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Summary

Soybean prices declined during this week despite lower pace of arrivals at various spot markets. However, Mustard seed prices showed mixed trend due to mixed pace of arrivals. Harvesting of new mustard crop has been started but with a slow pace due to recent rainfall at many states. Soybean prices are highly affected by weak soymeal demand due to COVID-19 impact. Arrivals declined 70% in MP markets compared to previous year records. Crushing is very less in the markets. Carry out stock of Soybean may stay at 1.5 million tonnes. Due to lock down announcement at various states of India, there will be no major trading activities in spot markets until 25th March 2020. Time period for lock down may be extended up to 2nd April 2020. Mustard harvesting in Kota district is continued and farmers have completed 25% crop harvesting so far and likely to finish within 15 days. NCDEX Soybean & RMseed April contract rose amid buyer's interests. CBOT prices also rose due to supply concern of Soybean.

Overall crop condition is good in Rajasthan. However, production is likely to decline near 5 to 10% as area has been shifted to other crops like Wheat, Garlic & Barley. Recent rainfall was beneficial in few districts of Rajahatahan where water availability was less. Standing Crops are good in Kota, Ganganagar and Bikaner. Traders expect 65 to 70 lakh tonnes of mustard crop in India for 2020-21 and 30 to 35 Lakh tonnes in Rajasthan. Harvesting has been started slowly and new mustard seeds contain 2 to 5% moisture. There is minor loss in Alwar and Jaipur districts. Traders don't have old stocks in Rajasthan states.

Recent rainfall may cause 15 to 20% total crop loss in UP. Harvesting may delay for 30 days. In Bundelkhand, trader expect 15% crop loss on account of heavy rainfall and hailstorm. Heavy rainfall may cause the stem rot disease and leave the plant wilted which may reduce 10 to 15% yield size compared to last season.

Sopa has revised Soybean Kharif production for 2019 from 89.94 lakh tonnes to 93.06 lakh tonnes after its recent field survey in Maharashtra, Madhya Pradesh and Rajasthan states. The revision is only for Maharashtra from 36.295 lakh tonne to 39.416 lakh tonne as sowing area stood higher side at 37.36 lakh ha. in 2019 against 36.39 lakh ha. in 2018. India may harvest 14.85 per cent lower Soybean crop at 93.06 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. Sopa has increased soymeal consumption at 50 lakh tones higher from 47.5 lakh tonnes from its earlier estimates.

As per trade body, India is likely to grow at 7.8 million tonnes of Rapeseed crop in this season supported by higher yields on account of favorable weather condition. Agriwatch expect 7.46 million tonnes of Rapeseed crop in this season which is lower against 7.90 million tonnes in 2019-20. 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. 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.

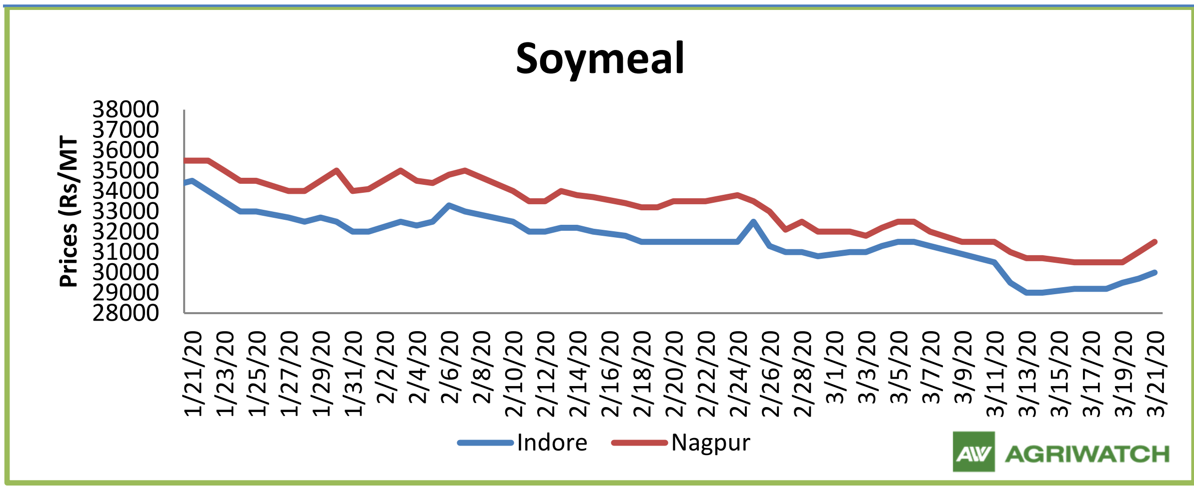
There will be no major trading activities due to lock down condition in India.

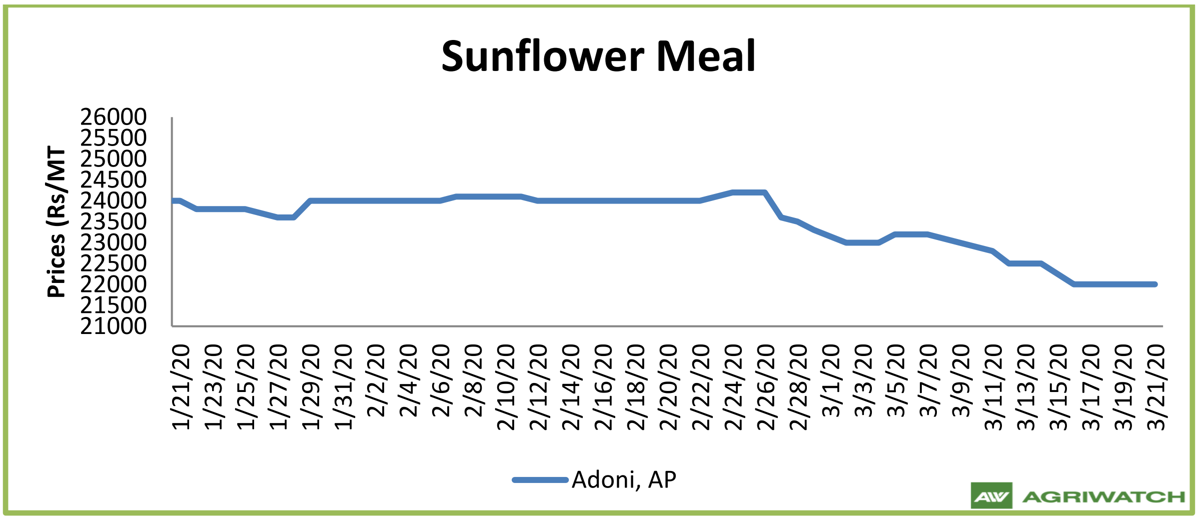
Across India, maize is likely to trade steady to weak in near term too on the expectation of sluggish poultry feed makers' demand as there is fear of coronavirus and bird flu in the market. Also, expectation of increase in new crop arrival in coming weeks could also weigh on market sentiments.

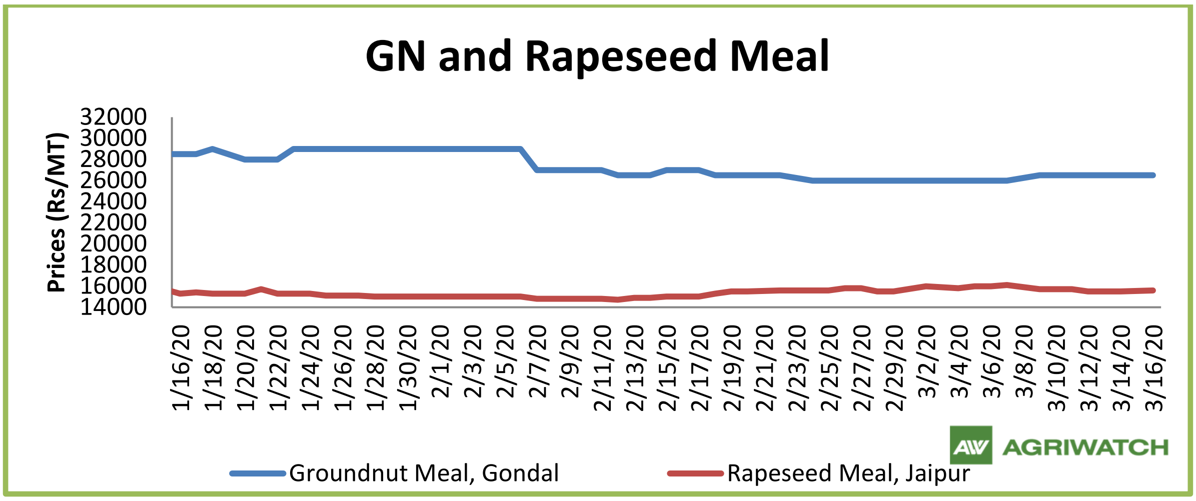
In Nizamabad region, new crop arrivals have started in the market which are lower in quantity and contains moisture up to 18% being traded in a range of Rs. 1500-1600 per quintal (Loose price) while in Davangere region of Karnataka, maize market being traded down due to supply pressure of low quality material of kharif season as new crop arrivals are expected in coming weeks. Also, sluggish demand of Tamilnadu' feed makers due to recent imported arrival amid fear of coronavirus and bird flu also weighing on market sentiments.

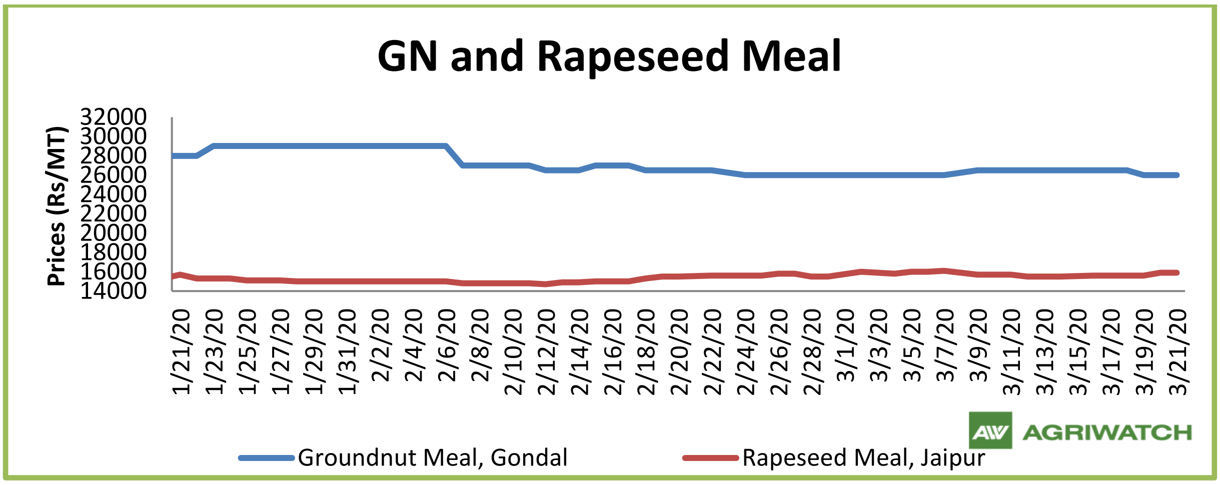
All India weekly average prices of wheat declined by 0.01 percent to Rs. 2029.67 per quintal during the week ended 23rd March 2020. Wheat average price were ruling at Rs 2029.78 per quintal during 09-15 March 2020. As compared to prices in the week 16-23 March 2019, the prices are higher by 1.58 percent. Prices are expected to trade steady to weak in coming days amid new crop arrival in the market. There could be some recovery in between following increase in retail demand amid fears of supply disruptions in the coming days. With the outbreak of corona virus, there could some supply disruptions in the near –term.

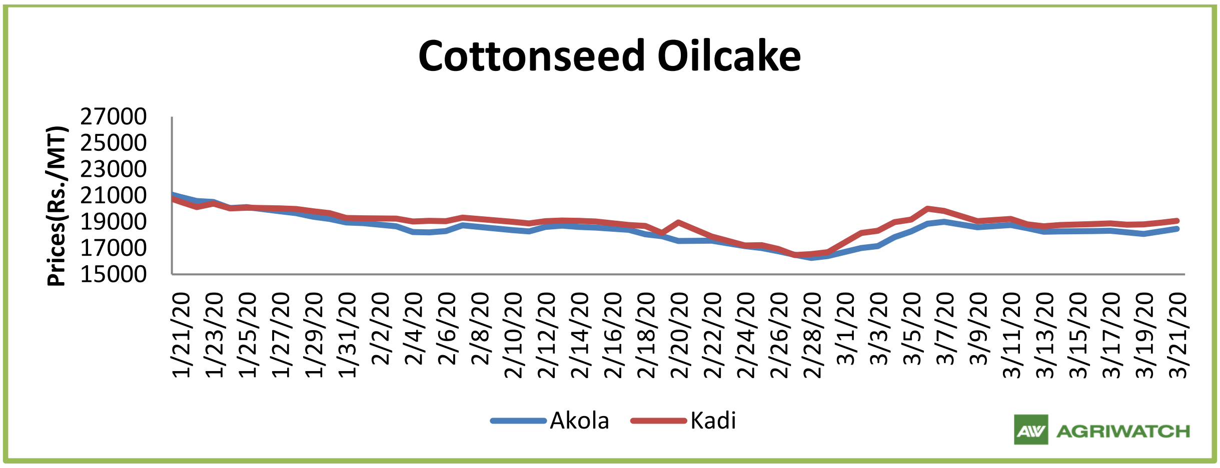
Trend – Raw Material, Feed











Source: AgriWatch

Soybean

Soybean prices are continued at lower side on weak demand of crushers and millers. Weak soymeal demand is also one of the major factor to drive soybean prices. Soybean prices may trade in steady to weak zone in expectation of dull trading activities due to lock down condition in India.

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, Mandsaurm, 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 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 tones 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.

International Market

CBOT futures prices closed on higher side due to supply concerns of soybean. Coronavirus related lockdown in Malaysia and delay cargoes at Argentina ports are the major factor to drive the prices. Malaysia has closed its borders and restricted internal movement by shutting schools and businesses from 18th March to March 31 to avoid Coronavirus impact. Firmness in soymeal markets is also supporting CBOT prices to rise.

Coronavirus has affected more than 10000 lives across the world. The outbreak has reached 198 countries including US, Italy, Iran, South Korea, India, Japan, Pakistan,UK, France, Germany, Malaysia, Indonesia, Brazil and Argentina. This has led to lockdown of various countries leading to breakdown of global supply chain of soybean. US has closed doors for travelers from Europe. China, Italy, Iran, South Korea are in state of complete shutdown. UK, France, Germany, Australia, Malaysia, Indonesia, Malaysia, Thailand and Indian have taken strong measures to control the epidemic

China has completely locked down many provinces and taken strong measures in various other measures provinces to control coronavirus. This has led to lower meat consumption in China leading to lower demand of soybean in the country. Moreover, lower swine count in China due to swine flu in 2019, which led to 40 percent drop in swine count led to lower demand of soybean by China.

During this week (6-12, 2020) US exported 71% higher soybean at 631,600 MT for 2019/2020 from the previous week and also 71 percent higher from the prior 4-week average. Increases primarily for unknown destinations (211,500 MT), Egypt (108,800 MT, including 102,000 MT switched from unknown destinations), Mexico (67,600 MT, including decreases of 1,300 MT), the Netherlands (64,800 MT, including 65,000 MT switched from unknown destinations and decreases of 200 MT), and Japan (64,300 MT, including 37,400 MT switched from unknown destinations and decreases of 5,300 MT), were offset by reductions for Niger (400 MT) and Peru (300 MT). For 2020/2021, net sales of 69,600 MT were for unknown destinations (68,000 MT), Canada (1,100 MT), and Japan (500 MT). Exports of 483,400 MT were down 15 percent from the previous week and 31 percent from the prior 4-week average. The destinations were primarily to Egypt (171,700 MT), Mexico (87,100 MT), the Netherlands (64,800 MT), Japan (41,800 MT), and Thailand (21,000 MT).

As per sources, European Union bought total 9.9 million tonnes of Soybean till March 15, 2020 (season started on July 1) which is lower by 4% from last year record in Mar 10, 2020. EU soymeal imports had reached higher by 2% to 12.50 million tonnes against the year-earlier period, while Rapeseed imports went up by 40% to 4.42 million tonnes against last year record. However, palm oil imports stood down by 14% to 3.93 million tonnes.

As per Arc Mercosul, farmers in Brazil have harvested 62.8% of the soybean area as on Mar 13, 2020 of this season. It is higher from last week and also from historical average of 62.6% as supported by dry weather condition. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20. There are reports of possibility of lockdown of Brazil as Covid-19 has reached the country.

As per recent Conab report, Brazil is likely to grow 0.81% higher soybean at 124.20 million tons in 2019-20 (crop year September-August) from its Feb month estimates i.e. 123.2 and also higher by 7.9% from last year record due to supportive weather condition. Soya yield is likely to stay higher at 3373 KG/ Ha. against 3349 Kg/Ha. in Feb month forecast and also higher from 3206 Kg/Ha. in last year. Planting area is estimated 0.05% higher to 36.82 million ha.against 36.80 million Ha. and 2.64% higher from 35.87 million Ha. in 2018-19. 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.

Argentina may increase taxes on soybean, soyoil, and soymeal exports to 33% from the current 30%which may support CBOT price to rise.

According to China's General Administration of Customs (CNGOIC), China's Jan and Feb soybean imports rose 14.2 percent to 13.51 MMT from 11.83 MMT a year earlier. Imports in Dec were 9.54 million tonnes.

As per sources, Brazil has shipped 243% higher Soybean at 5.12 million tonnes in Feb 2020 compared to previous month record i.e.1.49 million tonnes. However, it is lower by 2.84% from 5.27 million tonnes in Feb 2019. Brazil exported 27% lower soymeal at 0.77 million tonnes in Feb month 2020 against 1.06 million tonnes in Jan 2020 and also lower by 14% from 0.9 million tonnes in Feb 2019.

As per Arc Mercosul, farmers in Brazil have harvested 43.1% of the soybean area as on Feb 28, 2020 of this season. It is lower from 56% in last year record during the same period of time. AgRural expects total 123.9 million tonnes of soybean harvest in 2019-20.

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 from 76.1 million acres in 2019.

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.

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. Soymeal 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 March report, world oilseed production for 2019/20 is projected at 580.13 million tons in Mar month, higher against 576.82 million tonnes in last month after larger crops of Soybean and sunflower. Total oilseeds crushing has been decreased by 1 million tons to 497.94 million tons against last month estimates due to higher crushing estimates in China and Maxico however it is higher from 488.59 million tonnes in previous year. Ending stocks for the world is kept 3.56 million tons higher to 117.37 million tonnes against 113.81 million tons in last month estimates however lower from 129.82 million tonnes in 2018/19 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 March 2020 against previous month. Exports of U.S are unchanged at 49.66 million tonnes in this month against last month estimates however higher from 47.56 million tonnes in 2018-19. U.S crushing is unchanged at 57.28 million tonnes in March. Month and higher from 56.93 million tonnes in last year. Ending stocks of the country is expected to be lower at 11.55 million tonnes in Mar. month review against last month and lower from 24.74 million tonnes in 2018/19.

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 9 million tonnes to 126 million tonnes in normal weather condition as compared to last year i.e.117 million tones. While, the consultancy expects, total soybean planting area in Brazil at 36.4 million hac.and the production at 120.7 million tonnes in the current season.

As per USDA, U.S. Gulf FOB soybean export bids in February averaged $346/ton, lower $13 from January. Brazil Paranagua FOB averaged $346/ton down by $ 13 from January. Argentina Up River FOB averaged $347/ton, down $15.

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.

Rapeseed - Mustard Seed

RM seed prices are unchanged in this week. While, arrivals have been reported higher side. Harvesting is likely to increase in next week in expectation of dry weather condition. Heavy rainfall in last week have slowed down harvesting pace and affected mustard crops quality. At the end of week, mustard seed prices stood unchanged at Rs. 4048 per quintal at the benchmark, Jaipur.

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.

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

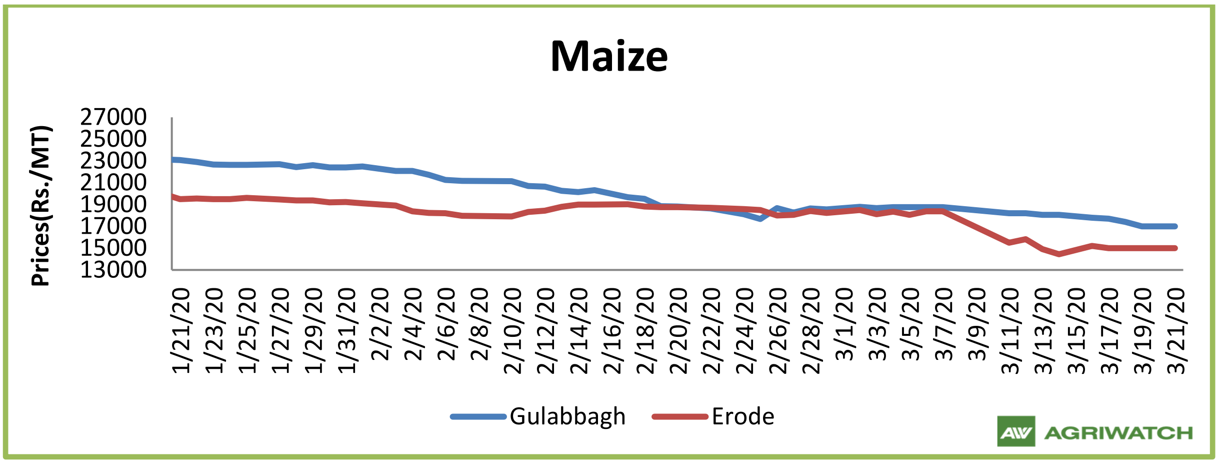
lakh hectares higher against 4.59 lakh hectares in last year. Safflower has been planted on 0.63 lakh hectares higher from last year record i.e.0.43 lakh hectares. Linseed has been planted on 3.46 lakh hectares higher against 3.44 lakh hectares in last year.

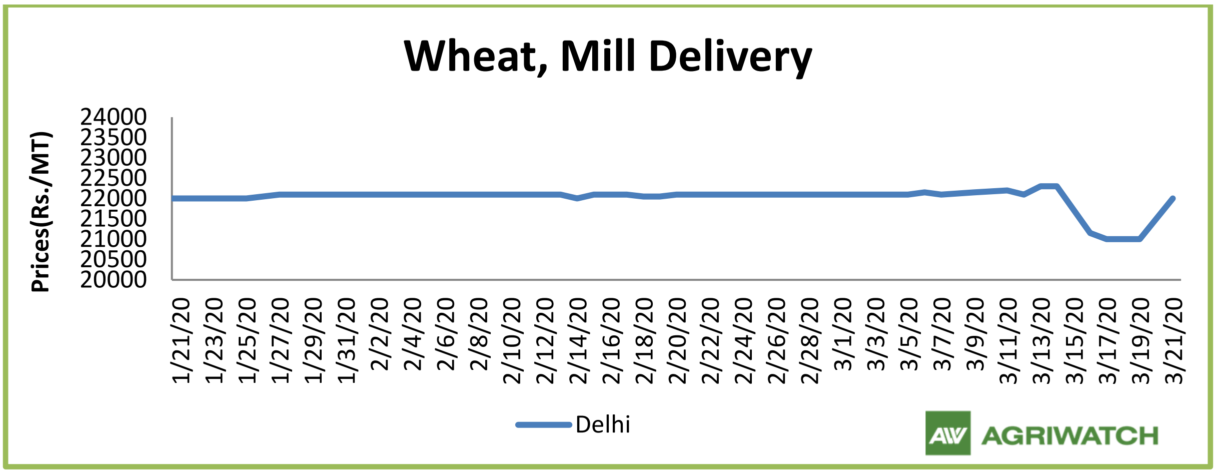
Acreage of Mustard in the current season is lower against 2018-19. Mustard crop major growing states are Rajasthan, Madhya Pradesh, and Uttar Pradesh and Haryana state. In Rajasthan, traders expect total 2 to 5% lower mustard sowing area as mustard area may shift to garlic and wheat crop due to good 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.

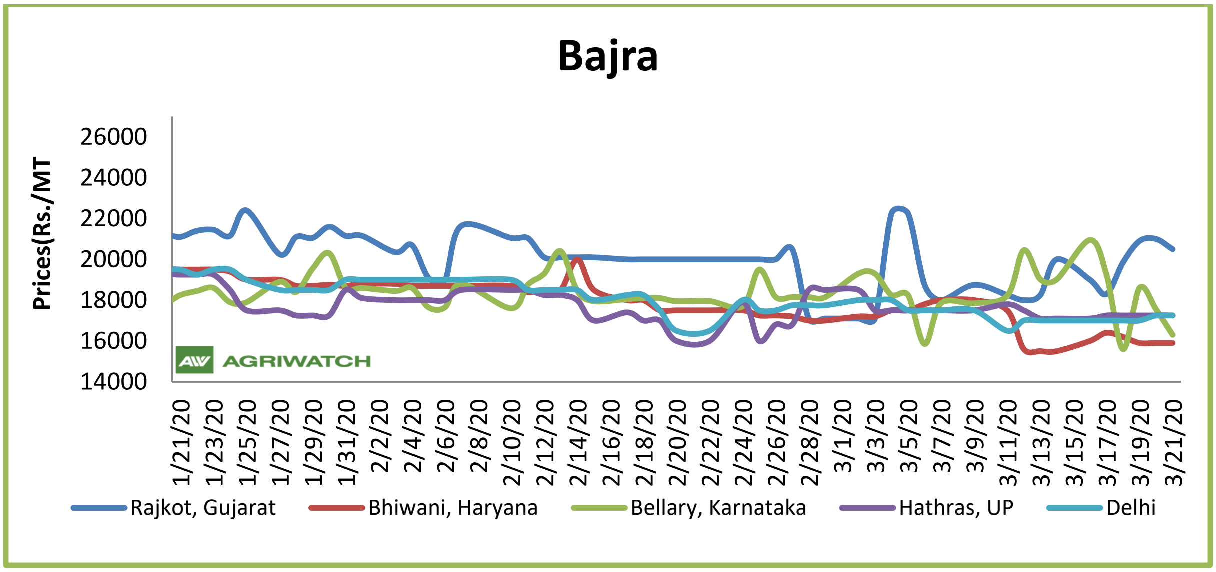
High water level in most reservoirs will support to increase yield. However, acreage for Rabi season may decline as sowing has been delayed due to rainfall in October and November and late harvesting of Kharif crops. Farmers had waited water to dry up the sowing low lying land. Government has announced 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) March estimates, India may produce total 77 lakh tones of Rapeseed in 2019/20 lower from 80 lakh tonnes in 2018/19. It is unchanged from last month estimates. Ending stocks of mustard seed have been lowered to 1.69 lakh tonnes from 4.69 lakh tonnes in last year record. India’s 2019-20 Rapeseed oil production is revised higher at 26.60 lakh tonnes higher from previous year record i.e. 26.22 lakh tonnes. While, mustard oil import estimates are placed 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)

Across India, maize is likely to trade steady to weak in near term too on the expectation of sluggish poultry feed makers' demand as there is fear of coronavirus and bird flu in the market. Also, expectation of increase in new crop arrival in coming weeks could also weigh on market sentiments.

In Nizamabad region, new crop arrivals have started in the market which are lower in quantity and contains moisture up to 18% being traded in a range of Rs. 1500-1600 per quintal (Loose price) while in Davangere region of Karnataka, maize market being traded down due to supply pressure of low quality material of kharif season as new crop arrivals are expected in coming weeks. Also, sluggish demand of Tamilnadu' feed makers due to recent imported arrival amid fear of coronavirus and bird flu also weighing on market sentiments.

In Telangana, maize has been sown in 2.36 lakh hectare as of 18th March'20 which is higher than 1.16 lakh hectare covered during corresponding period last year. Maize sown area is 157% to season normal and its sowing has completed. Maize crops are at cob formation stage. In Warangal, Kamareddy & Siddipet districts, fall army worm is below ETL. As per trade sources, recent rains in Bihar and Gujarat, has not impacted the crop quality.

From the trade point of view, Maize is moving towards Hyderabad at Rs. 1,900 per quintal while it is being bought by local starch feed makers at Rs. 1650 per quintal.

As per trade sources, NAFED had 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 was sought for shipment to the Mangalore port and rest to the Tuticorin port at around $227/ MT. These shipments are expected to arrive during the month of March. Also, MMTC had issued an international tender for Non- GMO yellow corn for 1,75,000 MT for shipment by 10th Feb 2020, but did not accept any bids towards that tender.

Corn on CBOT fall by 8.66 USD/MT to 135.33 USD/MT for May'20 contract compared to previous week due to uncertainty over economic fallout from the coronavirus. Further, price direction depends on the demand for U.S corn.

At 0.97 MMT (for the period 06th- 12th March, 2020) US corn exports were up 14 percent from the previous week and 16 percent from the prior 4-week average; mainly for the destinations like Mexico (290,600 MT), Japan (283,800 MT), Colombia (92,000 MT), South Korea (67,200 MT), and Guatemala (44,900 MT).

All India weekly average prices of wheat declined by 0.01 percent to Rs. 2029.67 per quintal during the week ended 23rd March 2020. Wheat average price were ruling at Rs 2029.78 per quintal during 09-15 March 2020. As compared to prices in the week 16-23 March 2019, the prices are higher by 1.58 percent. Prices are expected to trade steady to weak in coming days amid new crop arrival in the market. There could be some recovery in between following increase in retail demand amid fears of supply disruptions in the coming days. With the outbreak of corona virus, there could some supply disruptions in the near –term.

In Punjab, around 3% crop loss is expected in the wheat growing regions following recent rains and hailstorm. However exact crop loss will be clear in the coming days. Price of wheat has mostly increased during last few days due to a rise in demand as consumers are stocking up amid fear of supply disruptions in the country following the outbreak of Corona virus. In Rajasthan prices firmed up as stockists have almost exhausted their stock and new crop arrival will be delayed by 2-3 weeks following recent rainfall.

According to the second advance estimate released by the State of Punjab, wheat production is estimated to decline to 17.9 MMT in 2019-20 (Jul-Jun) compared with 18.3 MMT in the previous year.

As per market sources, wheat stock in central pool as on 1st March'20 stood at 275.21 lakh tonnes down by 9.37% compared to last month. This quantity is higher by around 36.86% compared to last year for the same month. Government has already applied import duty on wheat to curb imports and provide support to domestic prices. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

As per Govt. sources the second crop forecast of India is projected to produce a record 106.2 MMT of wheat crop in 2019-20 because of favourable weather conditions and improved crop yields.

As per trade source, India has exported around 11.15 thousand tonnes in the month of February-2020. The quantity in February-2020 was exported at an average FOB of $ 312.07 per tonne and the major destinations were Nepal, Bangladesh, 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 $366.80 (Rs 27462.32) per tonne and $583.80 (Rs 43709.11) 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 23000 -23500 per tonne. Therefore, as of now, there is no parity for wheat imports.

Indian FoB quote is hovering around $242.42 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at $203.00, $203.00, Euro 190.75, $245.17 and $222.88 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 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)		
	19-Mar-20	12-Mar-20	Parity To
Indore - 45%, Jute Bag	29500	29500	Gujarat, MP
Kota - 45%, PP Bag	30200	30400	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	30700	32500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	30500	31000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	32000	32500	Andhra, AP, Kar, TN
Latur	31500	31800	-
Sangli	30300	31300	Local and South

Solapur	30200	31000	Local and South
Akola – 45%, PP Bag	31300	30500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34000	34000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	30000	30200	-

Soy DOC at Port

Centers	Port Price		
	18-Mar-20	11-Mar-20	Change
Kandla (FOR) (INR/MT)	32000	31500	500
Kandla (FAS) (USD/MT)	410	450	-40
CNF Indonesia – Yellow SBM (USD/MT)	425	-	425

International Soy DOC			
Argentina FOB USD/MT	**18-Mar-20**	**11-Mar-20**	**Change**
Soybean Pellets	338	334	4
Soybean Cake Flour	338	334	4
Soya Meal	341	334	7
Soy Expellers	341	334	7
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**19-Mar-20**	**12-Mar-20**	**Change**
Adoni	22000	22500	-500
Khamgaon	-	-	-
Parli	-	-	-
Latur	21500	22000	-500

Groundnut Meal (Rs/MT)	19-Mar-20	12-Mar-20	Change
Basis 45%, Saurashtra	26500	27000	-500
Basis 40%, Saurashtra	24000	24000	Unch
GN Cake, Gondal	26000	26500	-500

Mustard DOC/Meal	19-Mar-20	12-Mar-20	Change
Jaipur (Plant delivery)	15600	15500	100
Kandla (FOR Rs/MT)	16200	16200	Unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	20-Mar-20	13-Mar-20	20-Feb-20	20-Mar-19	20-Mar-18
Delhi	Hybrid	1675	1650	1800	2200	1340
Davangere	Loose	1250	1300	1800	1950	1150
Nizamabad	Bilty	1700	1800	1900	NA	1340
Ahmedabad	Feed	1585	1600	1650	2160	1350
	Starch	1550	1500	1590	2200	1400

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

As on 20.03.2020	Argentina	Brazil	US	India
FOB	161.61	163.80	168.29	242.95
Cost and Freight	211.61	218.80	228.29	277.95

Soy Meal Exports (In MT):

Month	2015	2016	2017	2018	2019	2020
Jan	103934	7707	155160	105678	86378	41726
Feb	64515	1127	207977	73816	132375	20309
Mar	46670	430.1	107059	39209	193920	
Apr	18017	12295	124374	68264	40829	
May	14046	10400	48900	76026	53272	
Jun	2098	17930	45975	104088	62524	
Jul	928	12270	80797	63747	76558	
Aug	768	10615	87668	59643	95450	
Sep	6886	12210	102212	45388	35268	
Oct	4237	31390	71425	150388	63800	
Nov	8909	97750	207630	186409	69415	
Dec	5667	241250	168865	170588	72233	
Total	**276674**	**455374.1**	**1408042**	**1143244**	**982022**	**62035**

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	19-Mar-20	12-Mar-20	Change
Bajra	Karnataka	Hybrid	Bellary	1860	2045	-185
		Hybrid	Bangalore	2200	2200	Unch
Jowar	Karnataka	White	Bangalore	2700	2750	-50
		White	Bellary	1895	1811	84
Maize	Karnataka	Yellow	Davangere	1100	1300	-200
	Andhra Pradesh	Yellow	Nizamabad	1600	1700	-100
Rice	Haryana	IR8	Karnal	3000	3000	Unch
		Parmal Raw	Karnal	3050	3200	-150
Soy meal	Madhya Pradesh	DOC	Indore	2950	2950	Unch
	Maharashtra	DOC	Sangli	3030	3130	-100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2200	2250	-50
Mustard	Rajasthan	Plant delivery	Jaipur	1560	1550	10
Groundnut Meal	Gujarat	GN Cake	Gondal	2600	2650	-50
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	1881	1881	Unch
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1807	1851	-44
Note: Prices Rs./Qtl						