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Summary

Demand for good quality material is supporting to the market. Agriwatch expects that maize would trade steady to slightly firm ahead, due to Government procurement and fresh Vietnamese feed makers demand. However, expectation of arrival pressure in coming weeks could limit the gain.

In Karnataka, crop arrivals contains moisture of upto 17%. In Maharashtra, it contains moisture of upto 15%.

Trade sources revealed that in Telangana, due to active government buying support, arrivals in open markets are negligible in quantity. In Telangana, Government has procured around 12-13 lakh quintal of maize till 14th November, 2020.

The domestic soybean and rapeseed-mustard extended gains on good buying support from the crushers post-festivities. The soybean crushing is in full swing and it is within the peak crushing window period, which will on a good momentum for next six months and it will gradually ease thereafter.

Further, improved demand in the rapeseed-mustard oil and continued export sales in rapeseed meal remained supportive for the seed. The last official rabi oilseeds' sowing progress report suggests that the rapeseed-mustard planting is up by 9% compared to the same period last year.

The groundnut seed too featured firm tone on good demand from the crushers.

Soymeal too witnessed gains on improved overseas demand since last two months. India's soymeal exports surged by 89% month-on-month and about 3% year-on-year. It is a sign of gradual recovery in the meal.

The rapeseed-mustard meal prices remained flat compared to the previous week's level on steady demand and exports.

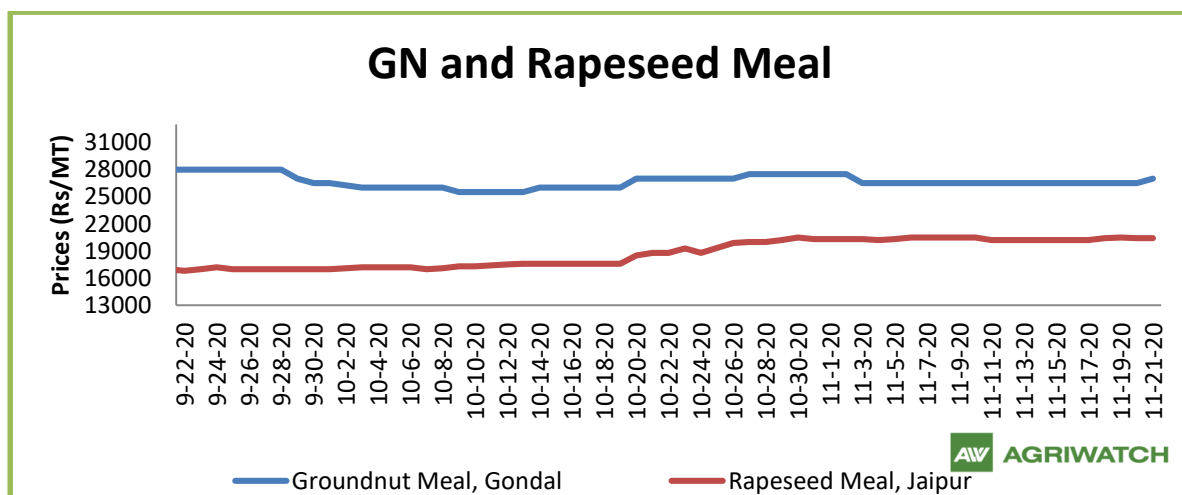
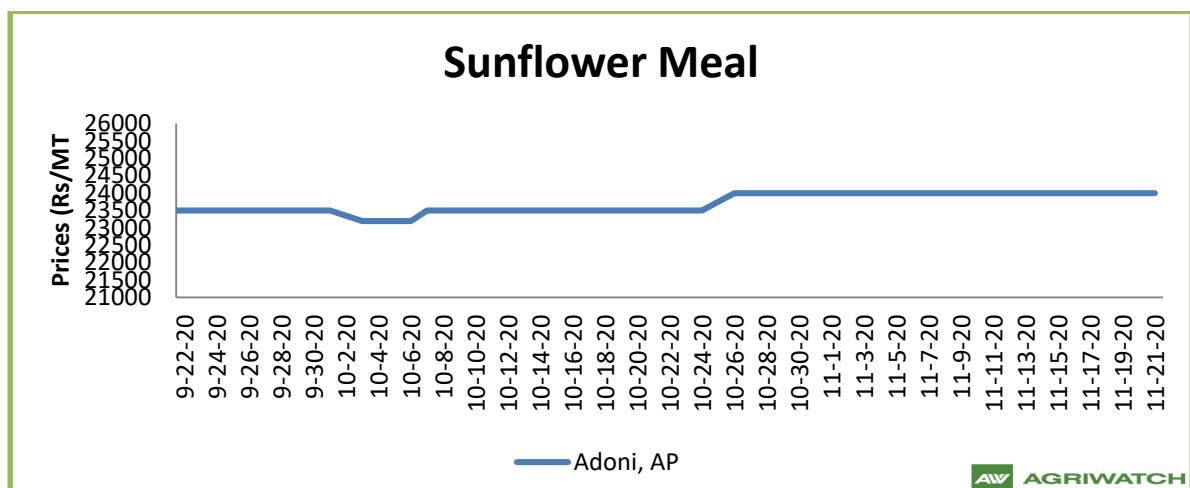
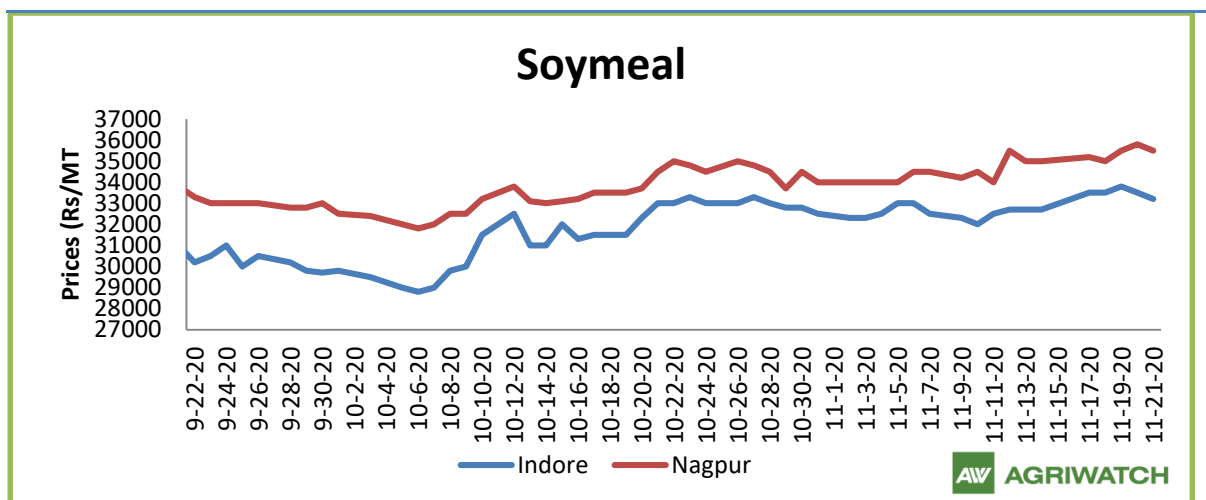
Soybean edged-up by 2.2%, rapeseed-mustard posted mild gains by 0.40%, groundnut seed prices improved by 1.3%, soymeal rose by 2.3% while rapeseed DOC remained flat all compared to the previous week's level.

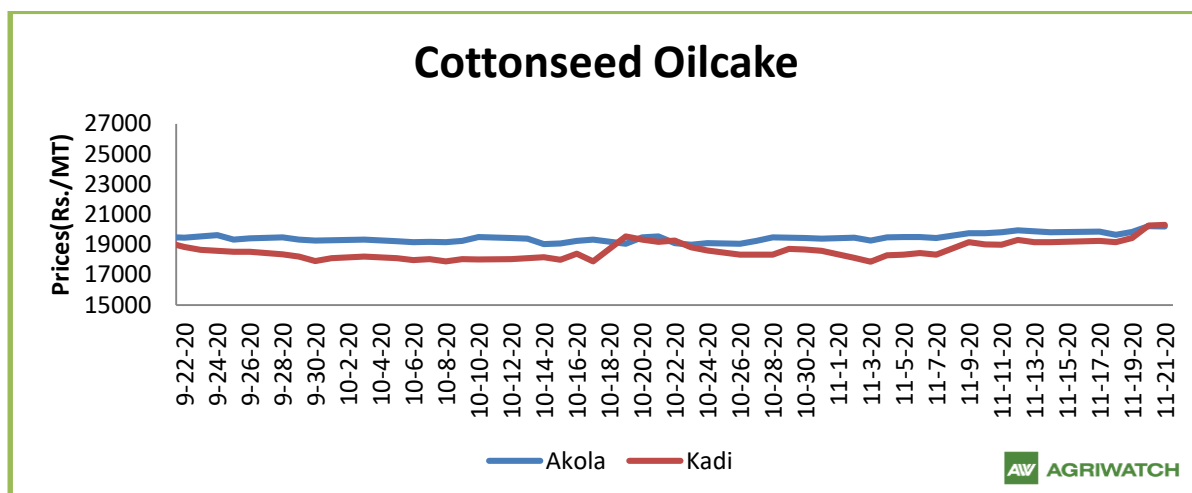
Soybean may not sustain at higher levels on weak soymeal demand and India's higher soy oil imports at competitive prices.

The domestic soymeal showed some signs of recovery after improved export sales in recent days this will limit any sharp fall in the meal and the bean prices in short-term. Besides, rapeseed extract will witness steady to firm tone on continued demand in the same.

We feel almost all the oilseeds' and oilmeals' will witness gains in short-term. Groundnut seed and rapeseed-mustard have strong sentiments for medium to long term too.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

The domestic soymeal rebound post festivities on buying support from the feed manufacturers and higher oilmeals' export sales figure.

The soymeal prices improved by 2.2% compared to the previous week. Recovery in the soymeal exports in past two months coupled with improving local soymeal demand remained positive for the market.

Need based buying in soymeal is featured among feed manufacturers.

The global soy outlook is bullish with forecast of sharp fall in the inventories and lower production projections for top producing countries in the new season due to spree Chinese buying and dry weather conditions in Latin America.

Further, India's October 2020 soymeal exports improved by 89% to 120,290 metric tonnes compared to 63,800 metric tonnes in the same period last year. Further, it improved by 2.5% to 438,205 metric tonnes in aggregate, during the last six months (Apr.-Oct.) of financial year 2020-21 compared to 427,701 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of October 2020 is reported at 317,394 metric tonnes compared to 238,992 metric tonnes in October 2019 i.e. up by 33%.

The overall export of oilmeals during April to October 2020 is also reported up by 6% at 1,617,528 metric tonnes compared to 1,526,471 metric tonnes during the same period last year.

US has turned out to be potential market for Indian organic soymeal. US was the largest importer of soymeal of Indian origin. In October 2020 India has shipped 131,394 metric tonnes of soymeal to the country. US is the largest producer of Genetic Modified (GM) soybean in the world, looking to India for supply of organic soybean meal.

In spite of tough competition in world market, export of rapeseed meal and ricebran extraction performed well, during the last seven months of financial year 2020-21.

The export of rapeseed meal is reported at 729,799 metric tonnes against last year 607,786 metric tonnes during the same period i.e. up by 20%, and ricebran extraction is reported at 229,712 metric

tonnes against last year 108,160 metric tonnes i.e. more than doubled (112%), higher processing of rapeseed oilcake and de-oiled ricebran increased availability for the export. The export of soybean meal is stagnant, while export of castorseed meal is still suffering.

The domestic weekly average soymeal prices at Indore, witnessed gains to Rs 33,240/MT and was quoted between Rs 32,700 – 33,800/MT compared to the weekly average of Rs 32,500/MT traded between the price ranges of Rs 32,000 – 33,000/MT previous week.

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

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted lower between Rs 32,700 – 33,800/MT during the week compared to Rs 31,000 – 32,200/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 33,800 – 34,700/MT on slack in demand.

Rapeseed - Mustard Seed

Rapeseed-mustard continued uptrend on good demand support from the crushers to meet the improved local demand in the rapeseed-mustard oil and surge in rapeseed-mustard meal exports during the year.

Currently the seed prices are at all-time high but the gains are capped on expectation of farmers' higher planting intention in the seed this season. We expect area under the seed to increase by 10% to 76 lakh hectares this season from 69 lakh hectares last year.

In the latest official rabi oilseeds planting report, by the Ministry of Agriculture, the rapeseed-mustard sowing is reported up by 9% at 46.82 lha compared to 43.00 lha during the corresponding period of last year.

Director, Indian Council of Agricultural Research – Directorate of Rapeseed Mustard Research, expects productivity of the seed to improve from last year's level of 1.42-1.48 tonnes per ha, on adequate soil moisture and better package of practices.

Further, India didn't import rape oil (canola) in the month of October 2020. However, the imports of the same during April-October 2020 were down 7% at 55,036 metric tonnes compared to 59,171 metric tonnes during the same period in the previous season.

Again, of the total oilmeals' exports, rapeseed meal contributes the highest in volume.

India's rapeseed extract exports in October 2020 surged by 6% to 1,01,909 metric tonnes compared to 96,442 metric tonnes during the corresponding period last year.

Besides, India's exports for rapeseed extract during April-October 2020 was up 20% at 7,29,799 metric tonnes compared to 6,07,786 metric tonnes during the same period previous marketing season.

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

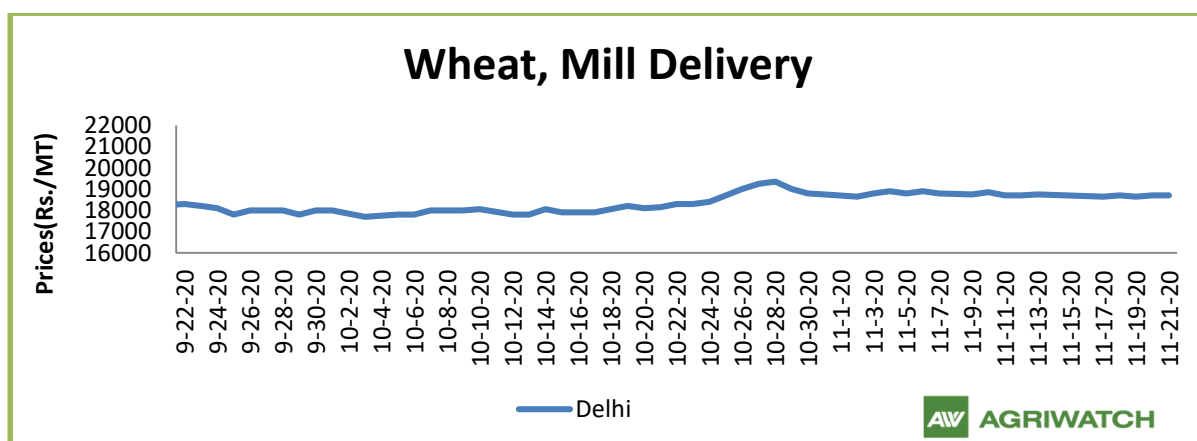
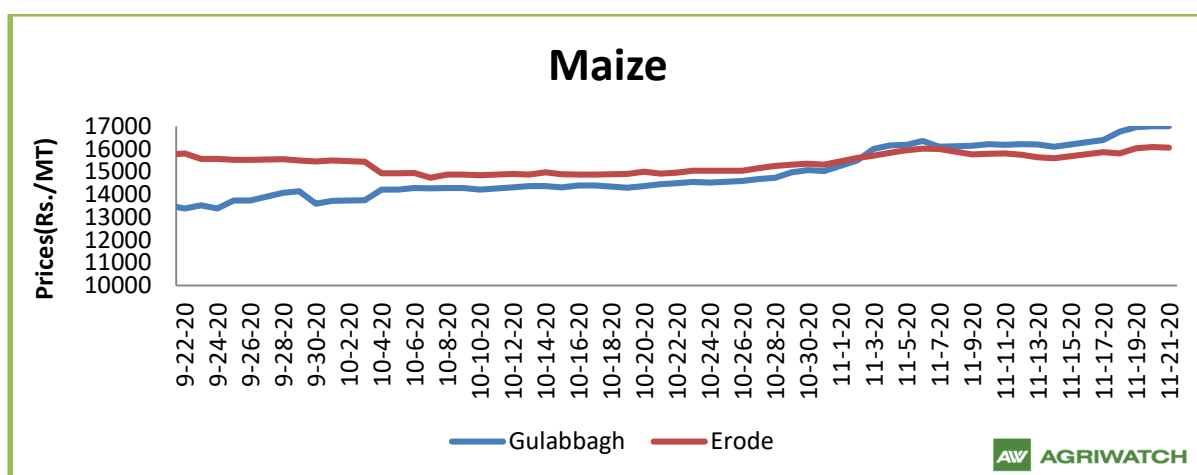
NAFED and HAFED have gradually disposing rapeseed-mustard. The Nafed has sold about 10.0 lakh tonnes of old and new stocks while Hafed has offloaded around 3.5 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

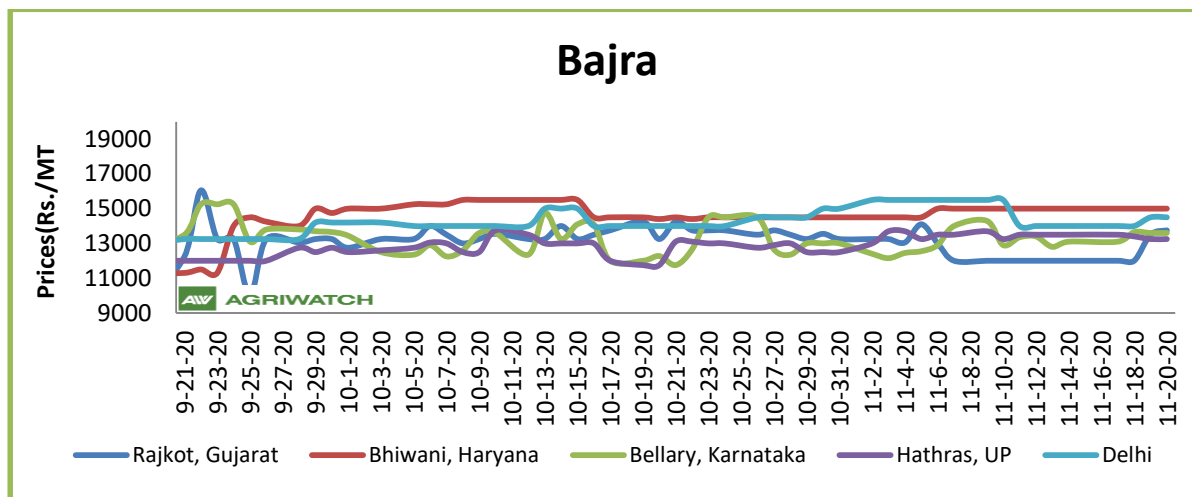
The all India rapeseed-mustard arrivals fell week-on-week and were reported at 4.5 lakh bags during the week compared to around 6.30 lakh bags, previous week, the fall was mainly due to the festivities. The supplies for the same were 8.30 lakh bags during the corresponding period last year.

RM seed prices improved by +0.40% to Rs 6,320 – 6,355 a quintal from Rs 6,250 – 6,355 a quintal previous week and Rs 4,420 – 4,455 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal remained flat at the weekly average price of Rs. 2,636/qtl compared to the previous week.

At NCDEX futures, the December contract rapeseed-mustard declined to 6,191/Qtl compared to 6,225/Qtl previous week.





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

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In Karnataka, crop arrivals contains moisture of upto 17%. In Maharashtra, it contain moisture of upto 15%.

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In Gulabbagh, it is being traded at Rs. 1,650-1,700 per quintal (Bilty Price). Hyderabad poultry feed makers are buying Maize at Rs.1,600 per quintal; sourced from Nizamabad region. It is also moving towards Bengaluru and Nammakal at Rs.1,500 and Rs.1,550 per quintal, respectively; all sourced from Davangere region of Karnataka. Trade sources revealed that maize is being delivered towards Tamil Nadu and Visakhapatnam; sourced from M.P and Khammam. It is being loaded from M.P at Rs. 1475 per quintal.

In India, maize has been sown in 2.31 lakh hectares as of 13th Nov'20, lower than corresponding period last year area of 2.61 lakh hectares. In Bihar, it has been sown in 0.10 lakh hectares; lower than 0.30 lakh hectares compared to corresponding period last year. In Tamil Nadu, it has been sown in 0.99 lakh hectares; lower than 1.24 lakh hectares compared to corresponding period last year. In Karnataka, it has been sown in 0.23 lakh hectares; lower than 0.24 lakh hectares compared to corresponding period last year. However, in Maharashtra, it has been sown in 0.47 lakh hectares; higher than 0.24 lakh hectares compared to corresponding period last year.

Corn on CBOT rose by 5.02 USD/MT to 166.63 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, 95% of crop has been harvested as of 15th November'20, up 22 percentage points from corresponding period last year.

At 0.84 MMT (for the period November 06 -November 12, 2020) U.S. Maize exports were up 16 percent from the previous week and 9 percent from the prior 4-week average; mainly for the destinations like China (278,700 MT), Mexico (205,200 MT), Japan (159,400 MT), Venezuela (67,500 MT), and Peru (52,100 MT).

As per trade sources, India has exported around 1.48 lakh tonnes of wheat in the month of October-2020 at an average FOB of \$ 232.24 per tonne and the major destinations were Nepal, Bangladesh, Sri Lanka and UAE. Exports are likely to be at higher side as other countries are providing wheat at higher prices.

The government has sold 98990 tonnes of wheat in OMSS through E-Auctions in the third week of November'20. Till now; no rakes have been sold. Sale of wheat to bulk consumer is 74990 tonnes and sale of Wheat to state Govt. 24000.

According to Government, Wheat stored in the Punjab and Haryana needs to shift out to make space for rice. These two states particularly have huge wheat stocks, and all of them cannot be moved out to the existing CAP (covered and plinth). So we are planning to ask some states to create more storage space, "It has become necessary for the Centre to move the Wheat as FCI has a high surplus of Wheat in the central pool. As of Oct 1, the government's Wheat stocks were at 43.70 MMT.

Light to moderate rainfall in several districts of Haryana has delayed the wheat-sowing operations in the state. However, the rain has delayed the wheat sowing as it will take farmers about a week to prepare the fields for sowing. According to ICAR, "There is no significant impact of the rain on crops, but it has delayed the further sowing, but it is good for wheat that was sown earlier this month and has already germinated.

Prices of mill-quality Wheat in Indore and Jaipur were steady today as weak demand from bulk buyers offset a fall in supply. In Indore, arrivals were pegged at 4,000 bags (1 bag = 100 kg), against 5,000 bags on Wednesday. Arrivals in Jaipur were pegged at 3,000 bags, compared with 5,000 bags on Wednesday. Wheat arrivals are likely to fall further as supply is drying up in the lean season.

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 the U.S and Russia will be stable and for Australia is going to be weak as new crop is soon going to hit the market. Strong international demand continues, which will support the market going forward. Russian and European price became \$1 -\$2 lower last week which is going to support the market in coming weeks.

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

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	19-Nov-20	13-Nov-20	Parity To
Indore - 45%, Jute Bag	33800	32700	Gujarat, MP
Kota - 45%, PP Bag	36000	35200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	36300	35500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	35500	35000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	34500	Andhra, AP, Kar ,TN
Latur	36500	35000	-

Sangli	35300	34500	Local and South
Solapur	32700	32700	Local and South
Akola – 45%, PP Bag	35000	33700	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	34700	34500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	35800	35000	-

Soy DOC at Port

Centers	Port Price		
	19-Nov-20	13-Nov-20	Change
Kandla (FOR) (INR/MT)	37000	36000	1000
Kandla (FAS) (USD/MT)	515	500	15
CNF Indonesia – Yellow SBM (USD/MT)	505	500	5

International Soy DOC			
Argentina FOB USD/MT	19-Nov-20	13-Nov-20	Change
Soybean Pellets	463	463	Unch
Soybean Cake Flour	463	463	Unch
Soya Meal	464	464	Unch
Soy Expellers	464	464	Unch
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	19-Nov-20	13-Nov-20	Change
Adoni	24000	24000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	23500	23500	Unch

Groundnut Meal (Rs/MT)	19-Nov-20	13-Nov-20	Change
Basis 45%, Saurashtra	26000	26000	Unch
Basis 40%, Saurashtra	23000	23000	Unch
GN Cake, Gondal	26500	26500	Unch

Mustard DOC/Meal	19-Nov-20	13-Nov-20	Change
Jaipur (Plant delivery)	20500	20200	300

Kandla (FOR Rs/MT)	21000	20800	200
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Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	21-Nov-20	14-Nov-20	21-Oct-20	21-Nov-19	21-Nov-18
Delhi	Hybrid	1550	Closed	1350	2025	1550
Davangere	Loose	1450	Closed	1150	1700	1500
Nizamabad	Bilty	Closed	Closed	1350	2050	1510
Ahmedabad	Feed	1650	Closed	1400	2080	1650
	Starch	1650	Closed	1400	1850	1700

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

As on 19.11.2020	Argentina	Brazil	US	India
FOB	230.61	233.00	221.00	228.86
Cost and Freight	280.61	288.00	281.00	263.86

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	
Total	276674	455374.1	1408042	1143244	982022	372873

Feed Ingredient Prices at a Glance

Commodity	State	Variety	Centre	20-Nov-20	13-Nov-20	Change
Bajra	Karnataka	Hybrid	Bellary	1360	1280	80
		Hybrid	Bangalore	2050	2000	50

Jowar	Karnataka	White	Bangalore	3000	3250	-250
		White	Bellary	1930	1340	590
Maize	Karnataka	Yellow	Davangere	1420	1350	70
	Telangana	Yellow	Nizamabad	1450	Closed	-
Rice	Haryana	IR8	Karnal	2700	2800	-100
		Parmal Raw	Karnal	2300	2500	-200
Soy meal	Madhya Pradesh	DOC	Indore	3350	3270	80
	Maharashtra	DOC	Sangli	3500	3450	50
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2400	Closed	-
Mustard	Rajasthan	Plant delivery	Jaipur	2060	Closed	-
Groundnut Meal	Gujarat	GN Cake	Gondal	2650	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2026	1917	109
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2023	1988	35
Note: Prices Rs./Qtl						

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