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## Summary

Overall maize cash markets showed steady to firm sentiments compared to the previous week due to fresh feed makers demand. Procurement by Telangana, Madhya Pradesh, Karnataka, Maharashtra and Haryana governments would also support to the market in near term. However, crop arrival pressure in coming weeks could limit the gain.

In Nizamabad, new crop arrivals contain moisture of upto 22% and damaged upto 7% while in Warangal region, it contains damaged upto 20%. In Karnataka, crop arrivals contain moisture of upto 22%. In Maharashtra, it contain moisture of upto 20%.

All India's weekly average prices of wheat decreased by 11.01 percent to Rs. 1827.84 per quintal during the week ended 15th Nov 2020. Wheat average prices were ruling at Rs 2229.07 per quintal during 09th - 15th Nov 2019. The wheat market has stabilized, and prices are likely to rise in the coming weeks due to festivals and higher export. The wheat prices are unlikely to drop much further because the PMGKY scheme may be discontinued in November as there's no official announcement that it will continue after November, so far.

The Cottonseed Oil Cake prices in Punjab, Haryana and Rajasthan declined steeply by around Rs.200 per quintal and stood between Rs.2550 and 2650 per quintal. The CCI's decision to cut the prices did not increased the demand amid higher moisture content in the kapas (raw cotton) arrivals. Also, the prices are under pressure because of increased arrivals. The average price in Kadi remained firm at Rs. 1837/q and Rs.1942/q in Akola.

The domestic soybean fell on ease in festive buying by the crushers, however likely rise in winter demand in edible oils limited the losses. The retailers and the wholesalers have already covered their sufficient edible oil stock towards the festive demand, which consequently have led to the decline in aggressive buying in soybean by the millers.

Currently, the soybean arrivals are strong, the crushing volume of the oilseed have risen but the local and overseas demand for soymeal of Indian origin continues to be sluggish.

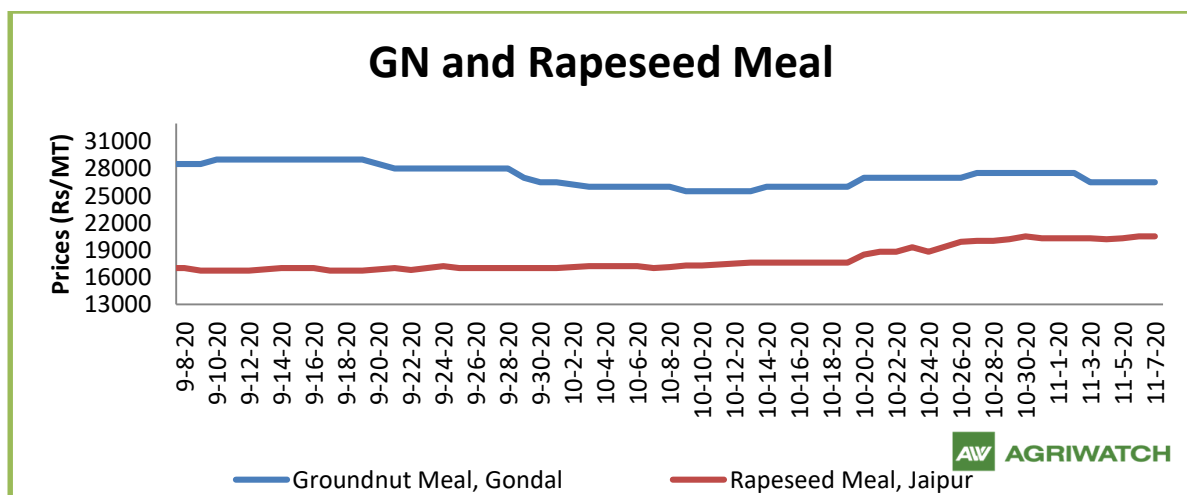
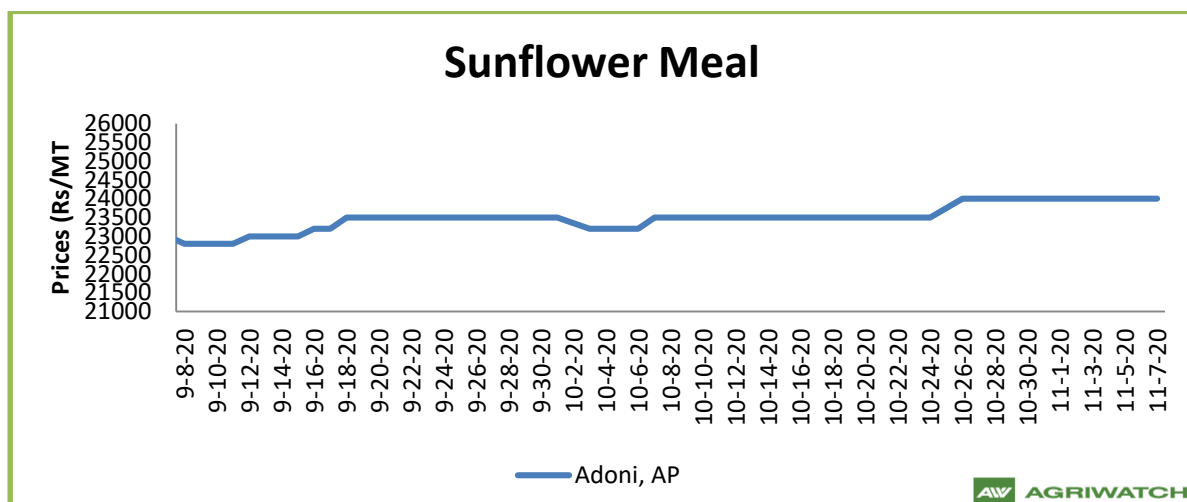
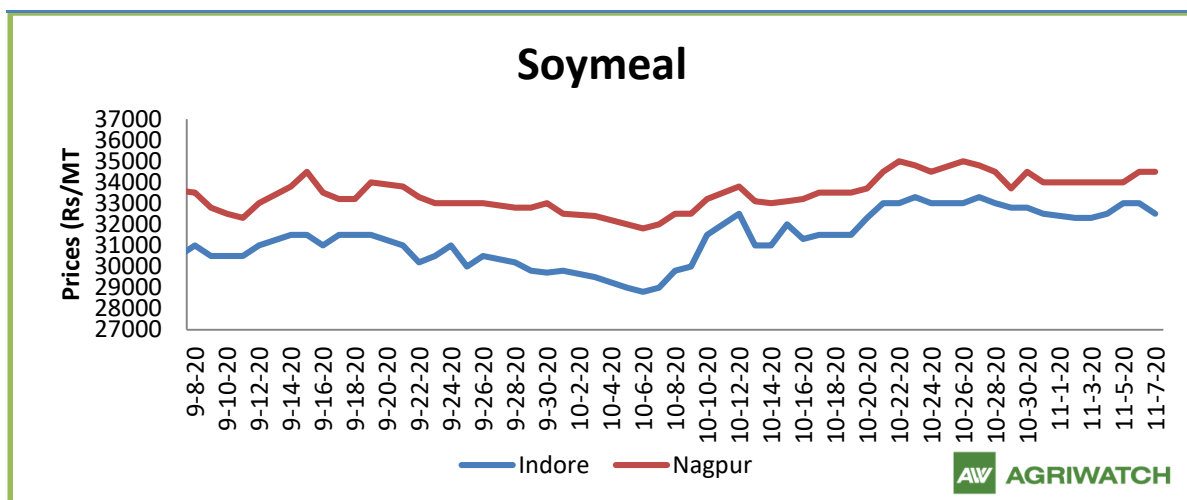
Soybean fell by 1% while the soymeal declined by 2% during the week compared to the previous week. Besides, groundnut seed too eased by 5% compared to the last week, on heavy arrivals in the cash market yards.

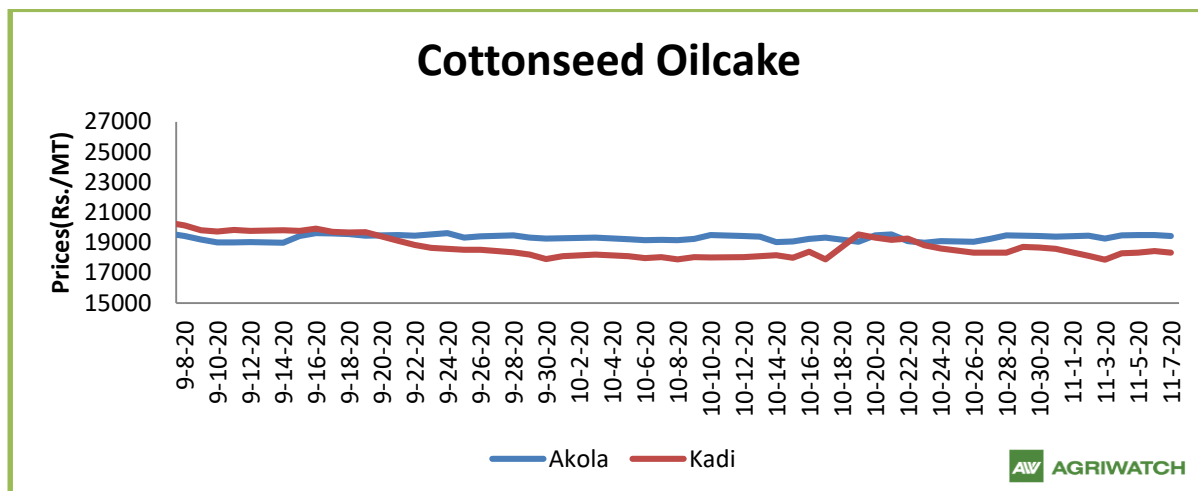
However, rapeseed-mustard continued uptrend on strong buying support from the millers, currently the seed prices are all time high.

The rapeseed-mustard prices edged-up by 4% during the week compared to the last week's prices. The seed sentiments are strong but gains are likely to be hit with the waning festive demand in edible oils and higher planting intention in the seed this rabi season, after the seed prices skyrocketed this season.

The soybean and meal outlook is bearish while rapeseed-mustard must be seen with caution as the prices are technically overbought, they may take correction with easing festive demand and higher planting intention in the same, this rabi. Soybean, rapeseed-mustard and groundnut prices will feature range-bound movement with weak bias on increasing rabi oilseeds' arrival pressure.

**Trend – Raw Material, Feed**





**Source: AgriWatch**

### Soy meal

Soymeal fell in association with soybean after weak crush margins and bearish soymeal exports scenario. Sluggish local demand in the meal is yet another factor for the weakness.

The soymeal fell by 2% compared to a fall of 1% in soybean during the week from previous week's level.

The feed manufacturers have slowed down the purchases to cover their stock for future demand, during the week, in anticipation of further fall in meal prices, from the current levels.

The global soy outlook is bullish with forecast of dry weather in Latin America and downward revision of the US 2020/21 crop which have been recently harvested and strong Chinese soy demand.

India should aggressively market its organic soymeal to which is the in the new market for the meal of Indian origin. US has turned out to be potential market for Indian organic soymeal. In 2019-20, India had shipped over 193,000 metric tonnes of organic soymeal. In current year, from April-Sept. (6 months), India shipped over 115,000 metric tonnes to US. US is the largest producer of Genetic Modified (GM) soybean in the world, looking to India for supply of organic soybean meal.

India's September 2020 soymeal exports improved by 94% to 68,576 metric tonnes compared to 35,268 metric tonnes in the same period last year. However, it fell by 13% to 3,17,915 metric tonnes in aggregate, during the last five months (Apr.-Sept.) of financial year 2020-21 compared to 3,63,901 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of September 2020 is reported at 2,86,957 metric tonnes compared to 1,41,184 metric tonnes in September, 2019 i.e. up by 103%.

The overall export of oilmeals during April to September 2020 is also reported up by 1% at 13,00,134 metric tonnes compared to 12,87,479 metric tonnes during the same period last year.

Overall India's soymeal exports were too low consecutive second year, during 2019-20 marketing year it stood at 6.5 lakh tonnes which was 4.6 lakh tonnes in 2018-19.

The domestic average soymeal prices at Indore, witnessed losses to Rs 32,567/MT and was quoted between Rs 32,300 – 33,000/MT compared to the average of Rs 33,066/MT traded between the price range of Rs 32,800 – 33,300/MT previous week.

At Latur soymeal prices fell to Rs 34,000 – 35,500/MT from Rs 34,800 – 36,000/MT a week ago and in Nanded it was quoted lower at Rs. 34,000 – 35,000/MT compared to Rs. 34,500 – 35,200/MT a week ago. Besides, in Kota, the meal too posted gains to Rs 33,800 – 34,800/MT compared to Rs 34,400 – 35,500/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted lower between Rs 32,300 – 33,000/MT during the week compared to Rs 31,400– 33,500/MT during the corresponding period last year.

*The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 32,000 – 33,000/MT on slack in demand.*

### Rapeseed - Mustard Seed

Rapeseed-mustard posted gains despite weakness in soybean and groundnut seed, during the period under review.

Strong demand in rapeseed-mustard from the crushers to cater the improved demand in rapeseed-oil post-COVID continued to remain supportive for the rapeseed-mustard price at the higher levels. Besides, likely winter demand in the same is to boost the seed prices too.

The seed prices have rallied and are all time high and are at overbought territory, we feel the seed prices could take some correction in view of new crop planting and ease in festive buying. However, fall will be limited on continued demand in the rapeseed-mustard oil in view of COVID and good overseas demand in rapeseed extract.

The rapeseed-mustard planting is underway and is in full swing. In the last official report (6.11.20), India's planted area under rapeseed-mustard crop stood at 31.15 lakh hectares compared to 31.17 lakh hectares during the same period last season.

Under the recent launched Mustard Mission, the government set a 2020/21 target to achieve a record-high 75 lakh hectares under the rapeseed-mustard this year. If realized it will be more than 7% higher compared to the area under rapeseed-mustard in 2019/20 which was 69.51 lakh hectares.

Of the total oilmeals' export rapeseed extract contributes the highest in volume.

India had to import 17,233 metric tonnes of rape oil (canola) in the month of September 2020, to meet the rise in festive demand. However, the imports of the same during April-September 2020 were down 7% at 55,036 metric tonnes compared to 59,171 metric tonnes during the same period in the previous season.

India's rapeseed extract exports in September 2020 surged by 175% to 1,40,830 metric tonnes compared to 51,132 metric tonnes during the corresponding period last year.

Besides, India's exports for rapeseed extract during April-September 2020 was up 23% at 6,27,890 metric tonnes compared to 5,11,344 metric tonnes during the same period previous marketing season.

Overall, the rapeseed-mustard sentiments are strong with good buying support by the millers, however, the correction can't be ruled out due prices are in overbought territory.

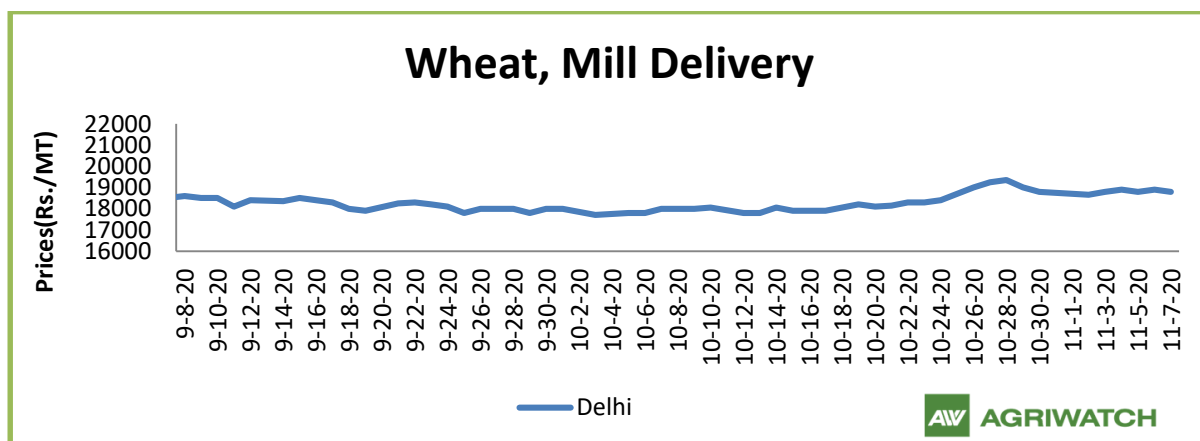
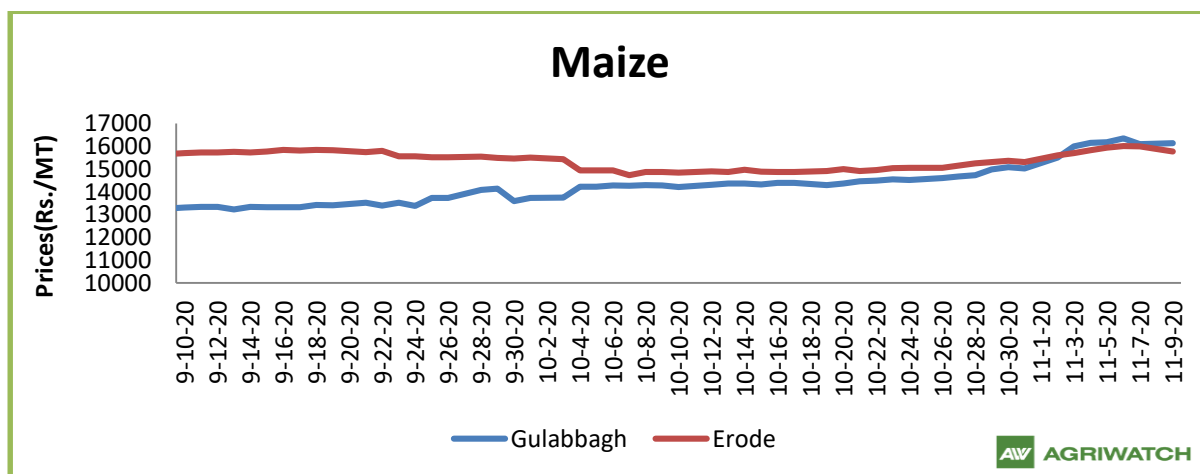
NAFED and HAFED have currently paused the disposal of rapeseed-mustard. The Nafed has sold about 9.0 lakh tonnes of rapeseed-mustard combined together new and old stock while Hafed has offloaded around 3 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

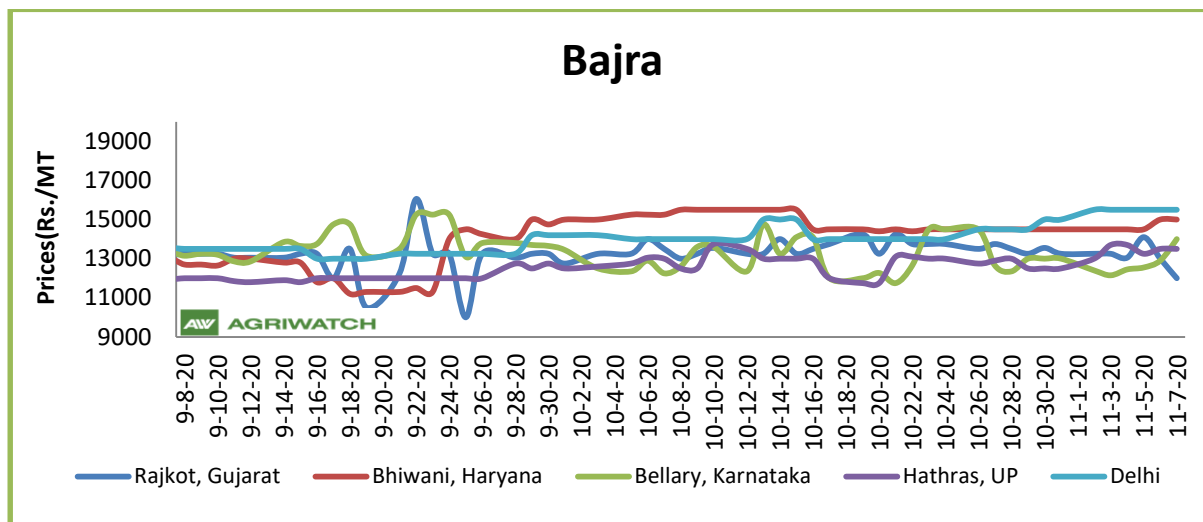
The all India rapeseed-mustard arrivals slightly improved week-on-week and were reported at 5.75 lakh bags during the week compared to around 6.65 lakh bags, previous week. The supplies were 8.15 lakh bags during the corresponding period last year.

RM seed prices improved by +4% to Rs 6,225 – 6,385 a quintal from Rs 5,950 – 6,125 a quintal previous week and Rs 4,415 – 4,440 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal witnessed a weekly gains of +5% with the weekly average price of Rs. 2,643/qlt against the weekly average price of Rs. 2,577/qlt last week.

At NCDEX futures, the December contract rapeseed-mustard posted gains at 6,242/Qtl compared to 6,031/Qtl previous week.





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

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In Naugachia region of Bihar, Maize is being traded at Rs.1,350-1,450 per quintal (Bilty Price). It is being delivered to Uttar Pradesh and Kolkata at Rs.1,600-1,700 per quintal each; sourced from Naugachia region of Bihar. In Gulabghat, it is being traded at Rs. 1,650 per quintal (Bilty Price). Hyderabad poultry feed makers are buying Maize at Rs.1,550 per quintal; sourced from Nizamabad region. It is also moving towards Bengaluru, Nammakal and Sangli at Rs.1,500 and Rs.1,560-1,570 and Rs. 1,600 per quintal, respectively; sourced from Davangere region of Karnataka.

In India, maize has been sown in 1.48 lakh hectares as of 6th Nov'20, lower than corresponding period last year area of 1.62 lakh hectares. In Tamil Nadu, it has been sown in 0.79 lakh hectares; lower than 1.02 lakh hectares compared to corresponding period last year. In Karnataka, it has been sown in 0.16 lakh hectares; lower than 0.19 lakh hectares compared to corresponding period last year. However, in Maharashtra, it has been sown in 0.25 lakh hectares; higher than 0.17 lakh hectares compared to corresponding period last year.

Corn on CBOT rose by 3.25 USD/MT to 160.13 USD/MT for December'20 contract compared to previous week. Agriwatch expects that increase in export demand for U.S corn in near term would support to CBOT corn. However, new crop arrivals could limit the gain.

In U.S, 82% of crop has been harvested as of 01st November'20, up 33 percentage points from corresponding period last year.

At 0.73 MMT (for the period October 23-29, 2020) U.S. Maize exports were down 1% from the previous week and 14 percent from the prior 4-week average; mainly for the destinations like China (330,300 MT), Mexico (208,600 MT), Colombia (101,100 MT), Honduras (28,100 MT), and Japan (23,600 MT).

All India's weekly average prices of wheat decreased by 11.01 percent to Rs. 1827.84 per quintal during the week ended 15<sup>th</sup> Nov 2020. Wheat average prices were ruling at Rs 2229.07 per quintal during 09<sup>th</sup> - 15<sup>th</sup> Nov 2019. The wheat market has stabilized, and prices are likely to rise in the coming weeks due to festivals and higher export. The wheat prices are unlikely to drop much further because the PMGKY

scheme may be discontinued in November as there's no official announcement that it will continue after November, so far.

Sowing of Rabi crops is going on in full swing across the country. Along with this, the government has recently announced good news for the farmers. Rajasthan's state government has decided to provide certified seeds to the farmers of the state at a 50 percent discount from the prescribed rate. For this, preparations have started to sell wheat seeds to reach up to rural service cooperative societies.

According to a news source, the food ministry has proposed to halve the allocation of free rice and wheat to 2.5 kg per month but kept pulses at 1 kg. The food ministry has suggested tweaks in the free food grain plan, including a reduction in allocations, after the finance ministry indicated it is not keen on extending the scheme beyond November because of the strained fiscal situation. The food ministry has also proposed monthly extensions to the plan after reviewing the budgetary situation.

According to traders, Prices of mill-quality Wheat in Kota, Rajasthan, fell today because of a rise in the foodgrain supply. Arrivals were pegged sharply higher at 40,000 bags (1 bag = 100 kg), up from 15,000 bags on Monday. In Jaipur, another key market in Rajasthan, the foodgrain prices fell due to a marginal increase in supply. Arrivals were pegged at 5,500 bags (1 bag = 100 kg), higher than 5,000 bags on the previous day. Arrivals increased because farmers offloaded more stock in the market ahead of Diwali, traders said.

The government has sold 144810 tonnes of wheat in OMSS through E-Auctions in the fourth week of October'20 which is 11,970 tonnes higher compared to last month. Till now, no rakes have been sold. Sale of wheat to bulk consumer is 47810 tonnes and sale of Wheat to state Govt. 97000.

Wheat WPI has increased from 154.2 in August -2020 to 150 in September-2020. Monthly wheat inflation has decreased by 2.72 percent in September-2020 compared to previous month.

The global wheat market is expected to trade steady to slightly firm due to lower availability in the global market amid increasing demand from major consuming countries like, so we expect FOB in all countries will going to be stable, including India in coming weeks.

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

## Annexure

### Oil Meal Prices at Key Spot Markets:

### Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	05-Nov-20	30-Oct-20	Parity To
Indore - 45%, Jute Bag	33000	32800	Gujarat, MP
Kota - 45%, PP Bag	34300	34800	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34700	34500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34000	34500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	34500	34500	Andhra, AP, Kar ,TN
Latur	34500	35500	-

Sangli	33800	33800	Local and South
Solapur	32700	32700	Local and South
Akola – 45%, PP Bag	33800	33800	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	34000	35000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	34100	34600	-

**Soy DOC at Port**

Centers	Port Price		
	05-Nov-20	30-Oct-20	Change
Kandla (FOR) (INR/MT)	35600	36500	-900
Kandla (FAS) (USD/MT)	480	500	-20
CNF Indonesia – Yellow SBM (USD/MT)	485	510	-25

International Soy DOC			
Argentina FOB USD/MT	05-Nov-20	30-Oct-20	Change
Soybean Pellets	464	456	8
Soybean Cake Flour	464	456	8
Soya Meal	458	454	4
Soy Expellers	458	454	4
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	05-Nov-20	30-Oct-20	Change
Adoni	24000	24000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	23500	23500	Unch

Groundnut Meal (Rs/MT)	05-Nov-20	30-Oct-20	Change
Basis 45%, Saurashtra	26000	27000	-1000
Basis 40%, Saurashtra	23000	24000	-1000
GN Cake, Gondal	26500	27500	-1000

Mustard DOC/Meal	05-Nov-20	30-Oct-20	Change
Jaipur (Plant delivery)	20300	20500	-200

Kandla (FOR Rs/MT)	20900	21000	<b>-100</b>
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**Maize Spot Market Prices (Rs. /Quintal)**

Market	Grade	06-Nov-20	30-Oct-20	06-Oct-20	06-Nov-19	06-Nov-18
Delhi	Hybrid	1600	1400	1300	2100	1525
Davangere	Loose	1350	1300	1300	1900	1450
Nizamabad	Bilty	1475	1350	1375	2250	NA
Ahmedabad	Feed	1600	1550	1400	2200	NA
	Starch	1600	1550	1400	2000	NA

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

As on 06.11.2020	Argentina	Brazil	US	India
FOB	222.54	237.00	225.00	254.49
Cost and Freight	272.54	292.00	285.00	289.49

**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	61499
Apr	18017	12295	124374	68264	40829	25940
May	14046	10400	48900	76026	53272	46614
Jun	2098	17930	45975	104088	62524	56638
Jul	928	12270	80797	63747	76558	61957
Aug	768	10615	87668	59643	95450	58190
Sep	6886	12210	102212	45388	35268	
Oct	4237	31390	71425	150388	63800	
Nov	8909	97750	207630	186409	69415	
Dec	5667	241250	168865	170588	72233	
<b>Total</b>	<b>276674</b>	<b>455374.1</b>	<b>1408042</b>	<b>1143244</b>	<b>982022</b>	<b>372873</b>

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	06-Nov-20	30-Oct-20	Change
Bajra	Karnataka	Hybrid	Bellary	1290	1300	<b>-10</b>
		Hybrid	Bangalore	2000	1850	<b>150</b>

Jowar	Karnataka	White	Bangalore	2900	2900	Unch
		White	Bellary	1295	1910	-615
Maize	Karnataka	Yellow	Davanger e	1350	1300	50
	Telangana	Yellow	Nizamaba d	1430	1300	130
Rice	Haryana	IR8	Karnal	2800	2800	Unch
		Parmal Raw	Karnal	2500	2500	Unch
Soy meal	Madhya Pradesh	DOC	Indore	3300	3280	20
	Maharashtra	DOC	Sangli	3400	3380	20
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2400	2400	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2050	2050	Unch
Groundnut Meal	Gujarat	GN Cake	Gondal	2650	2750	-100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	1843	1867	-24
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	1951	1943	8
Note: Prices Rs./Qtl						

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