

Contents:

- ❖ **Summary**
- ❖ **Trend – Raw Material, Feed**
- ❖ **Outlook**
- ❖ **Annexure– Prices**

Summary

There is no major trading activities due to lock down in India to prevent from spreading COVID-19. Crushing is very less in the markets. Carry out stock of Soybean may stay at 1.5 million tonnes. Time period for lock down has been decided until 14th April 2020. Recent rainfall in this week may slow down and delay Mustard harvesting of this season. NCDEX Soybean & RM seed April contract rose amid buyer's interests. CBOT prices also increased due to supply concern of Soybean.

Agriwatch expects 7.21 million tonnes of Mustard crop for 2021-20 which 8.76% lower from 7.90 million tonnes as estimated for 2019-20. Yield size may decline 8.5% to 1036.88 Kg/Hac. against 1133 Kg/Hac in 2019-20 due to non-seasonal rainfall in Jan 2020 and March 2020. India received 46% excess rainfall during 1st March 2020 to 25th March 2020 compared to Normal rainfall which may damage seed quality and also delay harvesting of this season. Heavy Rainfall and hailstorm in early Jan month 2020 have affected standing mustard crops in Rajasthan, Western Uttar Pradesh and Southern Haryana states of India as a result the stem rot and white rust disease are seen at growth stage. Area of India is reported 0.29% lower to 6.95 million Hectares compared to 6.97 million hectares in 2019-20 as mustard area have shifted to Wheat, garlic and Barley crop in some growing belt of India.

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.

COOIT has estimated 77 lakh tons of rapeseed crop in MY 2020-21 compared to crop of 75 lakh tons last year. In the second advanced estimate rapeseed crop has been estimated at 91.13 lakh tons compared to 92.56 lakh tons last year.

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.

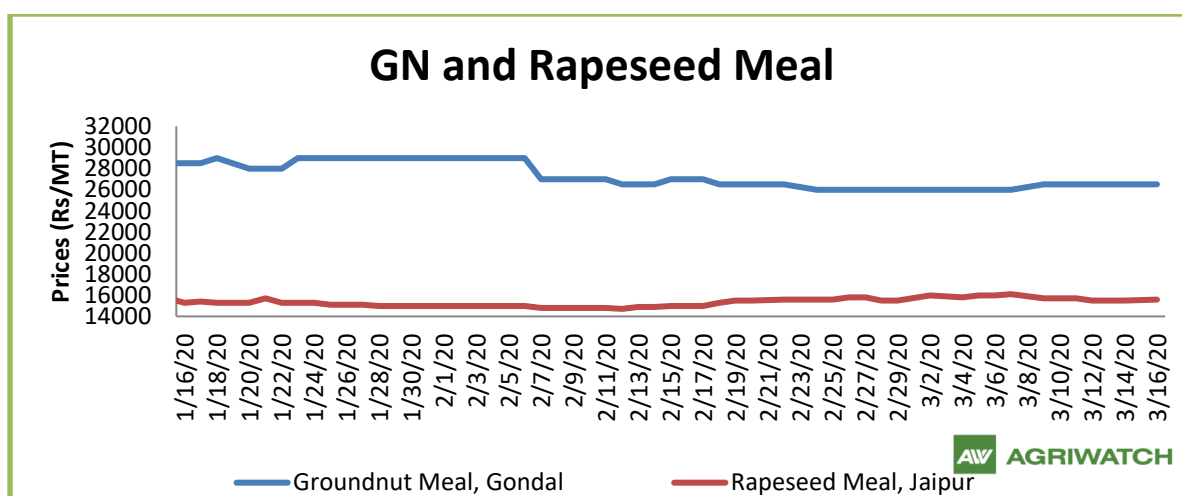
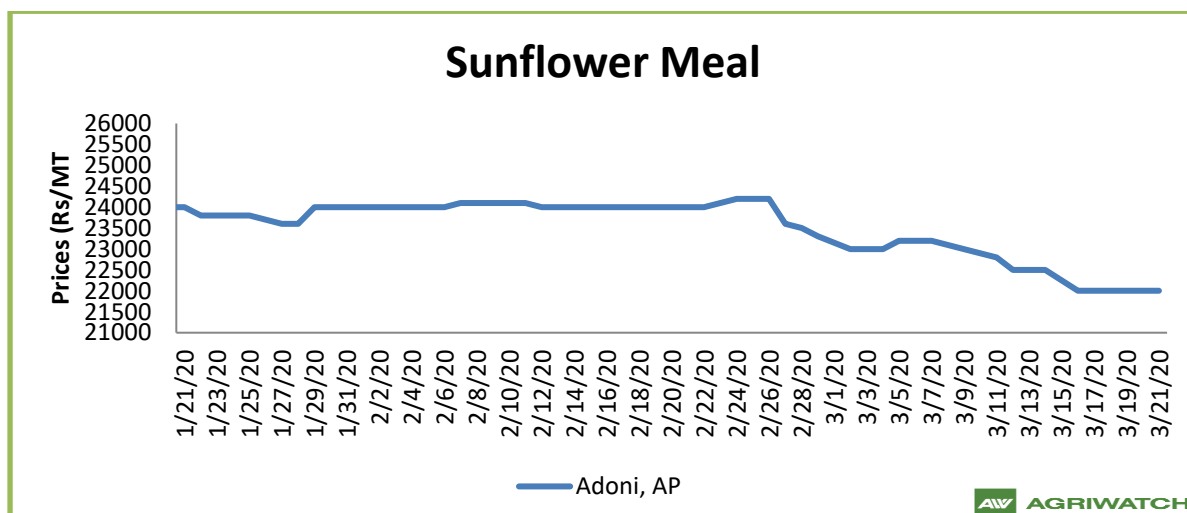
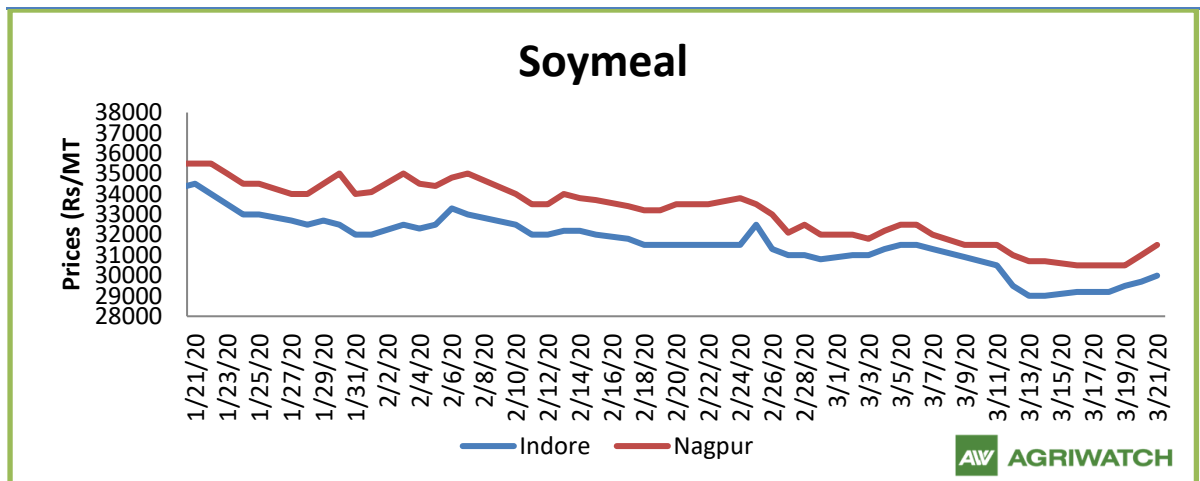
Across India, maize is likely to trade steady to weak in near term too on sluggish demand from poultry feed industry in the wake of coronavirus and bird flu. Besides, large size of Rabi crop is also weighing on market sentiments. However, no major trade activity would happen till 14th April'20 as markets are closed due to lockdown in India to fight the spread of Covid-19; huge arrivals of new crop are expected after that which could also weigh on market sentiments.

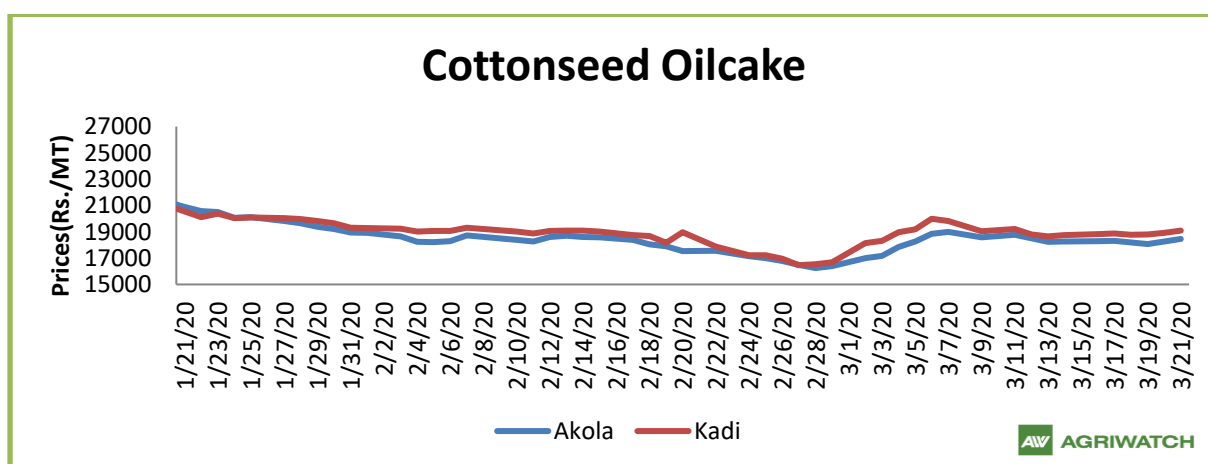
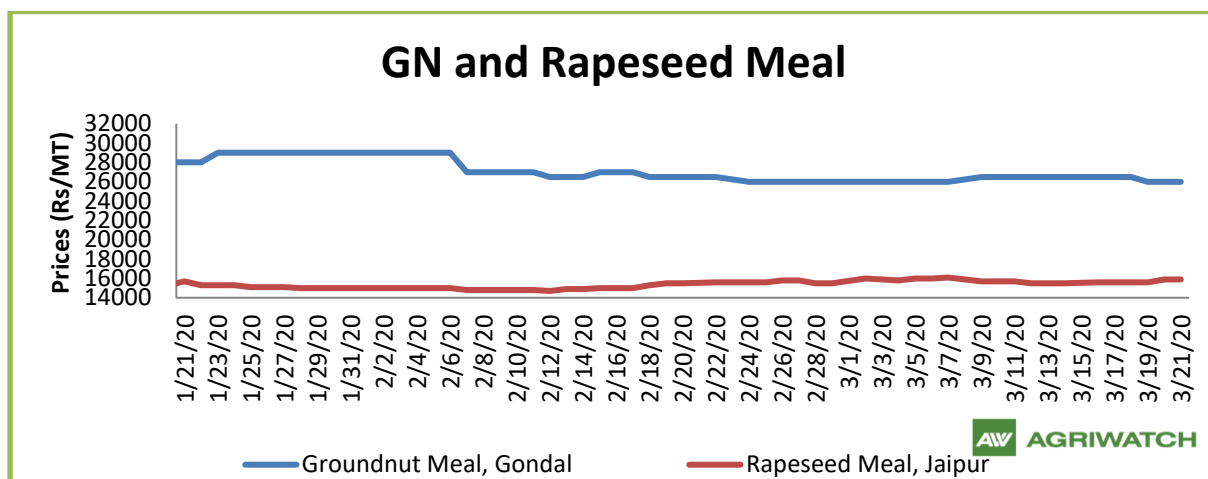
In Nizamabad, maize is likely to trade steady to weak in near term due to sluggish poultry feed makers' demand on the fear of corona virus. Early new crop arrivals have started in the market, containing moisture up to 18%. In Davangere region of Karnataka, maize is likely to trade down as new rabi arrivals are expected in coming weeks. Also, sluggish demand from Tamil Nadu based feed makers could also weigh on market sentiments.

All India weekly average prices of wheat declined by 0.99 percent to Rs. 2009.51 per quintal during the week ended 31st March 2020. Wheat average price were ruling at Rs 2029.67 per quintal during 16-23 March 2020. As compared to prices in the week 24-31 March 2019, the prices are lower by 0.63 percent. Prices are expected to trade steady to weak amid lock down in the country. As per the latest update,

wheat markets remain closed following lock down in the country amid spread of Covid -19. In Punjab, around 3% crop loss is expected in the wheat growing regions following recent rains and hailstorm.

Trend – Raw Material, Feed





Source: AgriWatch

Soybean

Markets are closed on account of lock down in India on coronavirus.

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 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.

International Market

CBOT futures prices are higher side in fear of less supplies in the market due to COVID-19. Fresh demand in China market may support CBOT prices to rise.

As per Arc Mercosul, farmers in Brazil have harvested 70.1% of the soybean area as on March 20, 2020 of this season. It is higher from 68.5% in last year record during the same period of time. In Mato Grosso, farmers have virtually finished collecting their beans while harvesting approached 80% of the area in Paraná, another big grower. In Rio Grande do Sul, where producers face crop losses due to a drought, farmers have harvested about 20% of their fields. As per Safras and Mercado in Feb month review, Brazil may grow lower soybean to 124.2 million tonnes against 124.5 million tonnes in 2019/20.

During this week (13 to 19th March 2020), US exported 43% higher soybean at 904,300 MT for 2019/2020 from the previous week and also higher from the prior 4-week average. Increases primarily for unknown destinations (406,100 MT), China (199,300 MT), Indonesia (69,400 MT, including 55,000 MT switched from unknown destinations and decreases of 1,000 MT), Bangladesh (55,000 MT), and Peru (37,400 MT, including 35,000 MT switched from unknown destinations), were offset by reductions for Egypt (2,200 MT). For 2020/2021, total net sales of 500 MT were for Japan. Exports of 607,100 MT were up 26 percent from the previous week and 4 percent from the prior 4-week average. The destinations were primarily to Egypt (127,800 MT), Taiwan (94,800 MT), Japan (74,700 MT), Indonesia (74,400 MT), and China (64,300 MT).

As on 30th March 2020, total 724,436 cases in the world have been identified under Coronavirus impact where 34,009 people could not survive and 152,065 people were recovered. Today, 43 new cases has been confirmed in the world. The outbreak has reached 199 countries including US, Italy, Iran, South Korea, India, Japan, Pakistan, UK, France, Germany, Malaysia, Indonesia, Brazil, Argentina, Switzerland, South Korea, Australia, and Mexico. 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.

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 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 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 Mexico 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 tonnes. 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

There is no major trading activities due to lock down in India. Harvesting is likely to increase in next week in expectation of dry weather condition. Heavy rainfall in this week may remain slow down harvesting pace and affected mustard crops quality.

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.

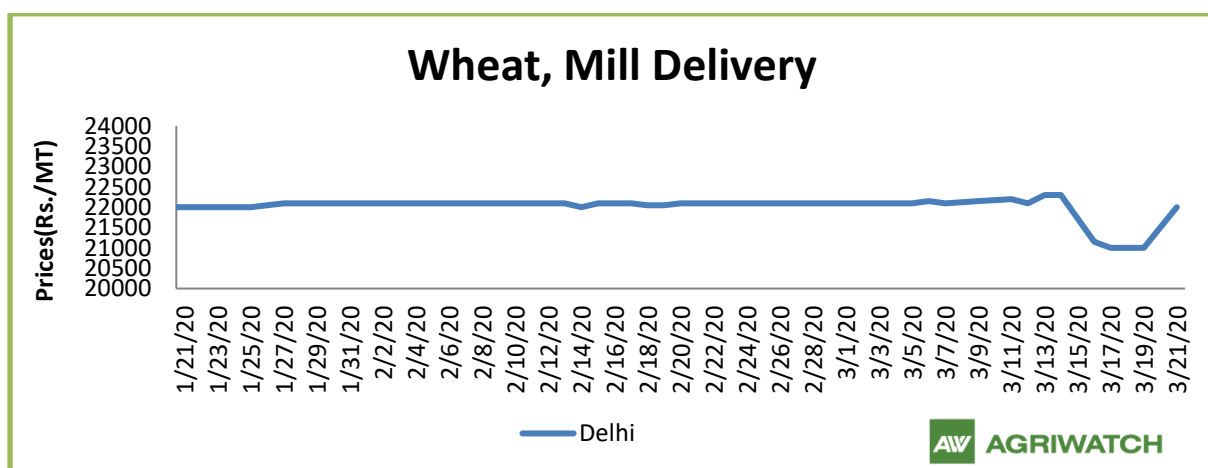
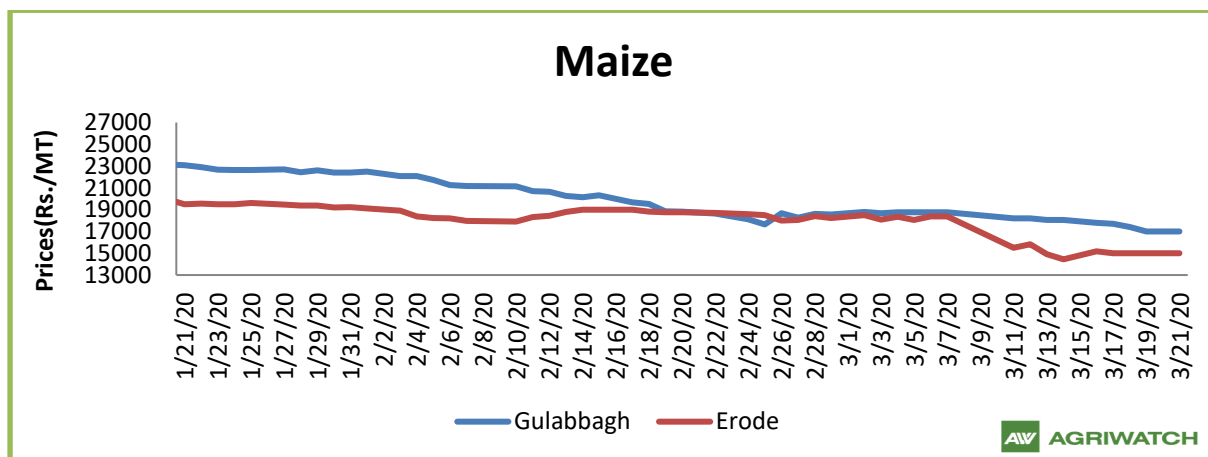
As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.07 lakh hectares to 80.29 lakh hectares as on 31st Jan 2020 against 80.36 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 69.51 lakh hectares 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.

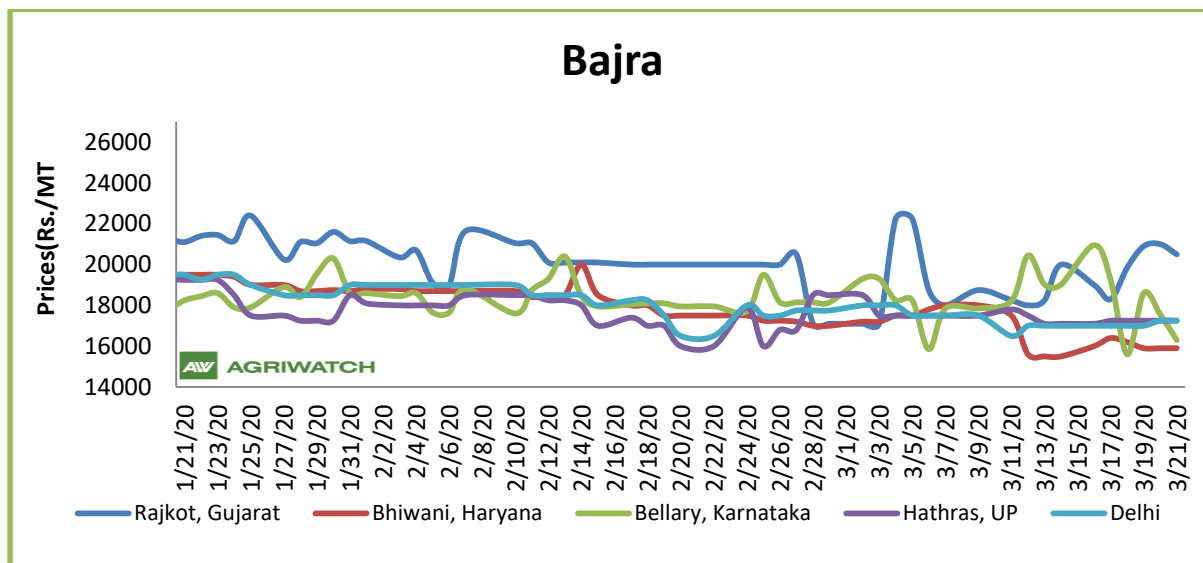
Acreage of Mustard in the current season is lower against 2018-19. Mustard crop major growing states are Rajasthan, Madhya Pradesh, and Uttar Pradesh and Haryana state. In Rajasthan, traders expect total 2 to 5% lower mustard sowing area as mustard area may shift to garlic and wheat crop due to good 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 sluggish demand from poultry feed industry in the wake of coronavirus and bird flu. Besides, large size of Rabi crop is also weighing on market sentiments. However, no major trade activity would happen till 14th April'20 as markets are closed due to lockdown in India to fight the spread of Covid-19; huge arrivals of new crop are expected after that which could also weigh on market sentiments.

In Nizamabad, maize is likely to trade steady to weak in near term due to sluggish poultry feed makers' demand on the fear of corona virus. Early new crop arrivals have started in the market, containing moisture up to 18%. In Davangere region of Karnataka, maize is likely to trade down as new rabi arrivals are expected in coming weeks. Also, sluggish demand from Tamil Nadu based feed makers could also weigh 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.

As per 3rd advanced estimates for 2019-20, Agriwatch expects maize production for this Rabi season at 7.16 MMT with the expected yield of 4.22 MT/ hectare.

As per trade sources, India exported around 24,835 MT of maize for the month of February'20 at an average FoB of \$306.63/ MT. Out of this, around 21,435 MT Indian maize was exported to Nepal at an average FoB of \$301.66/MT; through Raxaul, Sonauli ICD and Jogbani ICD ports.

As per trade sources, India imported around 1,47,554.51 MT of maize for the month of February'20. Out of this, around 1,28,534.51 MT was imported from Myanmar at Kolkata port (1,06,563 MT @ \$266.37 USD/MT), Tuticorin (7,175 MT @ \$247.01 USD/MT), Chennai (1100 MT @ \$284.76 USD/MT), Vizag (4,799 MT @ \$250.31 USD/MT) and Mundra port (5,899 MT @ \$260.99 USD/MT) while around 19,000 MT was imported from Ukraine at Kandla port at an average value of \$199.70 USD/ MT.

Corn on CBOT rose by 0.88 USD/MT to 136.21 USD/MT for May'20 contract compared to previous week. Further, price direction depends on the demand for U.S corn.

At 0.85 MMT (for the period 13th- 19th March, 2020) US corn exports were down 13 percent from the previous week and 5 percent from the prior 4-week average; mainly for the destinations like Japan (257,500 MT), Mexico (231,500 MT), Colombia (120,700 MT), the Dominican Republic (86,700 MT), and Guatemala (65,000 MT).

IGC increased its global corn production forecast for 2019/20 by 4 MMT to 1116 MMT compared to previous forecast. Forecast for global corn ending stock was also up by 5 MMT to 289 MMT due to increase in production amid lower estimates for trade and consumption for 2019/20 compared to last month forecast which could weigh on international corn market.

All India weekly average prices of wheat declined by 0.99 percent to Rs. 2009.51 per quintal during the week ended 31st March 2020. Wheat average price were ruling at Rs 2029.67 per quintal during 16-23 March 2020. As compared to prices in the week 24-31 March 2019, the prices are lower by 0.63 percent. Prices are expected to trade steady to weak amid lock down in the country. As per the latest update, wheat markets remain closed following lock down in the country amid spread of Covid -19. In Punjab, around 3% crop loss is expected in the wheat growing regions following recent rains and hailstorm.

Harvesting of wheat is likely to be delayed in the states of Punjab and Haryana following the recent lockdown in the country. An acute shortage of labour and transportation following country-wide lockdown to halt the spread of the coronavirus outbreak will result in delay in wheat crop harvesting. Most of the farmers will face shortage of manpower in the coming days as the migration of labourers from other states has come to a halt.

The Indian government has approved the world's largest food security scheme to benefit 80 crore people across the country. Out of them, every person will get 7 kg ration per month for the next three months, including wheat at a cost of Rs 2 per kg, instead of Rs 27 per kg; and rice at cost of Rs 3 per kg, instead of Rs 37 per kg.

The Food Corporation of India (FCI) purchases bulk of the cereal produce in the month of April in the northern states of Punjab, Haryana and Uttar Pradesh. The procurement process officially commences on April 1 as farmers sell their cereal produce in designated mandis to the government agencies at minimum support price (MSP) in these states. However in the current year, procurement is likely to be delayed by 2 weeks as the country is under lock down amid the spread of Covid-19 in different states. Labour shortage and lack of adequate transportation is likely to delay the process.

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 \$378.00 (Rs 28300.86) per tonne and \$581.00 (Rs 43499.47) 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 \$213.00, \$213.00, Euro 194.75, \$261.38 and \$234.82 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 156.0 MMT in 2019-20 compared to 137.7 MMT in 2018-19. Russia and Ukraine are likely to harvest 73.6 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 19.8 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)		
	26-Mar-20	19-Mar-20	Parity To
Indore - 45%, Jute Bag	Closed	29500	Gujarat, MP
Kota - 45%, PP Bag	Closed	30200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	Closed	30700	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	Closed	30500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	Closed	32000	Andhra, AP, Kar, TN
Latur	Closed	31500	-
Sangli	Closed	30300	Local and South
Solapur	Closed	30200	Local and South
Akola – 45%, PP Bag	Closed	31300	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	Closed	34000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	Closed	30000	-

Soy DOC at Port

Centers	Port Price		
	25-Mar-20	18-Mar-20	Change
Kandla (FOR) (INR/MT)	Unq	32000	-
Kandla (FAS) (USD/MT)	Unq	410	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	425	-

International Soy DOC			
Argentina FOB USD/MT	25-Mar-20	18-Mar-20	Change
Soybean Pellets	365	338	27
Soybean Cake Flour	365	338	27
Soya Meal	357	341	16
Soy Expellers	357	341	16
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	26-Mar-20	19-Mar-20	Change
Adoni	Closed	22000	-
Khamgaon	Closed	-	-
Parli	Closed	-	-
Latur	Closed	21500	-

Groundnut Meal (Rs/MT)	26-Mar-20	19-Mar-20	Change
Basis 45%, Saurashtra	Closed	26500	-
Basis 40%, Saurashtra	Closed	24000	-
GN Cake, Gondal	Closed	26000	-

Mustard DOC/Meal	26-Mar-20	19-Mar-20	Change
Jaipur (Plant delivery)	Closed	15600	-
Kandla (FOR Rs/MT)	Closed	16200	-

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	27-Mar-20	20-Mar-20	27-Feb-20	27-Mar-19	27-Mar-18
Delhi	Hybrid	Closed	1675	1750	2250	1400
Davangere	Loose	Closed	1250	1700	1950	1250
Nizamabad	Bilty	Closed	1700	1800	2000	1340
Ahmedabad	Feed	Closed	NR	1700	2300	1320
	Starch	Closed	NR	1700	2275	1370

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

As on 27.03.2020	Argentina	Brazil	US	India
FOB	167.81	165.10	168.21	242.95
Cost and Freight	217.81	220.10	228.21	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	26-Mar-20	19-Mar-20	Change
Bajra	Karnataka	Hybrid	Bellary	Closed	1860	-
		Hybrid	Bangalore	Closed	2200	-
Jowar	Karnataka	White	Bangalore	Closed	2700	-
		White	Bellary	Closed	1895	-
Maize	Karnataka	Yellow	Davanger e	Closed	1100	-
	Andhra Pradesh	Yellow	Nizamabada	Closed	1600	-
Rice	Haryana	IR8	Karnal	Closed	3000	-
		Parmal Raw	Karnal	Closed	3050	-
Soy meal	Madhya Pradesh	DOC	Indore	Closed	2950	-
	Maharashtra	DOC	Sangli	Closed	3030	-
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	Closed	2200	-
Mustard	Rajasthan	Plant delivery	Jaipur	Closed	1560	-
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	2600	-

Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	Closed	1881	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	Closed	1807	-
Note: Prices Rs./Qtl						

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