

Contents:

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

Summary

Overall maize cash markets traded mixed during the week compared to last week. 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.

Trade sources revealed that in Nizamabad, due to active government buying support, arrivals in open markets are negligible in quantity. In Nizamabad, Government has procured around 25,000 MT of maize as of 25th November'20. In Andhra Pradesh, Government has procured around 44,052.4 MT of maize till 22nd November, 2020.

All India's weekly average prices of wheat increased by 0.98 percent to Rs. 1889.26 per quintal during the week ended 30th Nov 2020. Wheat average prices were ruling at Rs 1893.78 per quintal during 24th - 30th Nov 2019. 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.

Due to decrease in cotton production for current season in gujarat, maharashtra and telangana, the cotton seed oil prices are likely to increase about Rs 4000 per quintal till the end of this season, current market price for cotton seed is Rs 2650 per quintal, where else cotton seed oil cake prices will increase about Rs 3500 per quintal from Rs 2500 per quintal. The demand for cotton oil cake will remain stable in the coming week. According to Cotton Corporation of India cotton seed prices have increased about Rs 50 per quintal in Haryana where else cotton seed oil cake prices remained stable. The spot prices for both Kadi and akola were Rs 2063/q and were up by 7.23% and 4.95% respectively from the previous week.

The domestic soybean remained flat on steady demand, rapeseed-mustard fell on expectation of higher planting of the seed this season after prices remained overbought for quite sometimes while groundnut seed posted gains mainly on strong and continued overseas demand in the seed and the groundnut oil.

Improved soymeal export sales in last couple of months and decline in the soybean despite decline in domestic meal and out of home edible oil consumption post-COVID.

Rapeseed-mustard has come under pressure as expected with expectation of higher acreage under the seed this season and surge in rapeseed-mustard oil. However, continued rapeseed meal exports limited any sharp fall in the seed.

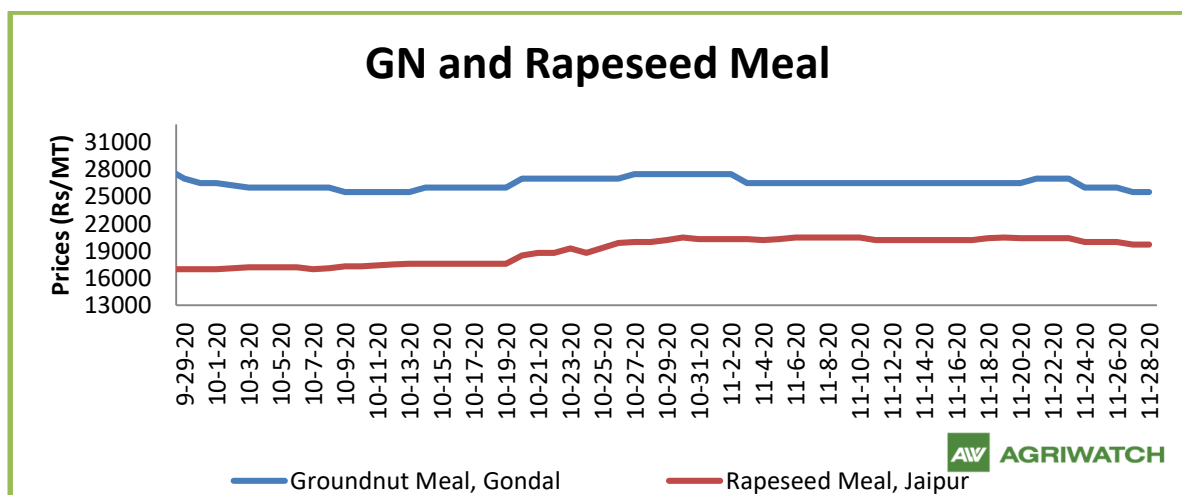
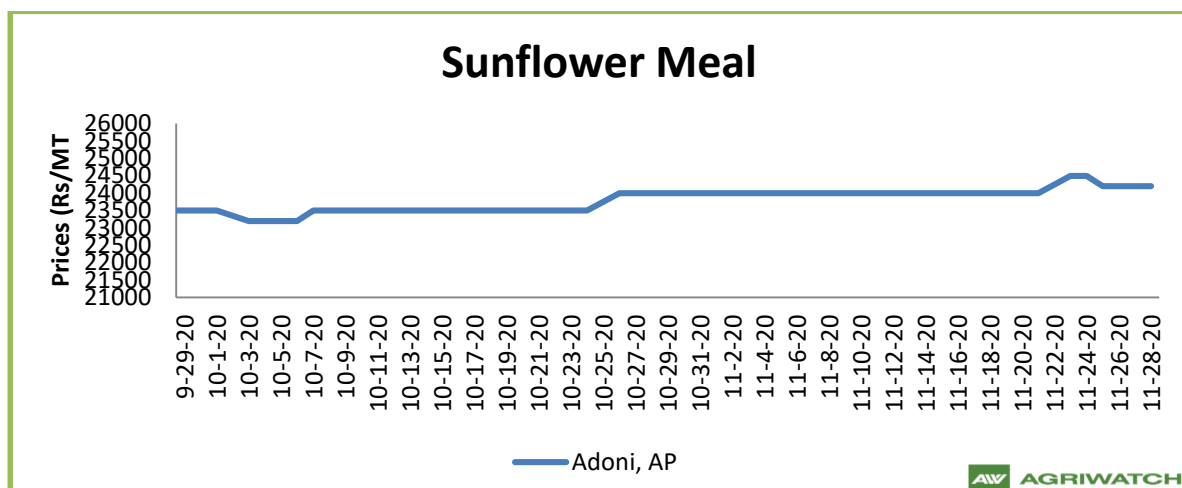
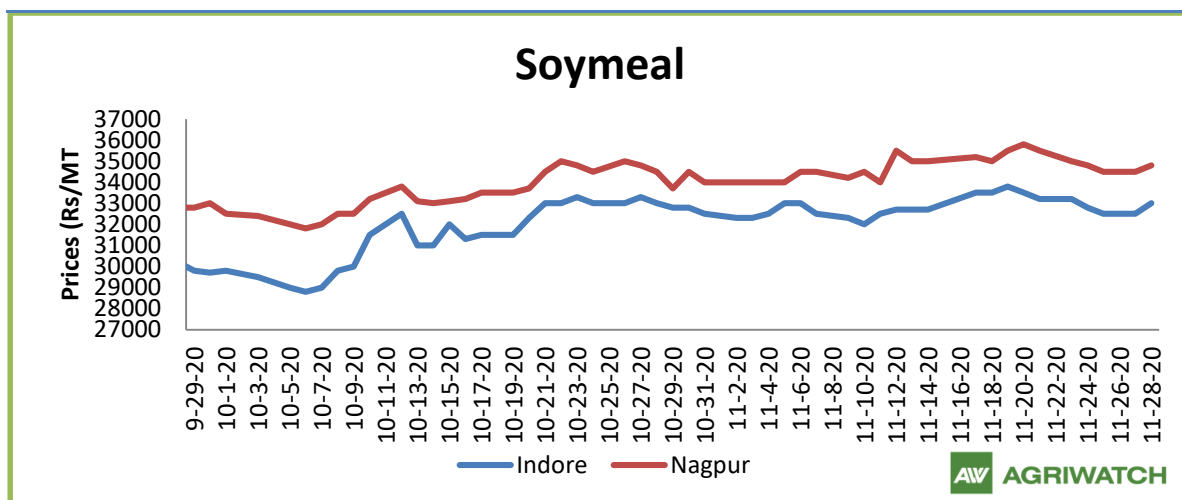
The rabi oilseeds' planting is underway and currently the rapeseed planting is about 9% higher than the same period last year.

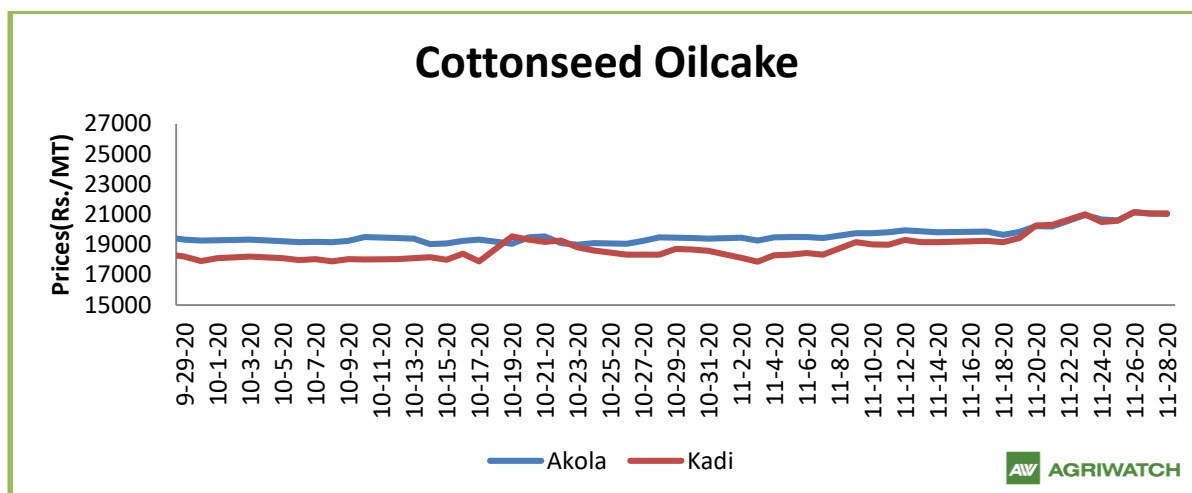
Both, soymeal and rapeseed meal fell on slack in demand from feed manufacturers on bargain hunting during the period under review.

Soybean prices remained at par with the previous week, rapeseed-mustard fell by -1.4%, groundnut seed prices improved by 1.6%, soymeal eased by 0.9% while rapeseed DOC declined by 0.2% all compared to the previous week's level.

We feel rapeseed-mustard prices will witness some losses after prices soared to all-time high and the mustard oil consumers started looking for the cheaper alternate to the oil, soybean and meal will feature range-bound movement with firm bias on bullish global supply scenario and signs of some improvement in soymeal export sales. Groundnut prices too will feature gains on strong overseas demand for the seed of Indian origin.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

The domestic soymeal fell on need based buying from feed manufacturers and exports during the period under review.

The domestic soymeal demand is still weak followed by slack in demand in the same from poultry sector after decline in poultry consumption post-COVID.

However, the fall was limited with some signs of recovery in the soymeal export sales in recent while. The meal prices fell by 0.9% compared to the prices in the previous week.

The international soy market is strong on forecast of lower than expected soybean supplies from the major soy producing countries during the new season and expected sharp fall in US soy inventories due to spree Chinese buying will also lend support to the domestic soybean market.

In a rare event, Brazil has been importing soybean on and off after it's inventories dried up before new crop supplies, to meet its exports commitments.

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 Genetically 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 fell to Rs 32,950/MT and was quoted between Rs 32,500 – 33,500/MT compared to the weekly average of Rs 33,240/MT traded between the price ranges of Rs 32,700 – 33,800/MT previous week.

At Latur soymeal prices fell to Rs 34,500 – 36,500/MT from Rs 35,000 – 36,500/MT a week ago and in Nanded it was quoted low at Rs. 34,000 – 35,700/MT compared to Rs. 35,000 – 36,500/MT a week ago. Besides, in Kota, the meal too fell to Rs 34,200 – 36,000/MT compared to Rs 35,200 – 36,000/MT previous week.

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

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 33,000 – 34,500/MT on slack in demand.

Rapeseed - Mustard Seed

Rapeseed-mustard fell as expected after prices skyrocketed to all-time high in recent while and remained at overbought region for quite long, mainly on improved demand for rapeseed-oil post-COVID and increase in rapeseed oilmeal export sales in recent months.

The mustard oil consumers have started to look for the cheaper edible oil alternate after the prices soared to around 40-42% in wholesale and above 60% in retail compared to the oil prices during the same period last year. Many households have reduced the consumption while some switched to other cheaper oils.

The rapeseed-mustard planting is in full swing and 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 dated 27 November 2020, by the Ministry of Agriculture, the rapeseed-mustard sowing is reported up by 7% at 57.44 lha compared to 53.88 lha during the corresponding period of last year.

Further, India didn't import rape oil (canola) in the month of October 2020 in anticipation of decline in the demand while the imports of the same during April-October 2020 were down by 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 from India, 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.

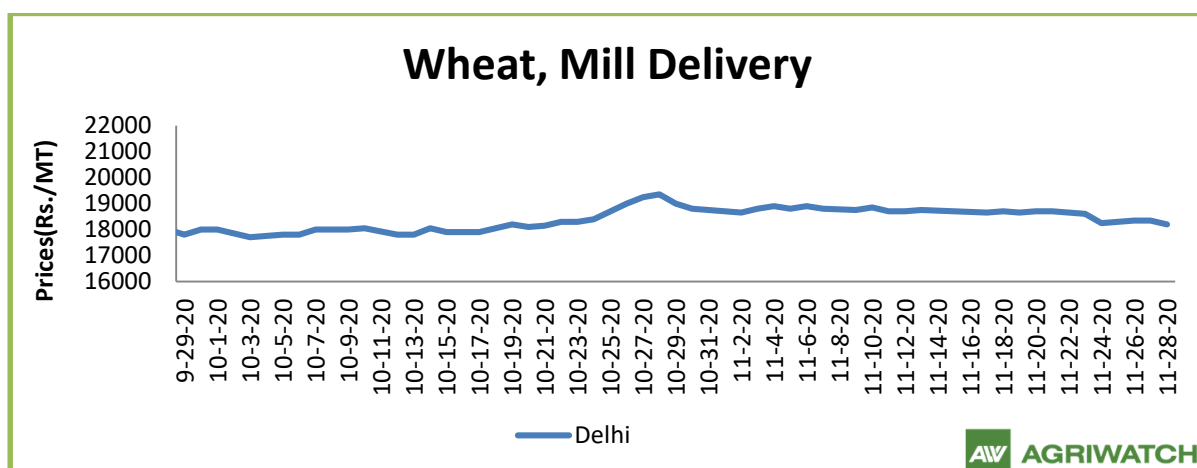
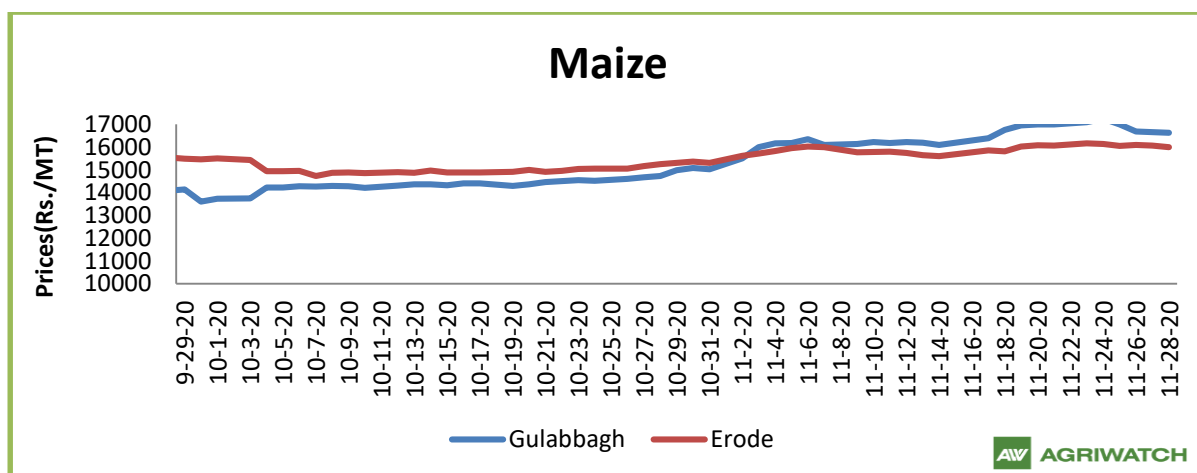
NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 10.0 lakh tonnes of old and new stocks while Hafed has offloaded around 3.5 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

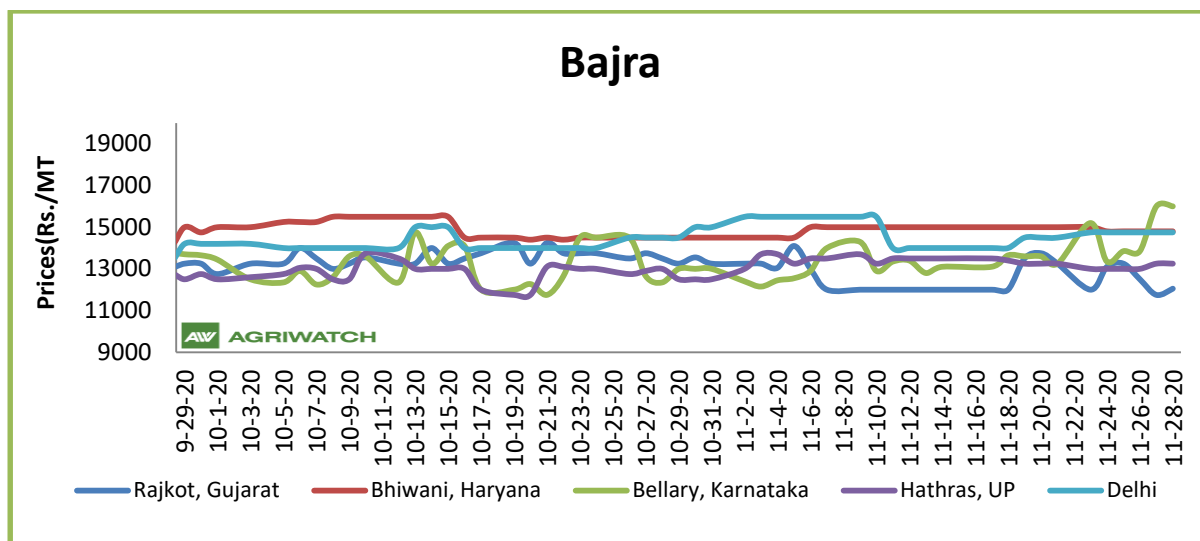
The all India rapeseed-mustard arrivals improved week-on-week and were reported at 6.0 lakh bags during the week compared to around 4.5 lakh bags, previous week, the fall was mainly due to the festivities, during the previous week. The supplies for the same were 8.15 lakh bags during the corresponding period last year.

RM seed prices fell by -1.4% to Rs 6,050 – 6,355 a quintal from Rs 6,320 – 6,355 a quintal previous week and Rs 4,445 – 4,535 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal fell by -0.2% to the weekly average price of Rs. 2632/qlt compared to the weekly average price of Rs. 2,636/qlt previous week.

At NCDEX futures, the December contract rapeseed-mustard declined to 5,871/Qtl compared to 6,191/Qtl previous week.





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

Overall maize cash markets traded mixed during the week compared to last week. 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.

Trade sources revealed that in Nizamabad, due to active government buying support, arrivals in open markets are negligible in quantity. In Nizamabad, Government has procured around 25,000 MT of maize as of 25th November'20. In Andhra Pradesh, Government has procured around 44,052.4 MT of maize till 22nd November,2020.

In Naugachia region of Bihar, Maize is being traded at Rs.1,550-1,650 per quintal (Bilty Price) and is being delivered to Uttar Pradesh and Kolkata at Rs.1,600-1,700 per quintal each. 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.1,560-1,580 per quintal, respectively; all sourced from Davangere region of Karnataka. Trade sources revealed that maize is being delivered to Visakhapatnam and Kandla; sourced from M.P. It is being loaded from M.P at Rs. 1475 per quintal.

In India, maize has been sown in 3.39 lakh hectares as of 20th Nov'20, lower than corresponding period last year area of 3.50 lakh hectares. In Bihar, it has been sown in 0.40 lakh hectares; lower than 0.64 lakh hectares compared to corresponding period last year. In Tamil Nadu, it has been sown in 1.00 lakh hectares; lower than 1.30 lakh hectares compared to corresponding period last year. However, in Maharashtra, it has been sown in 0.77 lakh hectares; higher than 0.31 lakh hectares compared to corresponding period last year and in Karnataka, it has been sown in 0.28 lakh hectares; higher than 0.26 lakh hectares compared to corresponding period last year.

Corn on CBOT rose by 0.88 USD/MT to 167.51 USD/MT for December'20 contract compared to previous week. Agriwatch expects that increase in export demand for U.S corn and concern over dry conditions in South America would support to CBOT Corn. However, new crop arrivals could limit the gain.

At 0.87 MMT (for the period November 13 -November 19, 2020) U.S. Maize exports were up 3 percent from the previous week and 15 percent from the prior 4-week average; mainly for the destinations like Mexico (339,300 MT), China (200,900 MT), Colombia (155,200 MT), Japan (116,100 MT), and Guatemala (17,000 MT).

All India's weekly average prices of wheat increased by 0.98 percent to Rs. 1889.26 per quintal during the week ended 30th Nov 2020. Wheat average prices were ruling at Rs 1893.78 per quintal during 24th - 30th Nov 2019. 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.

The Wheat market saw a deep impact of the rumor, according to which the Central Government has extended the period of free grain distribution till March 2021 under the Public Distribution System (PDFS), which leads price down on Wednesday. Similarly, the scheme is coming to an end in November 2020 and still, there's no official confirmation from the government so far.

The government said the progress of rabi (winter) crop sowing had been "satisfactory" so far, notwithstanding the COVID-19 challenges as total acreage increased by 4.02 percent to Rs 348.24 lakh hectare from 334.78 lakh hectare in the year-ago period. The area sown to wheat, the main winter crop, has increased marginally to 151.58 lakh hectare till November 27 of the rabi season in 2020-21 crop year (July-June), as against 150.49 lakh hectare a year ago.

Over 46 lakh hectares of wheat sowing have been complete in Madhya Pradesh after favorable conditions for the state's rabi crops. This year, the target for sowing rabi crops has been increasing by about 2 lakh hectares. The agriculture minister said sowing of wheat was completed in 46.74 lakh hectares area till November 27, almost 10 lakh hectare more than last year when the farmers could complete wheat sowing only in 37.27 lakh hectares of land.

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 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)		
	26-Nov-20	20-Nov-20	Parity To
Indore - 45%, Jute Bag	32500	33500	Gujarat, MP
Kota - 45%, PP Bag	34200	36000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	35300	36000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34500	35800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	34500	35500	Andhra, AP, Kar ,TN
Latur	34500	36500	-
Sangli	34000	35000	Local and South
Solapur	32700	32700	Local and South

Akola – 45%, PP Bag	34400	34500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	35000	35000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	34000	35800	-

Soy DOC at Port

Centers	Port Price		
	26-Nov-20	20-Nov-20	Change
Kandla (FOR) (INR/MT)	36500	37000	-500
Kandla (FAS) (USD/MT)	495	515	-20
CNF Indonesia – Yellow SBM (USD/MT)	500	505	-5

International Soy DOC			
Argentina FOB USD/MT	26-Nov-20	20-Nov-20	Change
Soybean Pellets	466	463	3
Soybean Cake Flour	466	463	3
Soya Meal	462	461	1
Soy Expellers	462	461	1
Sunflower (DOC) Rates			
Centers	Ex-factory rates (Rs/ton)		
	26-Nov-20	20-Nov-20	Change
Adoni	24200	24000	200
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	23800	23500	300

Groundnut Meal (Rs/MT)	26-Nov-20	20-Nov-20	Change
Basis 45%, Saurashtra	25500	26000	-500
Basis 40%, Saurashtra	22500	23000	-500
GN Cake, Gondal	26000	26500	-500

Mustard DOC/Meal	26-Nov-20	20-Nov-20	Change
Jaipur (Plant delivery)	20000	20400	-400
Kandla (FOR Rs/MT)	20700	21000	-300

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	27-Nov-20	20-Nov-20	27-Oct-20	27-Nov-19	27-Nov-18
Delhi	Hybrid	1625	1550	1375	2100	1700
Davangere	Loose	1400	1420	1150	1775	1500
Nizamabad	Bilty	1500	1500	1350	2000	1500
Ahmedabad	Feed	1540	1650	1425	2050	1700
	Starch	1500	1650	1450	2000	1750

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

As on 26.11.2020	Argentina	Brazil	US	India
FOB	227.36	239.00	225.00	226.13
Cost and Freight	277.36	294.00	285.00	261.13

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	27-Nov-20	20-Nov-20	Change
Bajra	Karnataka	Hybrid	Bellary	1600	1360	240
		Hybrid	Bangalore	1850	2050	-200
Jowar	Karnataka	White	Bangalore	3000	3000	Unch
		White	Bellary	1270	1930	-660

Maize	Karnataka	Yellow	Davanger e	1400	1420	-20
	Telangana	Yellow	Nizamabad	1450	1450	Unch
Rice	Haryana	IR8	Karnal	2700	2700	Unch
		Parmal Raw	Karnal	2550	2300	250
Soy meal	Madhya Pradesh	DOC	Indore	3250	3350	-100
	Maharashtra	DOC	Sangli	3400	3500	-100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2420	2400	20
Mustard	Rajasthan	Plant delivery	Jaipur	1970	2060	-90
Groundnut Meal	Gujarat	GN Cake	Gondal	2550	2650	-100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2104	2026	78
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2107	2023	84
Note: Prices Rs./Qtl						

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.