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Summary

Mixed trends are continued in Oilseeds complex today on mixed sentiments in the market in this week. Soybean prices declined at various trading centers on dull trading activities in this week. Soybean traders and farmers are busy in trading activities of new crops like Wheat and Chana at spot markets. While, mustard seed traded in mixed zone after good pace of arrivals. New crops of Mustard seed have started to arrive in mandies however in a slow pace and likely to report good quantity after mid of March 2020. Heavy rainfall in Jan month delayed harvesting pace of mustard seed of this season. Mustard seed prices in spot markets is likely to increase ahead of Holi Festival. Farmers and traders hold total 20 to 30 lakh tons of soybean seed and likely to release in March end or April 2020. NCDEX soybean prices closed lower side however RM seed March contract firmed up on buying interests. CBOT future soybean prices declined on weak exports sales data of this week. CBOT prices declined amid weak global sentiments in this week.

Farmers have started to bring new mustard early sown crop at few districts of Rajasthan, UP, MP and Gujarat. However, the new harvested mustard crops contained 48 to 52% moisture which is higher than 10 to 12% in normal condition. Farmers have covered total 6.9 million hac. of mustard seed in 2019-20 season lower by 0.24% against last year record as some parts of area has been shifted to Wheat crop. We expect lower crop size in 2020-21 on account of poor yield against last year record. In 2019-20, we have estimated RM Seeds crop size at 7.9 MMT higher from 2018-19 due to higher sown area and good yield.

As per second advanced estimates of ministry, India is likely to grow 22.55% higher groundnut seed at 82.44 lakh tonnes in 2019-20 compared to 67.27 lakh tonnes in 2018-19. India may get 69.49 lakh tones of kharif crop of groundnut which is higher from 53.87 lakh tonnes however 3.3% lower Rabi season groundnut crop at 12.95 lakh tonnes in 2019-20 against last season. Mustard output of Rabi season is expected to stay at 91.13 lakh tonnes in 2019-20 which is 1.54% lower from 92.56 lakh tonnes in last year. Soybean crop size for kharif season is estimated at 136.28 lakh tonnes higher by 2.71% against 132.68 lakh tonnes in 2018-19. Total oilseeds crop size is placed at 341.88 lakh tonnes in 2019-20 higher against 315.22 in last year supported by higher kharif season crop size.

According to farm ministry recent data, India is likely to grow mustard crop at 9.34 million tonnes for 2019/20 season which is unchanged from last year record. Overall crop condition is good and likely to support mustard production to increase. However, hailstorm in early Jan month 2020 have affected standing mustard crops in some parts of northern and western part of India which may cause the stem rot disease and leave the plant wilted. In Rajasthan, western Uttar Pradesh and southern Haryana, white rust and stem rot diseases were reported which may curb any major rise in crop size. It pegged 6.2 million hectares of mustard sowing area for this season unchanged from last season. It expects total 2.7 million hectares of sowing area in Rajasthan. However, farmers may switch mustard area to wheat in MP, Haryana, Uttar Pradesh and West Bengal. Mustard yield for 2019-20 is likely to stay unchanged at 1.49 tonnes per hac. as compared to previous year. While, yield may increase to 1.9 tonnes per hac. in some parts of eastern UP.

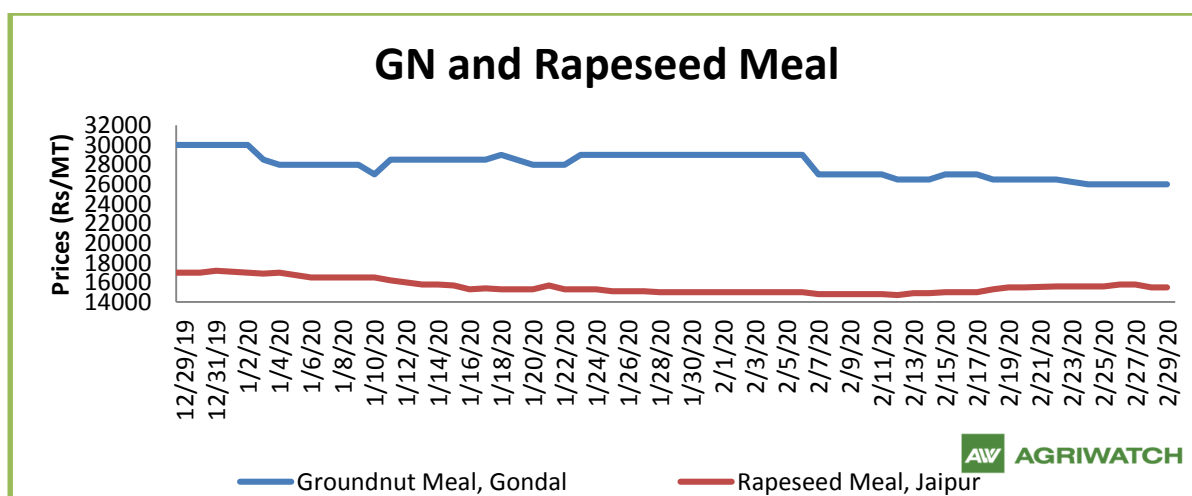
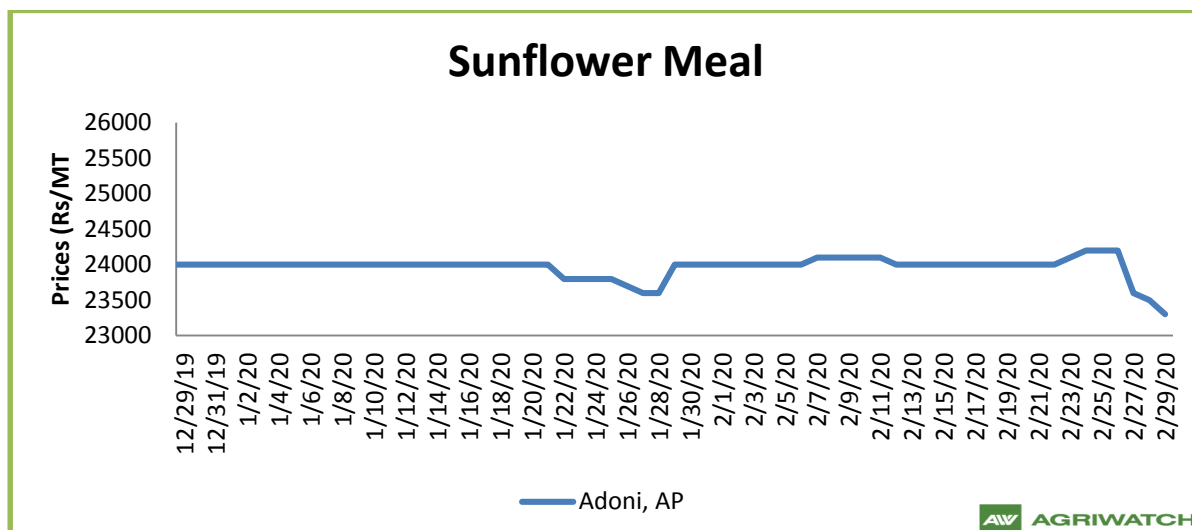
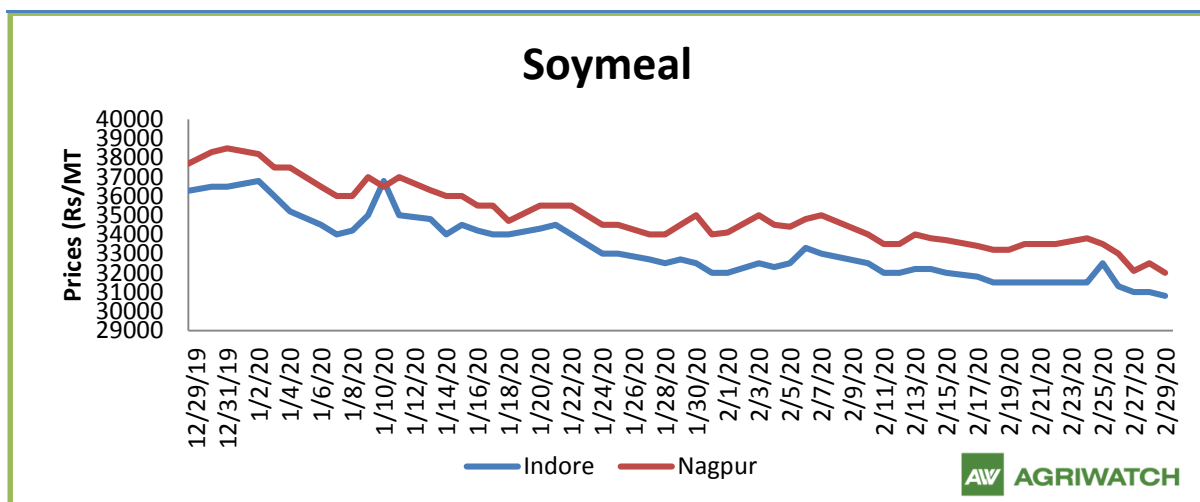
Soybean and Mustard prices may trade in steady to firm tone on improved demand of crushers and millers ahead of Holi Festival in short run.

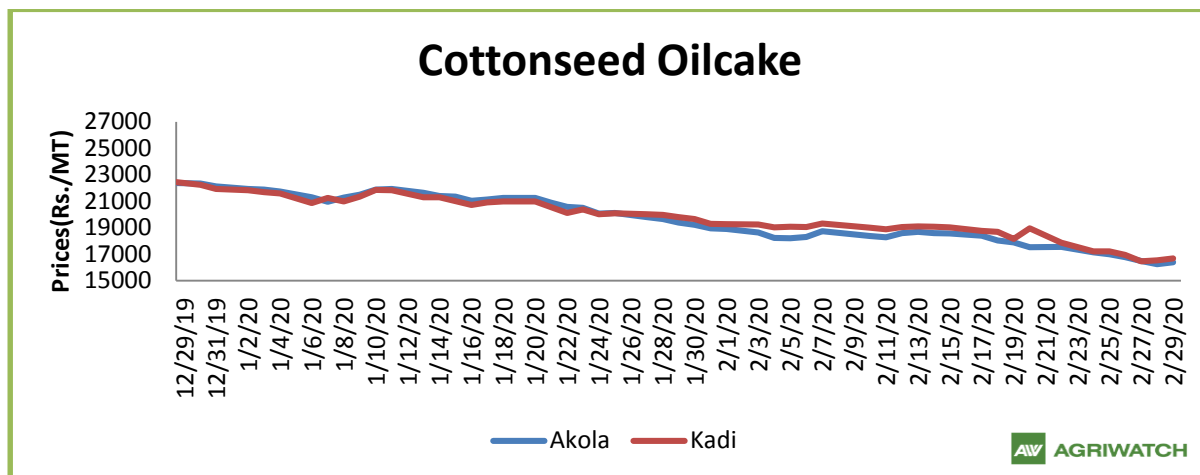
Maize traded weak in last few days as poultry farmers cut down animal feed purchases on the rumour on social media that chickens are a cause of the spread of coronavirus. Besides, expectation of Rabi crop arrival during the month of March amid arrival of imported goods is putting pressure on market sentiments. In M.P, maize market traded down due to supply pressure of low quality material on the concern over low feed makers demand on the fear of coronavirus.

Wheat cash market is likely to trade steady to weak amid bumper output expected this season and higher stocks in central pool. Likely bumper production this year and FCI urgency to release old stock

may pressurize wheat cash market in coming weeks. If off take remains slow at this point of time, FCI may consider to decrease bench mark price. Crop condition is good so far. Overall tone remains weak.

Trend – Raw Material, Feed





Source: AgriWatch

Soybean

Soybean prices traded remain lower at most of the trading centers during this week despite less supplies. However, Soybean prices may trade in steady to firm tone on improved buying activities of crushers and millers.

Agriwatch estimates 8.74 million tonnes of Soybean output in India for 2019-20 season which is sharply down by 42.73% against 12.59 million tonnes in 2018-19 despite covering 1.02% higher soybean area in this year due to bad weather condition. Rains in MP came when harvest has ongoing and crop was damaged to the extent of 20% in the Malwa region. Damage was 30-35% in Neemuch, Mandsaur, Nagada and Janora and 10-15% in Indore, Dewas and Ujjain. Soybean seed was damaged and quality of soybean was inferior. The size of seed was small and quality of seed was bad. Some crop was damaged while drying in some areas. Rains came in Maharashtra when harvest was in progress. Crop damage is 5% of the total while 10% of area was affected in which damage was 50%. Waterlogging was the main reason for damage which led to seed damage and bad quality of the seed due to fungus. Vidharba reported higher damage with losses as high as 50% of the crop damaged in 20% of the area. Akola reported major damage. Latur, Solapur and Beed reported 10% damage while Parbani, Nanded and Hingoli reported 15% damage to the crop.

Total balance stock of Soybean with Nafed is 10,677.68 MT consisting 10,651.45 MT in Telangana and 26.23 MT in Maharashtra.

As per traders, total 20 to 25% soybeans are damaged in MP state majorly in the districts of Ratlam, Mandsaur and Neemuch. Traders expect Soybean production in India at 85 lakh tonnes for 2019/20 due to heavy crop loss in MP& Rajasthan.

As per SOPA, Soybean arrivals is registered at 12 lakh tonnes in October month lower from 21 lakh tonnes in last year in same month and also lower of 4 years record due to less supplies. India has shipped total 0.20 lakh tonnes in Oct month less than 0.24 lakh tonnes in last year. Planters, Traders and Farmers held 75.64 lakh tonnes of Soybean stocks so far of this season. India has crushed total 6.50 lakh tonnes in Oct 2019 lower from 9.50 lakh tonnes in previous year during the same month. India may produce total 89.84 lakh tonnes in 2019/20 season. SOPA expects carry over stock from last year at 1.70 lakh tonnes and 1.54 lakh tonnes for carry forward in next year. Imports of India are likely to stand at 3 lakh tonnes. Retained for sowing will be at 12 lakh tonnes while direct consumption is estimated at 2 lakh tonnes. Exports for 2019/20 may record at 1.50 lakh tonnes and crushing is estimated at 77.50 lakh tonnes. Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks.

While export sea and land may stand at 10 lakh tonnes. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

As per recent updates of SOPA, India may harvest 17.7 per cent lower Soybean crop at 89.9 lakh tonnes in 2019 against 109.3 lakh tonnes in 2018. The major Soybean producing states like Gujarat, Karnataka, Madhya Pradesh may harvest lower Soya crop by 30 per cent to 0.86 lakh tonnes, 7.1 per cent to 2.69 lakh tonnes, 31.1 per cent to 40.10 lakh tonnes respectively against last year record.

As per ministry report, All India sowing of soybean stood at 114.24 lakh hectares compared to 113.10 lakh hectares as on 04.10.2019. Sowing of soybean is higher in Madhya Pradesh at 55.16 lakh tonnes against 53.18 lakh tonnes in last year and Rajasthan at 10.61 lakh tonnes compared to 10.46 lakh tonnes in previous year.

As per the second advanced crop estimates 2019-20 of Ministry of Agriculture, Soybean production is estimated higher at 136.28 lakh tonnes as compared to 132.68 lakh tonnes in 2018-19.

The Ministry of Agriculture has fixed higher Minimum Support Price of Soybean (Yellow) at Rs 3710 per quintal for 2019-20 an increase of Rs 311 from Rs. 3399 per quintal in 2018-19.

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

International Market

CBOT futures prices declined after weak exports sales data of USDA for this week.

As per sources, Argentina may grow higher soybean crop at 54.5 million tonnes in 2019-20 compared to its previous forecast i.e. 53.1 million tonnes on account of good rainfall.

As per IGC (International Grain Council), Global soybean output for 2019-20 may decline by 5 million tonne to 345 million tonnes due to slight shortfall in U.S Soybean output. In 2020-21, U.S. may cover 4% higher soybean planting area.

As per USDA report, U.S. is likely to plant 11.69% higher Soybean at 85 million acres in 2020 higher from 76.1 million acres in 2019.

During (February 14 to 20, 2020) US sold 31% less soybean to 339,300 MT for 2019-20 from the previous week and 38% from the prior four week average. Increases primarily for Japan (108,200 MT, including 54,900 MT switched from unknown destinations and decreases of 2,000 MT), China (71,700 MT, including 66,000 MT switched from unknown destinations), Costa Rica (69,500 MT), Germany (66,000 MT), and South Korea (58,400 MT, including 55,000 MT switched from unknown destinations), were offset by reductions for unknown destinations (176,400 MT). For 2020/2021, net sales of 22,100 MT were for Mexico (21,000 MT) and Japan (1,100 MT). Exports of 597,900 MT were down 38 percent from the previous week and 42 percent from the prior 4-week average. The destinations were primarily to Mexico (102,900 MT), Egypt (94,000 MT), China (68,700 MT), Germany (66,000 MT), and South Korea (60,300 MT).

As per sources, European Union bought total 9.01 million tonnes of Soybean till Feb 23, 2020 (season started on July 1) which is lower by 3% from last year record in Feb.17. EU soymeal imports had reached higher by 2% to 11.57 million tonnes against the year-earlier period, while Rapeseed imports went up by 46% to 4.25 million tonnes against last year record. However, palm oil imports stood down by 16% to 3.51 million tonnes.

As per Arc Mercosul, farmers in Brazil have harvested 34.2% of the soybean area as on Feb 14, 2020 of this season. It is lower from 46.3% in last year record during the same period of time. Heavy rainfall

has disturbed harvesting in the Goias, Minas Gerais, Mato Grosso do Sul, the west of Mato Grosso and Minas Gerais states. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20.

As per recent Conab report, Brazil is likely to grow 0.8% higher soybean at 123.2 million tons in 2019-20 (crop year September-August) from its previous month estimates and also higher by 7% from last year record due to supportive weather condition. Soy yield is likely to stay higher by 4.4% to 3.35 MT/ hectare on sufficient rainfall across the region in since October. Planting area is estimated 2.6% higher to 36.8 million ha. on good weather condition. Brazil is likely to export total 72 million tonnes in 2019-20 higher by 3% against last year. Ending stocks are forecast 39% lower to 2.18 million tonnes.

As per Agroconsult, Brazil is likely to harvest 126.3 million tons of soybean in 2019-20 higher against 124.3 in its prior forecast. It forecasts soybean exports of Brazil for 2020 at 73 million tonnes for this season lower against 76-78 from its prior forecast.

According to China's General Administration of Customs (CNGOIC), China's Dec soybean imports rose 15.3 percent to 9.54 MMT from 8.28 MMT in Nov 2019. Imports in Dec are 66.80 percent higher than Dec 2018 import of 5.72 MMT. Year to date soybean imports rose 0.5 percent to 88.511 MMT. As per agriculture ministry, soybean import in China may increase in 2020. Total soybean import from U.S. declined in 2019 due to trade war between U.S. and China. The country bought total 88.51 million tonnes soybean in 2019 higher from 88.03 million tonnes in 2018 however lower from 95.53 million tonnes in 2017 before the trade war was broke. African swine fever disease in China has also affected total volume of China's imports.

As per NOPA recent data, NOPA members have crushed total 176.94 million bushels of Soybeans in January 2020 which is higher from 174.81 million bushels in December 2019. It is also higher from 171.63 million bushels in January 2019. Crushing is above than the average trade estimate of 173.74 million bushels, based on data gathered by Reuters from 8 analysts. Soybean oil stocks rose to 2.01 billion pounds at the end of January against 1.75 billion pounds in December month and 1.54 billion pounds at the end of January 2019. Soybean exports has been reported higher in January 2020 at 931,061 tons against 902,534 tons in December 2019 and 905,923 tons exported in January 2019.

As per WASDE February report, world oilseed production for 2019/20 is projected at 576.82 million tons in Feb month, higher against 574.63 million tonnes in last month after larger crops of Soybean and sunflower. Total oilseeds crushing has been increased at 2 million tons to 498.07 million tons due to higher crushing estimates in China and Mexico. Ending stocks for the world is kept 1.32 million tons higher at 113.81 million tonnes against 112.32 million tons last month estimates due to higher crop production estimates in Brazil and China stockpiling.

As per USDA recent released report, U.S. Soybean production for 2019/20 is forecasted unchanged at 96.84 million tons in February 2020 against previous month. Exports of U.S are increased at 49.66 million tonnes in this month against 48.30 million tonnes in January. U.S crushing is unchanged at 57.28 million tonnes in Feb. month. Ending stocks of the country is expected to be lower at 11.55 million tonnes in Feb. month review against 12.92 million tonnes in Jan. Month estimates.

USDA kept unchanged production estimates i.e. 53 million tons in February month report and lower from previous year record i.e 55.30 million tonnes. Farmers in country may plant total 18.2 million hectares in this season higher from 17.7 million hectares in last year record.

As per USDA, the soybean planted area in Brazil is likely to increase by 2% to 37 million hectares for 2019-20 against last year record and soybean production is forecast higher by 6.83% to 125 million T in

normal weather condition as compared to last year. While, the consultancy expects, total soybean planting area in Brazil at 36.4 million ha and the production at 120.7 million tonnes in the current season.

As per USDA, U.S. Gulf FOB soybean export bids in January averaged \$361/ton, lower \$2 from December. Brazil Paranagua FOB averaged \$359/ton down by \$10 from December. Argentina Up River FOB averaged \$361/ton, down \$6.

As per USDA forecast, soybean production of Brazil in 2019-20 is projected at 125 million tonnes higher against the previous year 117 million tonnes due to supportive weather condition and also higher from previous month record i.e. 123 million tonnes. Exports of soybean in 2019-20 is expected to 77 million tons higher from 74.59 million tonnes in 2018-19.

As per the latest update from USDA, China soybean production is estimated at 18.10 million tonnes on higher-than-expected area. 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. Total imports of China are estimated at 88 million tonnes for 2019/20 season higher from Jan. month. While crushing is forecasted higher at 86 million tonnes against 85 million tonnes in Jan. month estimates and also higher from 85 million tonnes in previous year.

As per USDA, U.S. soybean accumulated exports (shipments) to China totaled 11.4 million tons and 11.8 million to the rest of the world at the end of Jan month 2020. Outstanding sales were 611,000 tons to China and 3.3 million to the rest of the world. China had exported total 474,000 tons and 12.7 million to the rest of the world, and outstanding sales to China were 3.0 million tons and 12.3 million to the rest of the world in last season in the corresponding period of time. U.S. soybean export commitments (outstanding sales plus accumulated exports) to China totaled 12.0 million tons compared to 3.5 million a year ago. Total commitments to the world were 32.3 million tons, compared to 30.4 million for the same period last year.

China has opened soy meal market for imports from Argentina and Ukraine, in an effort to improve supply of soy meal in the country. Supplies of Argentina meal will start from the harvest of its crop in 2020. China has allowed poultry imports from Europe to tide over shortage of meat in its domestic market. Further, China has allowed cotton meal imports from Brazil and allowed poultry and meat imports from Canada and US to tide over rising domestic meat prices. China has also allowed to import rapeseed meal from Ukraine. It is likely to give permission to import rice bran and palm meal from Thailand.

As per sources, Ukraine may export lower soybean by 19.8% to 2 million tonnes in 2019/20 against previous year record. While, it may export higher sunoil by 0.8% to 6.1 million tonnes in 2019/20 from last year record. The country may export 16.7% higher Rapeseed to 2.86 million tonnes in 2019/20 against 2018/19 season.

Soy meal

Weak tone are continued in Soy meal complex on weak demand of South based traders. Expected price hike in soybean and soy oil markets will support soy meal price to rise in next week. However, weak global sentiments will curb any major price hike.

According to trade source, one vessel (GOLDEN BAY) is waiting for birth at Kandla port for soybean meal with total capacity of 8395 tons.

During the week (Feb.14 to Feb 20, 2020) US sold lower soybean cake and meal by 7% 157,500 MT for 2019/2020 from the previous week 40% lower from prior 4-week average. Increases primarily for Colombia (64,400 MT, including decreases of 8,300 MT), the Philippines (24,300 MT), Costa Rica (16,700 MT), Honduras (14,400 MT, including 5,600 MT switched from unknown destinations, 5,000 MT switched from El Salvador, and decreases of 100 MT), and Canada (13,200 MT, including decreases of 300 MT), were offset by reductions primarily for unknown destinations (11,600 MT) and El Salvador (5,100 MT). For 2020/2021, total net sales of 8,600 MT were for Costa Rica. Exports of 276,700 MT were up 17 percent from the previous week and 28 percent from the prior 4-week average. The destinations were primarily to the Philippines (49,500 MT), Colombia (39,900 MT), Peru (32,100 MT), Morocco (30,700 MT), and Honduras (28,500 MT).

As per to Container Corporation of India Ltd (CONCOR), export consignment of soybean derivatives declined to almost half in December 2019 as compared to previous year in the corresponding period of time. Total shipments of soybean derivatives has fallen to 3000 containers during September to December 2019 compared to 3417 containers in last year in the same period of time. A lot of export consignment goes through road directly to the port however volumes was reported lower due to limited supplies and high prices in international market.

As per USDA, U.S. soybean meal export bids in January averaged \$340/ton, down \$4 from December. Brazil Paranagua FOB averaged \$321/ton, higher \$5 from December, and Argentina Up River FOB averaged higher by \$5 to \$336/ton.

Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export Sea and land may stand at 10 lakh tonnes lower output and noncompetitive prices in world market. India had exported total 22 lakh tonnes in last year in 2018-19 season. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.

As per recent report of USDA, India may produce lower Soymeal to 6.4 million tonnes in 2019/20 compared to 7.6 million tonnes in 2018/19 season. The estimate is unchanged from Jan. month estimates. Domestic consumption is forecast at 5.35 million tonnes for this season higher from 5.2 million tonnes in previous year record however it is unchanged from previous month record.

As per recent SEA report, India shipped Oilmeals lower by 78% to 51,393 tons in January 2020 against 236,213 tons in January 2019. India shipped total 6107 tons of soymeal, 35,664 tons of Rapeseed meal, 4200 tons of Rice Bran Ext., 5422 tons of castor seed meal in Jan 2020. The overall export of oilmeals during April-Jan. 2020 is reported 24% lower to 2,006,669 tons compared to 2,647,461 tons in April-Jan.2019 on account of disparity in export of oilmeals, specifically soybean meal due to higher MSP of beans which makes the domestic soybean meal expensive in international market compared to other origin. However, the export of castor seed meal has increased by 46% to 485,245 against 332,031 tons in Apr-to Jan 2020 compared to last season.

During April-January 2020, Vietnam imported 254,655 tons of oilmeals (compared to 531,132 tons); consisting of 6,227 tons of soybean meal, 155,199 tons of rapeseed meal and 91,185 tons of De-oiled Rice Bran Extraction. South Korea imported 730,431 tons of oilmeals (compared to 633,797 tons); consisting 46,576 tons of soybean meal, 298,739 tons of rapeseed meal and 385,116 tons of castor seed meal. Thailand imported 211,062 tons of oilmeals (compared to 276,340 tons) consisting 190,696 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 2785 tons of soybean meal.

During April-January 2020, the export from Kandla is reported at 681,207 tons lower (34%), followed by Mundra handled 651,792 tons (32%), and Mumbai including JNPT handled 152,978 tons (8%) and Kolkata handled 119,461 tons (6%) and Others Ports handled 401,231 tons (20%).

As per sopa, total shipment of soymeal has declined over 70% to 1.13 lakh tonnes in oil year October and November 2019 as compared to 4.57 lakh tonnes in previous year record in the same period of time. India shipped total 63,000 tonnes in October 2019 lower against 1.31 lakh tonnes and 50,000 tonnes in November 2019 lower against 3.26 lakh tonnes in previous year during the corresponding period of time. Higher soybean meal prices has affected poultry sector demand. DOC buyers may switch to other alternative meal products due to higher soymeal prevailing prices.

Indian Soymeal premium quoted higher side by \$133 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 closed higher side on improved demand of retailers and millers in this week. Arrivals are reported higher side as new crops has started to arrive in the market now. At the end of week, mustard seed prices closed higher at 4273 per quintal as compared to 4253 per quintal in last week at the benchmark, Jaipur.

As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.07 lakh hectares to 80.29 lakh hectares as on 31st Jan 2020 against 80.36 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 69.51 lakh hectares lower by 0.24 lakh hac. against 69.76 lakh hectares in last year. In Rajasthan, farmers have covered total 25.09 lakh hac. higher against 24.77 lakh hac. Farmers have covered total mustard seed area at 12.24 lakh hac. in Uttar Pradesh, 7.04 lakh hac. in MP, 5.87 lakh hac. in West Bengal, 5.62 lakh hac. in Haryana, 2.81 lakh hac in Jharkhand, 1.72 lakh hac. in Gujarat. Sunflower has been planted on 1.04 lakh hectares lower against 1.13 lakh hectares in last year. Sesame has been planted on 0.56 lakh hectares lower from last year i.e.0.71 lakh hac. However, total covering area of groundnut stood at 4.76 lakh hectares higher against 4.59 lakh hectares in last year. Safflower has been planted on 0.63 lakh hectares higher from last year record i.e.0.43 lakh hectares. Linseed has been planted on 3.46 lakh hectares higher against 3.44 lakh hectares in last year.

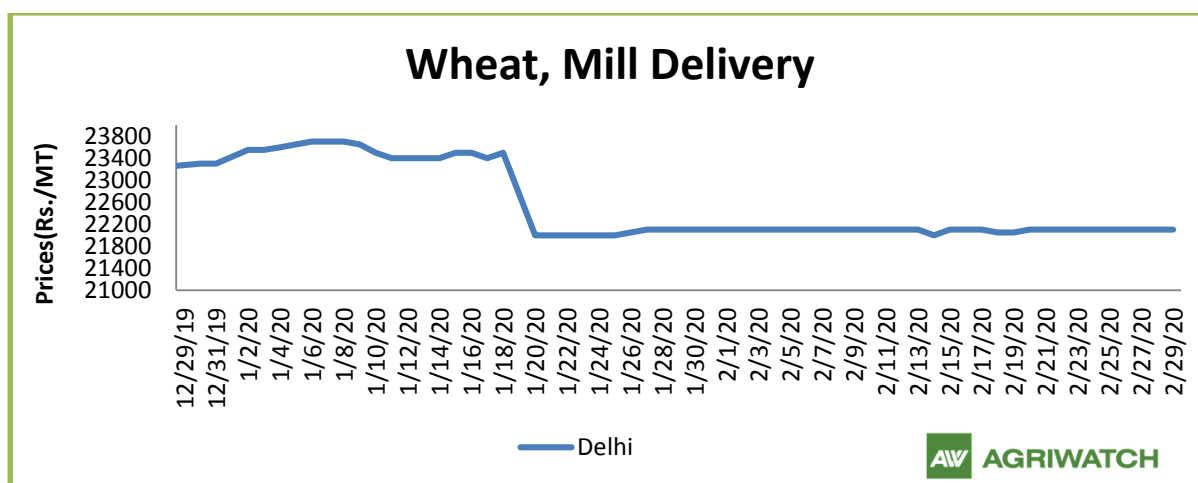
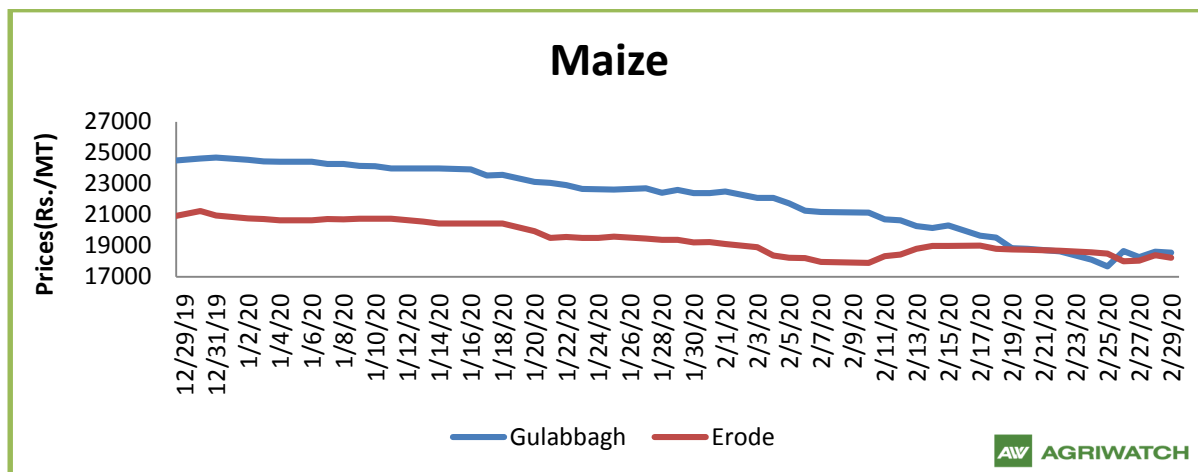
Acreage of Mustard in the current season is lower against 2018-19. Mustard crop major growing states are Rajasthan, Madhya Pradesh, and Uttar Pradesh and Haryana state. In Rajasthan, traders expect total 2 to 5% lower mustard sowing area as mustard area may shift to garlic and wheat crop due to good price hike in last season compared to mustard seed prices. Recent rainfall will also support to increase yield of wheat and garlic crop compared to mustard crop. In Baran and Kota district, sowing is likely to be lower by 20%. While in Alwar and Bharatpur districts, it is likely to be equal like 2018 season. However, sowing area may increase nearly 2 to 5 % in Ganganagar district due to good water availability.

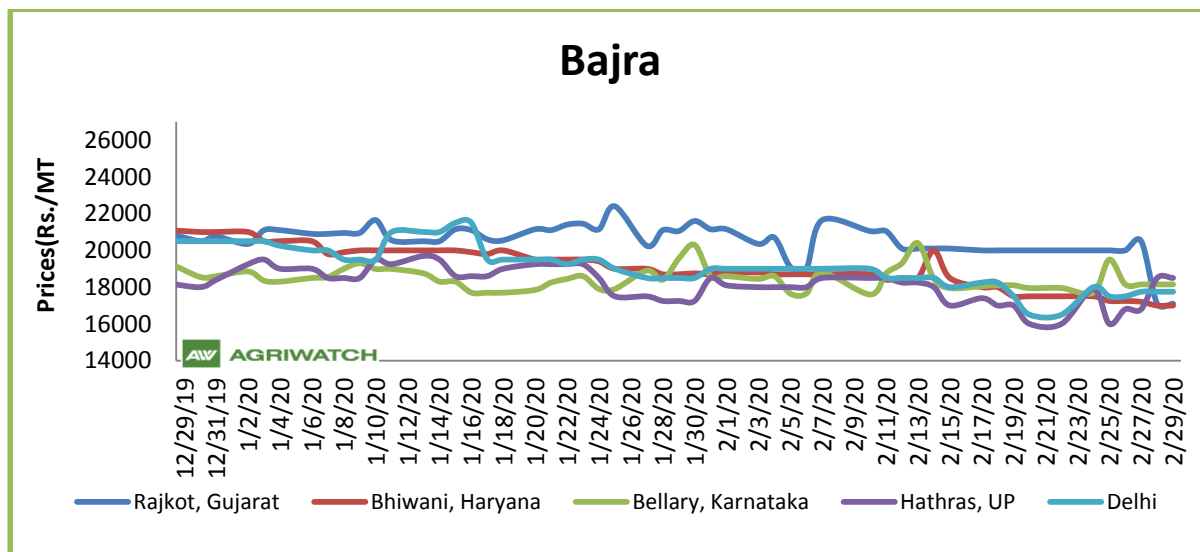
High water level in most reservoirs will support to increase yield. However, acreage for Rabi season may decline as sowing has been delayed due to rainfall in October and November and late harvesting of Kharif crops. Farmers had waited water to dry up the sowing low lying land. Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 seasons to Rs.4425 against Rs. 4200 in 2019-20. As per second advanced estimates of government, it estimates Mustard seed output at 91.13 lakh tonnes for 2019/20 lower by 1.43 lakh tonnes from lakh tonnes in 2018/19.

As per the Mustard Oil Producers Association of India data, India crushed 550,000 tonnes of mustard seed in December 2019 unchanged from previous month record and it is almost same as in last year during the corresponding period of time. Total supply of mustard in Rajasthan recorded at 100,000 tn in December 2019, 45,000 tn in Uttar Pradesh, and 30,000 tn in Madhya Pradesh. Total available stocks with processors, stockiest and state-run agencies stood at 1.2 million tons in December 2019.

It pegged total mustard crop output at 8.1 million tonnes in 2018-19 season which is higher from 7.1 million tonnes in last season. The estimated figure is lower than the farm ministry fourth advance estimate i.e. 9.3 million tonnes.

According to United States Department of Agriculture (USDA) February estimates, India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19. Ending stocks of mustard seed have been lowered to 4.69 lakh tonnes from 5.69 lakh tonnes in last year record. India's 2019-20 Rapeseed oil production is expected at 25.84 lakh tonnes unchanged from previous year while mustard oil import estimates are revised lower at 1.20 lakh tonnes from 1.25 lakh tonnes in previous year.





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

Maize traded weak in last few days as poultry farmers cut down animal feed purchases on the rumour on social media that chickens are a cause of the spread of coronavirus. Besides, expectation of Rabi crop arrival during the month of March amid arrival of imported goods is putting pressure on market sentiments. In M.P, maize market traded down due to supply pressure of low quality material on the concern over low feed makers demand on the fear of coronavirus.

In A.P, maize has been sown in around 1.85 lakh hectares as of 19th February'20 which is higher than 1.59 lakh hectare covered during corresponding period last year. Maize sown area is 101% to season normal and at vegetative to cob formation stage. In Krishna, Vizianagaram, Srikakulam, Prakasam, East Godavari, West Godavari, Guntur districts, 25,574 hectare of maize area is affected by Fall armyworm, stem borer, and Root rot; out of which, 25,025 hectare of maize area has treated. In Telangana, it has been sown in 1.86 lakh hectare as of 19th February'20 which is higher than 1.12 lakh hectare covered during corresponding period last year. Maize sown area is 124% to season normal and its sowing has completed. Maize crops are at tasselling to cob formation stage. Pest and Disease reported nil.

In Nizamabad, maize is likely to trade slightly weak in near term due to sluggish demand of bulk buyers on the expectation of new crop arrival in the coming months. Local starch feed makers are buying maize at Rs. 1675 per quintal while sluggish demand of Hyderabad feed makers reported at Rs. 2000 per quintal. Sources revealed that in Telangana, stock of maize could be around 5000 MT which was 10,000 MT during corresponding period last year.

In Davangere region of Karnataka, maize arrivals contains fungus 10-20%. Maize is likely to trade steady to slightly weak due to sluggish feed makers demand amid arrival of imported goods in Tamilnadu.

As per media report, MMTC has made no purchase in an international tender for Non- GMO yellow corn for 1,75,000 MT for the shipment latest by 10th Feb 2020.

As per trade sources, NAFED has issued an international tender to import up to 100,000 MT of Non-GMO corn; to be sourced from Ukraine for the shipment between 1st Feb'20 to 10th Feb'20. Around 50,000 MT is sought for shipment to the Mangalore port and rest to the Tuticorin port at around \$227/MT.

Corn on CBOT fall by 4.14 USD/MT to 144.28 USD/MT for March'20 contract compared to previous week on the expectation for robust U.S. plantings and on the concern over spread of coronavirus beyond China. Further, price direction depends on the demand for U.S corn. At 0.84 MMT (for the period

14th January- 20th February, 2020) US corn exports were up 11 percent from the previous week and 20 percent from the prior 4-week average; mainly for the destinations like Mexico (278,700 MT), Colombia (224,700 MT), Japan (155,500 MT), Guatemala (62,200 MT), and Honduras (59,600 MT).

Wheat cash market is likely to trade steady to weak amid bumper output expected this season and higher stocks in central pool. Likely bumper production this year and FCI urgency to release old stock may pressurize wheat cash market in coming weeks. If off take remains slow at this point of time, FCI may consider to decrease bench mark price. Crop condition is good so far. Overall tone remains weak.

All India weekly average prices declined by 4.19 percent to Rs. 2137.82 per quintal during the week ended 28th February 2020. Wheat average price were ruling at Rs 2231.28 per quintal during 16-23 February 2020. As compared to prices in the week 24-28 February 2019, the prices are higher by 5.58 percent. Prices are expected to trade steady to weak in coming days amid lack of demand in the spot market. Though unseasonal rains, yellow rust and locust attacks have been reported in some areas, bumper production is expected this season.

As per latest update, area sown until 31st January-20 is 336.18 lakh hectares compared to 299.30 lakh hectare in the previous Rabi season. The normal area is 305.58 lakh hectares. Acreage under wheat has increased in the states of Madhya Pradesh, Gujarat, Maharashtra and Rajasthan till date.

As per market experts bumper production seems on the card despite unseasonal rains and locusts attack in Rajasthan. This year there will be record food grain production led by wheat along with corn and jowar. Wheat production during Rabi 2019-20 is estimated at 109 MMT which is 6.27% higher than last year production of 102.1 MMT. Production of wheat is expected to increase following higher acreage amid increase in MSP. Farmers prefer wheat over other Rabi crops in irrigated areas because of assured return as FCI undertakes procurement at MSP. Secondly, prolonged cold waves and winter rainfall in certain states have contributed to increase in yield of wheat.

Wheat WPI has increased from 165.7 in December -2019 to 168.6 in January -2020. Monthly wheat inflation has increased by 1.75 percent in January -2020 compared to previous month.

As per trade source, India has exported around 25.85 thousand tonnes in the month of January-2020. The quantity in January-2020 was exported at an average FOB of \$ 305.64 per tonne and the major destinations were Bangladesh, Korea, Nepal, Somalia, UAE and Sri Lanka. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

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 \$380.80 (Rs 27421.21) per tonne and \$539.00 (Rs 38813.39) 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 24000 -25000 per tonne. Therefore, as of now, there is no parity for wheat imports.

Indian FoB quote is hovering around \$274.29 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at \$213.00, \$213.50, Euro 187.00, \$246.39 and \$237.85 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 155.9 MMT in 2019-20 compared to 137.7 MMT in 2018-19. Russia and Ukraine are likely to harvest 73.5 MMT and 29.00 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 15.20 MMT in 2019-20 compared to 17.30 MMT in 2017-18. Argentina is expecting to harvest around 19.5 MMT in 2019-20 compared to 19.5 MMT in 2018-19. Furthermore, Canada is likely to harvest around 32.30 MMT in 2019-20 compared to 32.20 MMT in 2018-19.

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

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	27-Feb-20	20-Feb-20	Parity To
Indore - 45%, Jute Bag	31000	31500	Gujarat, MP
Kota - 45%, PP Bag	31500	32300	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33500	34500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	32100	33500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33500	34000	Andhra, AP, Kar, TN
Latur	32700	33500	-
Sangli	33500	33800	Local and South
Solapur	33500	33500	Local and South
Akola – 45%, PP Bag	32300	32400	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	34000	34500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	31300	32100	-

Soy DOC at Port

Centers	Port Price		
	26-Feb-20	19-Feb-20	Change
Kandla (FOR) (INR/MT)	33000	32500	500
Kandla (FAS) (USD/MT)	470	463	7
CNF Indonesia – Yellow SBM (USD/MT)	-	-	-

International Soy DOC			
Argentina FOB USD/MT	26-Feb-20	19-Feb-20	Change
Soybean Pellets	330	332	-2
Soybean Cake Flour	330	332	-2
Soya Meal	306	334	-28

Soy Expellers	306	334	-28
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	27-Feb-20	20-Feb-20	Change
Adoni	23600	24000	-400
Khamgaon	-	-	-
Parli	-	-	-
Latur	23200	23700	-500

Groundnut Meal (Rs/MT)	27-Feb-20	20-Feb-20	Change
Basis 45%, Saurashtra	25500	26000	-500
Basis 40%, Saurashtra	24000	24000	Unch
GN Cake, Gondal	26000	26500	-500

Mustard DOC/Meal	27-Feb-20	20-Feb-20	Change
Jaipur (Plant delivery)	15800	15500	300
Kandla (FOR Rs/MT)	16300	16200	100

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	27-Feb-20	20-Feb-20	27-Jan-20	27-Feb-19	27-Feb-18
Delhi	Hybrid	1750	1800	2050	2150	1350
Davangere	Loose	1700	1800	1900	1900	1230
Nizamabad	Bilty	1800	Closed	2050	2030	1320
Ahmedabad	Feed	1700	1650	1900	2100	1350
	Starch	1700	1590	1900	2100	1350

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

As on 20.02.2020	Argentina	Brazil	US	India
FOB	171.46	165.00	172.03	266.63
Cost and Freight	221.46	220.00	232.03	301.63

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	95450
Sep	868	6886	12210	102212	45388	35268
Oct	29071	4237	31390	71425	150388	63800
Nov	110806	8909	97750	207630	186409	69415
Dec	193832	5667	241250	168865	170588	5876
Total	1210954	276674	455374.1	1408042	1143244	915665

Feed Ingredient Prices at a Glance

Commodity	State	Variety	Centre	27-Feb-20	20-Feb-20	Change
Bajra	Karnataka	Hybrid	Bellary	1815	1795	20
		Hybrid	Bangalore	2200	2200	Unch
Jowar	Karnataka	White	Bangalore	2750	2750	Unch
		White	Bellary	1730	1790	-60
Maize	Karnataka	Yellow	Davangere	1700	1800	-100
	Andhra Pradesh	Yellow	Nizamabad	1700	1800	-100
Rice	Haryana	IR8	Karnal	3000	3000	Unch
		Parmal Raw	Karnal	3300	3300	Unch
Soy meal	Madhya Pradesh	DOC	Indore	3100	3150	-50
	Maharashtra	DOC	Sangli	3350	3380	-30
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2360	2400	-40
Mustard	Rajasthan	Plant delivery	Jaipur	1580	1550	30
Groundnut Meal	Gujarat	GN Cake	Gondal	2600	2650	-50
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	1647	1896	-249
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1650	1753	-103
Note: Prices Rs./Qtl						

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