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Summary

Ups and downs trend are featured at few trading centers in Soybean complex. Mustard seed prices closed lower side at various markets after good supplies of new crops. Government has allowed farmers to bring new harvested mustard crops in the markets despite lock down in India. Mustard prices may decline further in expectation of heavy supplies of new crop. However, lock downs in India is slowing trading activities. Mandies in UP and MP may also open for trading. NCDEX Soybean prices increased however Mustard future prices declined on selling pressures. CBOT prices closed on upside amid firm sentiments in global markets.

To avoid sever impact of COVID-19, government has extended lock down period until 3rd May 2020. Therefore no major trading activities are happening at trading centres. Under Coronavirus epidemic, total 28.55 lakh cases has been confirmed so far in the world including 1.98 lakh death numbers and 8.15 lakh recovered cases. In India, total confirmed cases are 24,942 under coronavirus impacts including 780 death cases and 5498 recovered cases so far.

Farmers have completed mustard crop harvesting in India. Currently, farmers have started selling mustard seed at few trading centers. As per sources, total 7.25 lakh tons arrivals of Mustard seed have been reported in March month 2020 consisting 3.25 lakh tones in Rajasthan, 1.40 lakh tons in UP, 35 thousand tons in Gujarat, 35 thousand tons in Punjab & Haryana, and 70 thousand tons in MP and 1.25 lakh tons in East India and other states. There is no selling by Nafed. It expects total 76 lakh tons of mustard crop size for this season including 32 lakh tons in Rajasthan, 13 lakh tons in UP, 10 lakh tones in Haryana, and 6.50 lakh tons in MP and 3 lakh tones in Gujarat,11.50 lakh tons in combined states i.e. Bengal, East India and other states of India.

As per the Mustard Oil Producers Association of India, India crushed 500,000 tonnes of oilseeds in February 2020 which is higher by 33.3% against previous year record after higher arrivals and robust demand of mustard meal exporters. Total crushing is also higher by 25% against Jan month record. In Feb month, around 200,000 tonnes of new mustard crop had hit the market including 60,000 tonnes of old crop. During Mar-Feb, total mustard seed supply was at 7.05 million tonnes. Arrivals in Rajasthan were reported at 2.55 million tonnes. While in UP, it was registered at 1.25 million tonnes and a combined 825,000 tonnes in Madhya Pradesh and Chhattisgarh. Total available stocks with processors, stockiest and state-run agencies stood at 200,000 tons as on February 28, 2020. 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.

As per WASDE April report, world oilseed production for 2019/20 is projected at 577.07 million tons in Apr. month lower against 580.13 million tonnes in last month in expectation of lower crops in Brazil and Argentina. USDA estimates 597.27 million tonns of oilseeds production in 2018/19. Total oilseeds crushing is estimated slightly lower at 497.42 million tons against 497.94 million tons however it is higher from 489.35 million tonnes in previous year. Ending stocks for the world is kept lower at 116.33 million tonnes in this month against 117.37 million tons in last month estimates however lower from 129.21 million tonnes in 2018/19 on lower production.

There will be no major trading activities due to lock down condition in India. While, Mustard prices may hover steady to weak zone amid good supplies.

Overall domestic maize cash markets remained steady during last week due to limited trade activities amid lockdown in India.

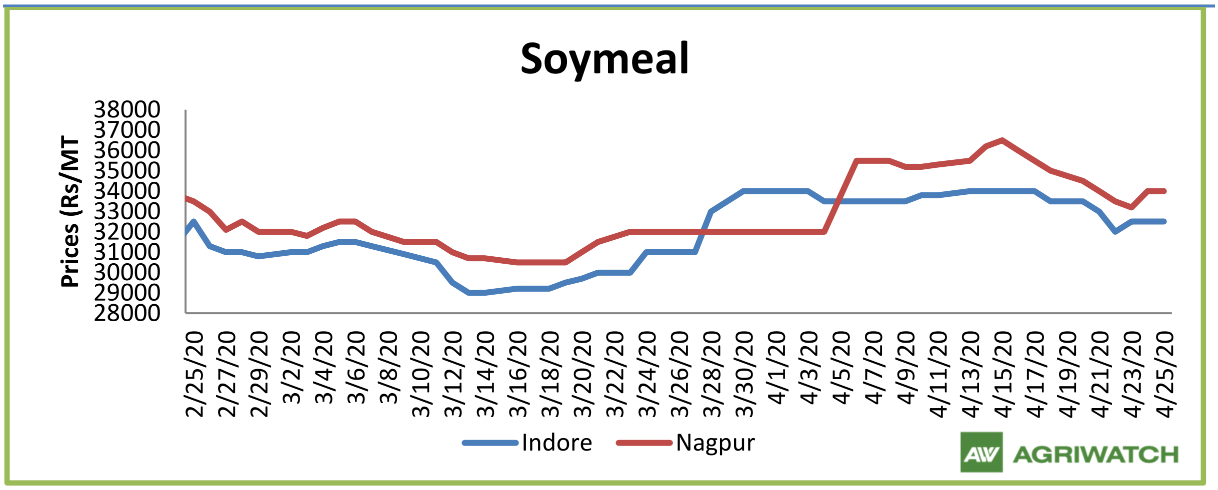
Across India, maize is likely to trade steady to weak in near term on sluggish demand from poultry feed industry in the wake of Covid-19. Besides, large size of Rabi crop is also weighing on market sentiments. In Karnataka, Bihar and M.P regions, maize markets have opened but still have very limited trade due to sluggish demand of bulk buyers.

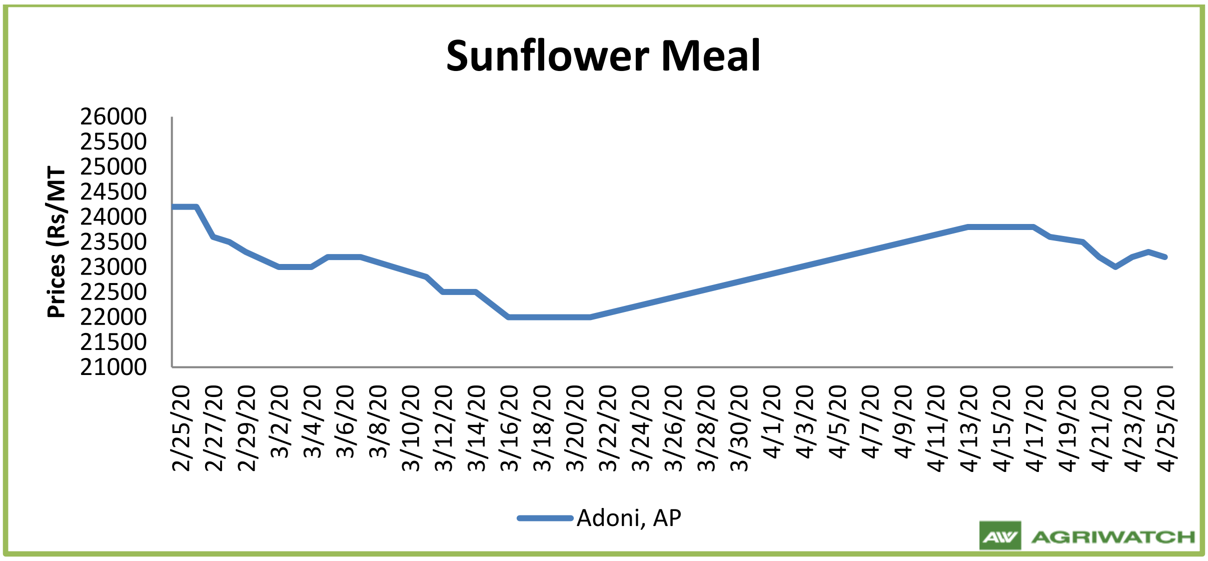
In Davangere, maize is being traded at Rs. 1350 per quintal (Bilty Price) and also being delivered to Bengaluru and Nammakal at Rs. 1600 per quintal each. While, in Bihar, it is being traded at Rs. 1400 (Bilty Price) per quintal and being delivered to Punjab and Haryana at Rs. 1650 per quintal each in very limited quantity due to sluggish demand. In Chhindwara region of M.P, it is being traded at Rs. 1300 per quintal (Bilty Price).

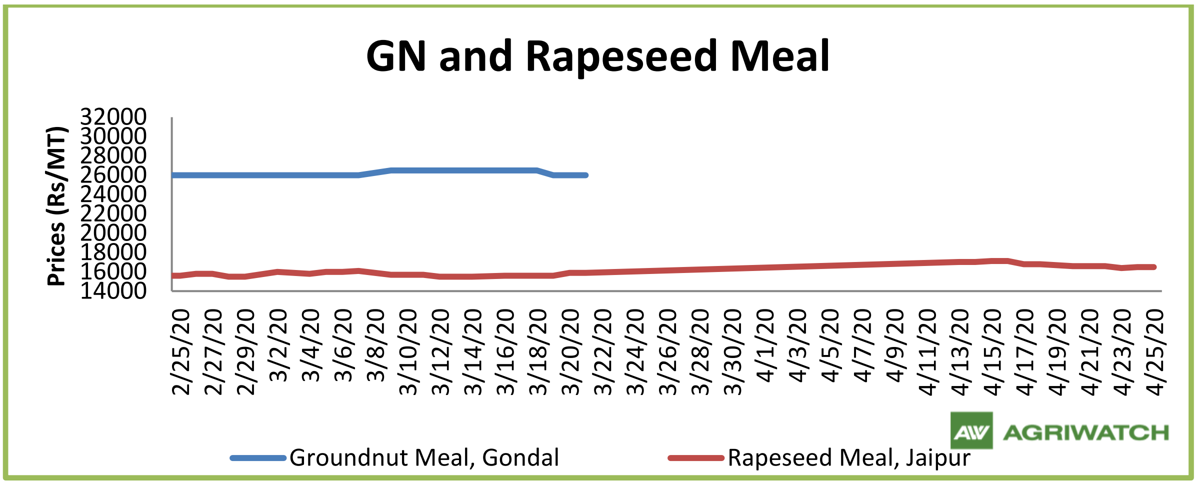
As per trade sources, Telangana state government is actively procuring maize at Rs. 1760 per quintal. Earlier State Government announced that it will procure entire Rabi season crop of maize at MSP of Rs. 1760 per quintal, directly from farmers through village procurement centers over a period of 45 days.

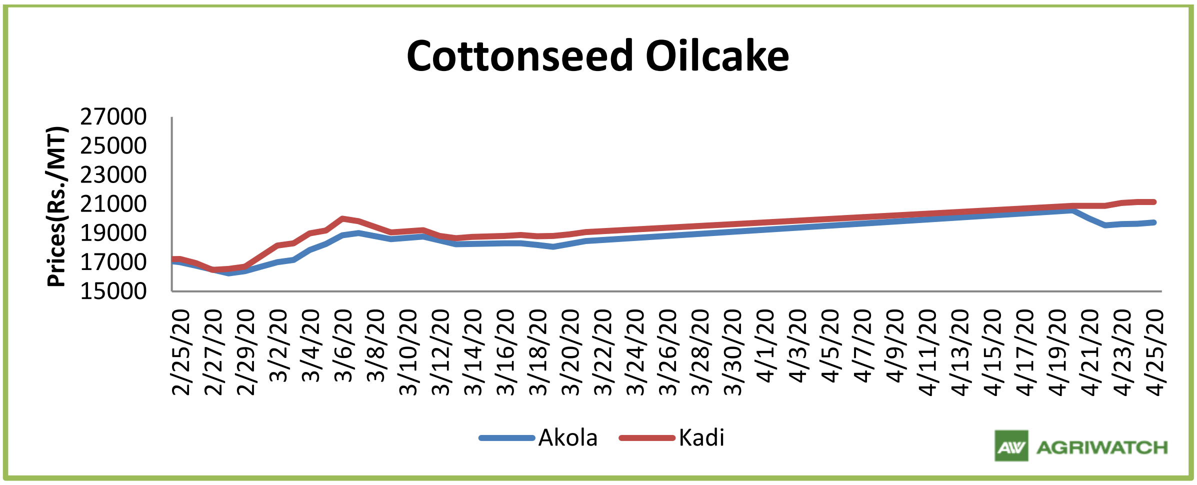
All India weekly average prices of wheat increased by 1.27 percent to Rs. 2012.39 per quintal during the week ended 23rd April 2020. Wheat average price were ruling at Rs 1987.15 per quintal during 09-15 April 2020. As compared to prices in the week 16-23 April 2019, the prices are higher by 0.71 percent. Prices are expected to trade steady to firm as official procurement has started in Punjab and will start in other states by next week.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

Steady to weak tone are depicted in soymeal markets amid COVID-19 outbreaks in the world. Lock down in India has been extended until 3rd May 2020 to avoid sever impact of COVID-19.

According to trade source, one vessel (SMART LISA) are expected to arrive at Tuticorin port for sunflower seed meal with total capacity of 29700 tons. However, vessels are stuck at ports due to lock down in India.

During the week (Apr.10 to April 16, 2020) US sold lower 35% lower soybean cake and meal to 102,900 MT for 2019/2020 against the previous week and 44% lower from prior 4-week average. Increases primarily for Mexico (32,700 MT, including decreases of 400 MT), Canada (21,300 MT, including decreases of 100 MT), Israel (8,800 MT, including 8,500 MT switched from Ireland), Taiwan (7,900 MT), and Japan (6,200 MT), were offset by reductions for Ireland (8,500 MT) and Morocco (2,600 MT). Net sales of 15,500 MT for 2020/2021 were for Mexico (15,000 MT) and Japan (500 MT). Exports of 335,300 MT were up 72 percent from the previous week and 24 percent from the prior 4-week average. The destinations were primarily to Mexico (50,600 MT), the Dominican Republic (44,600 MT), Morocco (32,400 MT), Ecuador (32,200 MT), and Colombia (27,600 MT).

As per recent report of USDA, Soymeal production of India is kept unchanged at 6.6 million tonnes for 2019/20 in April month report however lower from 7.6 million tonnes in 2018/19 season. Domestic consumption is also placed unchanged at 5.49 million tonnes for this season like last month however higher from 5.2 million tonnes in previous year record.

As per USDA, global production of soymeal is estimated slightly lower at 238.08 million metric tonnes in April month against 238.48 million tonnes in March month however it is higher from 233.60 million tonnes in 2018-19. Exports of soymeal has been revised lower at 66.73 million metric tonnes against 66.88 million tonnes in March month and also from 67.26 million tonnes in 2018-19 on Coronavirus outbreaks in the world as poultry demand got much affected.

As per USDA, U.S. soybean meal export bids in March averaged $361/ton, higher $27 from February on supply concern in Argentina. Brazil Paranagua FOB averaged $337/ton, up $20 from February, and Argentina Up River FOB averaged higher by $18 to $348/ton.

As per recent SEA report, India shipped Oilmeals lower by 74% to 76,017 tons in February 2020 against 294,510 tons in February 2019. India shipped total 20,309 tons of soymeal, 40,585 tons of Rapeseed meal, 3500 tons of Rice Bran Ext., 11,623 tons of castor seed meal in Feb 2020. The overall export of oilmeals during April-Feb. 2020 is reported 25% lower to 2,200,690 tons compared to 2,941,971 tons in April-Feb.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 50% to 505,194 against 359,351 tons in Apr-to Feb 2020 compared to last season.

During April-February 2020, Vietnam imported 276,655 tons of oilmeals (compared to 592,697 tons); consisting of 6,417 tons of soybean meal, 167,643 tons of rapeseed meal and 102,595 tons of De-oiled Rice Bran Extraction. South Korea imported 809,733 tons of oilmeals (compared to 699,334 tons); consisting 51,098 tons of soybean meal, 365,243 tons of rapeseed meal and 393,392 tons of castor seed meal. Thailand imported 218,320 tons of oilmeals (compared to 298,400 tons) consisting 197,798 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 2905 tons of soybean meal.

During April-February 2020, the export from Kandla is reported at 754,590 tons (34%), followed by Mundra handled 703,303 tons (32%), and Mumbai including JNPT handled 172,169 tons (8%) and Kolkata handled 131,269 tons (6%) and Others Ports handled 439,359 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 $96 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

Mustard seed prices at Jaipur market traded lower side on good pace of arrivals of new crop in the markets. Government has allowed farmers to sell new harvested mustard crop in mandies. Heavy rainfall in March month has delayed harvesting of mustard seed of this season. Excess rainfall has also damaged seed quality at some extent. Heavy supplies in coming days may put pressures on mustard seed prices. NAFED is ready now to procure new mustard crops when lock down will open in India.

Total progressive purchase of last season by NAFED have been reported at 10.89 lakh tons. Total stocks after sale of mustard seed is 3.30 lakh tons. So, total sale has been 7.59 lakh tons. Stock with NCDEX is 0.03 lakh tons.

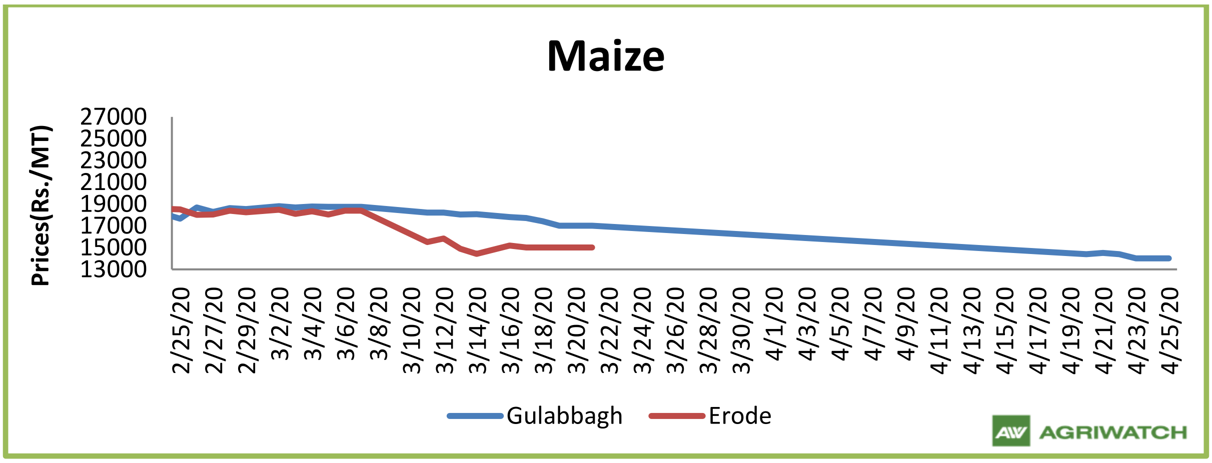
Agriwatch expects 7.21 million tonnes of Mustard crop for 2021-20 which 8.76% lower from 7.90 million tonnes as estimated for 2019-20. Yield size may decline 8.5% to 1036.88 Kg/Hac. against 1133 Kg/Hac in 2019-20 due to non-seasonal rainfall in Jan 2020 and March 2020. India received 46% excess rainfall during 1st March 2020 to 1st April 2020 compared to Normal rainfall which may increase moistures level of already harvested crops. 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.

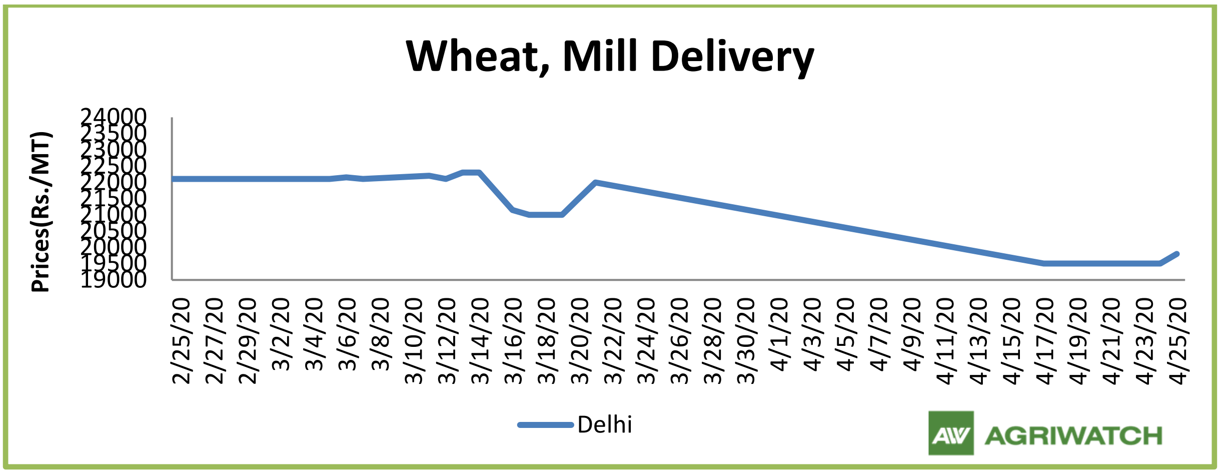
COOIT has estimated 77 lakh tons of rapeseed crop in MY 2020-21 compared to crop of 75 lakh tons last year. In the second advanced estimate rapeseed crop has been estimated at 91.13 lakh tons compared to 92.56 lakh tons last year.

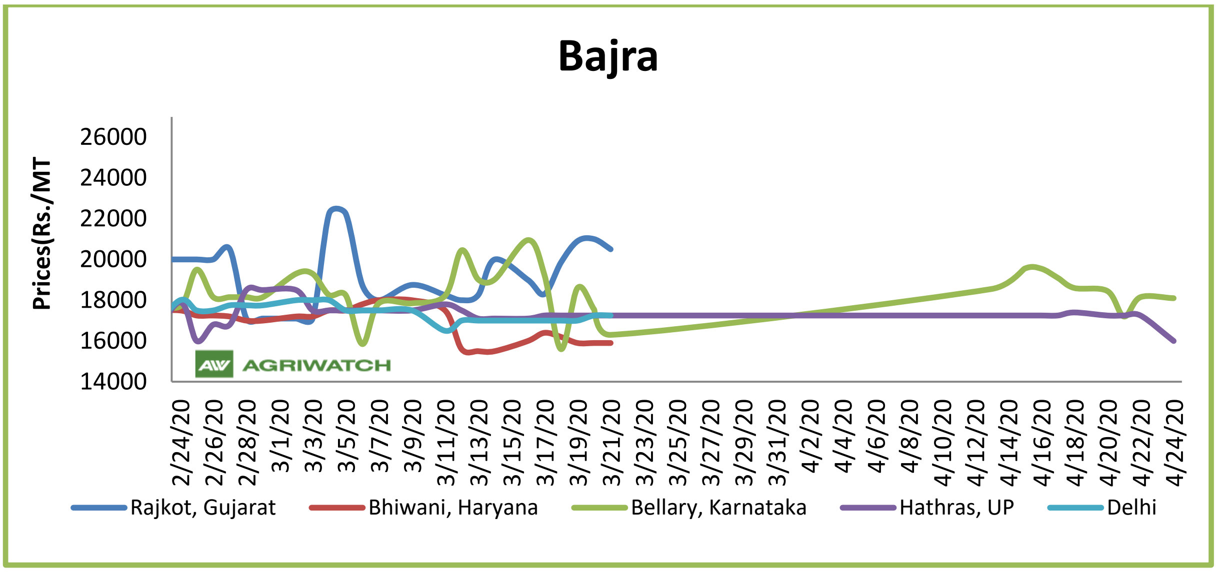
As per recent released data of Ministry, the total area under Oilseeds is reported lower by 0.07 lakh hectares to 80.29 lakh hectares as on 31st Jan 2020 against 80.36 lakh hectares in the previous year in the corresponding period of time. There is a drop-in sowing of Mustard seed to 69.51 lakh hectares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

Government has announced Rs. 225 higher MSP of Mustard seed for Rabi 2020-21 seasons to Rs.4425 against Rs. 4200 in 2019-20.

According to United States Department of Agriculture (USDA) in April month, 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 2.19 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 0.45 lakh tonnes from 0.62 lakh tonnes in previous year.







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

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As per trade sources, in Telangana, around 80-85% rabi crop of maize has been harvested while in Bihar regions, maize crop has been harvested around at 30% till date. Also, in Maharashtra and Karnataka, harvesting has barely started.

Corn on CBOT fall by 2.55 USD/MT to 124.31 USD/MT for May'20 contract compared to previous week due to decrease in demand for U.S corn. It is likely to trade down in near term on the forecast for good planting weather in the U.S. Midwest amid poor demand from the ethanol sector.

At 0.83 MMT (for the period 10th- 16th April, 2020) US corn exports were down 32 percent from the previous week and 28 percent from the prior 4-week average; mainly for the destinations like Mexico (285,100 MT), Colombia (165,100 MT), South Korea (67,600 MT), Vietnam (56,300 MT), and Japan (51,600 MT). Agriwatch expects that CBOT corn market could trade down in near term.

According to the Punjab state govt. expresses happiness over record wheat production with the state recording 250 per cent more procurement in a short span of ten days and its arrival is on till June-mid, a total of 35.07 LMT have been procured which is twice that of last year.

The government has set a procurement target of 40.7 MMT of wheat this season. In Punjab, wheat procurement stood at 34 lakh tonnes as on Friday. In Haryana and UP, procurement stood at 22.41 LMT and 2.97 LMT on Thursday, respectively.

A glut like situation in wheat markets across Punjab has affected procurement. With no space to unload produce at the local grain market, which is packed to capacity, farmers have not been issued passes for the past two days. With late procurement, payment will get delayed, which in turn will affect the purchase of seeds and fertilisers for kharif sowing. Shortage of labour and poor transportation facility has affected procurement. As on Thursday, 7 lakh metric tonnes of wheat had arrived across the state.

All India weekly average prices of wheat increased by 1.27 percent to Rs. 2012.39 per quintal during the week ended 23rd April 2020. Wheat average price were ruling at Rs 1987.15 per quintal during 09-15 April 2020. As compared to prices in the week 16-23 April 2019, the prices are higher by 0.71 percent. Prices are expected to trade steady to firm as official procurement has started in Punjab and will start in other states by next week.

Punjab has started the exercise of procuring 130 lakh tonnes of wheat in the coming two months. To limit crowding and ensure social distancing, the government is inviting a limited number of farmers through coupons, with permission to sell up to 50 quintals of wheat at their closest grain market. On the first day, only 6,290 coupons were issued in the entire state, followed by 17,995 coupons for Thursday and 41,337 coupons for Friday. The number of coupons will go up to 70,000 per day, depending on space in the markets and pace of harvest arrival. Each coupon allows sale of 50 quintals. The procurement agencies have been asked by the state government to ensure payment to farmers within 48 hours of procurement of their crop.

In Gujarat, procurement of wheat will start on 27 April and is expected to be over by 30 May, 2020. Gujarat is expected to harvest a bumper crop of 40 lakh metric tonnes this season. According to the Union Ministry of Agriculture and Farmers welfare, the total area under wheat crop this season is 310 lakh hectares of which 63-67 per cent has already been harvested. Around 90-95% harvesting of wheat is completed in Madhya Pradesh, 80-85% in Rajasthan, 60-65% in Uttar Pradesh, 30-35% in Haryana and 10-15% in Punjab. Harvesting is likely to be completed in these states by end April.

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.

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 steady as overall feed ingredients prices traded steady during last week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	23-Apr-20	16-Apr-20	Parity To
Indore - 45%, Jute Bag	32500	34000	Gujarat, MP
Kota - 45%, PP Bag	32500	34000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34000	35500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	33200	36000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	36800	Andhra, AP, Kar, TN
Latur	34000	36500	-
Sangli	34000	36500	Local and South
Solapur	33500	35800	Local and South
Akola – 45%, PP Bag	33000	36500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	34000	36800	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	32300	33800	-

Soy DOC at Port

Centers	Port Price		
	22-Apr-20	15-Apr-20	Change
Kandla (FOR) (INR/MT)	Unq	Unq	-
Kandla (FAS) (USD/MT)	Unq	Unq	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	Unq	-

International Soy DOC			
Argentina FOB USD/MT	**22-Apr-20**	**15-Apr-20**	**Change**
Soybean Pellets	318	326	-8
Soybean Cake Flour	318	326	-8

Soya Meal	314	322	-8
Soy Expellers	314	322	-8
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**23-Apr-20**	**16-Apr-20**	**Change**
Adoni	23200	23800	-600
Khamgaon	Unq	-	-
Parli	Unq	-	-
Latur	22700	23400	-700

Groundnut Meal (Rs/MT)	**23-Apr-20**	**16-Apr-20**	**Change**
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC/Meal	**23-Apr-20**	**16-Apr-20**	**Change**
Jaipur (Plant delivery)	16400	17100	-700
Kandla (FOR Rs/MT)	16800	17100	-300

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	24-Apr-20	17-Apr-20	24-Mar-20	24-Apr-19	24-Apr-18
Delhi	Hybrid	Closed	Closed	Closed	2150	1450
Davangere	Loose	1300	1300	Closed	NR	1150
Nizamabad	Bilty	Closed	Closed	Closed	2150	1320
Ahmedabad	Feed	Closed	Closed	Closed	2250	1370
	Starch	Closed	Closed	Closed	2250	1400

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

As on 24.04.2020	Argentina	Brazil	US	India
FOB	148.33	153.00	150.65	199.03
Cost and Freight	198.33	208.00	210.65	234.03

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	23-Apr-20	16-Apr-20	Change
Bajra	Karnataka	Hybrid	Bellary	1810	1955	-145
		Hybrid	Bangalore	2500	Closed	-
Jowar	Karnataka	White	Bangalore	3550	3250	300
		White	Bellary	1940	1845	95
Maize	Karnataka	Yellow	Davangere	1300	1350	-50
	Andhra Pradesh	Yellow	Nizamabad	Closed	Closed	-
Rice	Haryana	IR8	Karnal	3000	3000	Unch
		Parmal Raw	Karnal	3050	3050	Unch
Soy meal	Madhya Pradesh	DOC	Indore	3250	3400	-150
	Maharashtra	DOC	Sangli	3400	3650	-250
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2320	2380	-60
Mustard	Rajasthan	Plant delivery	Jaipur	1640	1710	-70
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2108	Closed	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1962	Closed	-
Note: Prices Rs./Qtl						