050	3050	Unch
		Parmal Raw	Karnal	3400	3200	200
Soy meal	Madhya Pradesh	DOC	Indore	3200	3100	100
	Maharashtra	DOC	Sangli	3480	3320	160
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2480	2500	-20
Mustard	Rajasthan	Plant delivery	Jaipur	1570	1530	40
Groundnut Meal	Gujarat	GN Cake	Gondal	2600	2600	Unch
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3383	3281	102
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3417	3241	176
Note: Prices Rs./Qtl						

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