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Summary

All India Maize cash markets traded mixed during the week compared to last week. Agriwatch expects that Maize would trade steady to slightly firm due to continuous demand from global feed markets. However, higher stock availability would limit the gain.

All India's weekly average prices increased by 3.59 percent to Rs. 1950.55 per quintal during the week ended 15th Feb 2021. Wheat average prices were ruling at Rs 2227.17 per quintal during 09th–15th Feb 2020. It is unlikely that any slowdown in the wheat market and prices will increase for a longer period. Market is depending on the quality of standing wheat crop now.

Cotton seed oilcake prices have again increased in the market from the previous week by 4-5 percent, and cottonseed oil prices have increased around 2-3 percent in the market. Cotton Daily arrivals have decreased in the market to about 1,20,000 - 1,40,000 bales a day. The average price of cotton seed oilcake has increased in Kadi at Rs. 2273 per quintal from Rs. 2117 per quintal and in Akola were at Rs. 2317 per quintal from Rs. 2192 per quintal previous week.

The domestic soybean rose followed by firm demand in domestic and overseas markets. Soymeal also closed higher amid good overseas demand and improved poultry demand in Indian. Higher soy products enquiries in international markets along with decline cases of bird flu and COVID in India may remain support prices to rise in coming days.

Rapeseed-mustard turned higher after improved demand in local markets. Rising mustard oil demand is a big support to inch up seed prices. Crushers are very active. Crushers have limited old stock in hand so far. The harvesting of the new mustard crops in UP & MP states may speed up after 15th March 2021. While, farmers have commenced harvesting but slow pace in few districts of Rajasthan. Traders in Rajasthan expect lower mustard crop yield in this season as the length of new crop seed is not as good as expected earlier. However, the standing crops are in good condition in UP states and farmers expect good yield in this season. New crop arrivals of mustard seeds are expected to be higher in March month.

Indian Government has increased taxes on imports on of the tropical oil’s crude variety in favor of mustard farmers, whose crop is ready for harvest. India cut the basic import tax on crude palm oil to 15% from 27.5%, but imposed a 17.5% "cess" - a separate tax - on the imports. While import duties have been cut on edible oils. The new imposed duty is 15% for crude soybean and sunflower oil revised from 35% from its previous import duty.

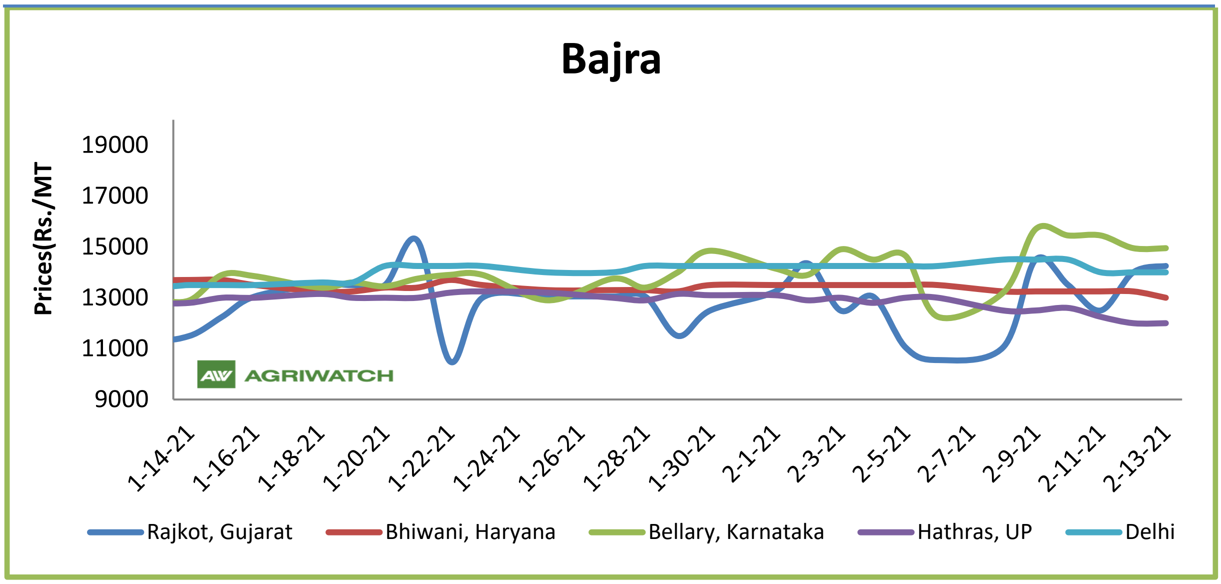
The rapeseed-mustard will remain under the new crop pressure for some time. However, robust overseas demand in rapeseed-meal and improved mustard oil demand post COVID will remain positive for the seed in medium-term.

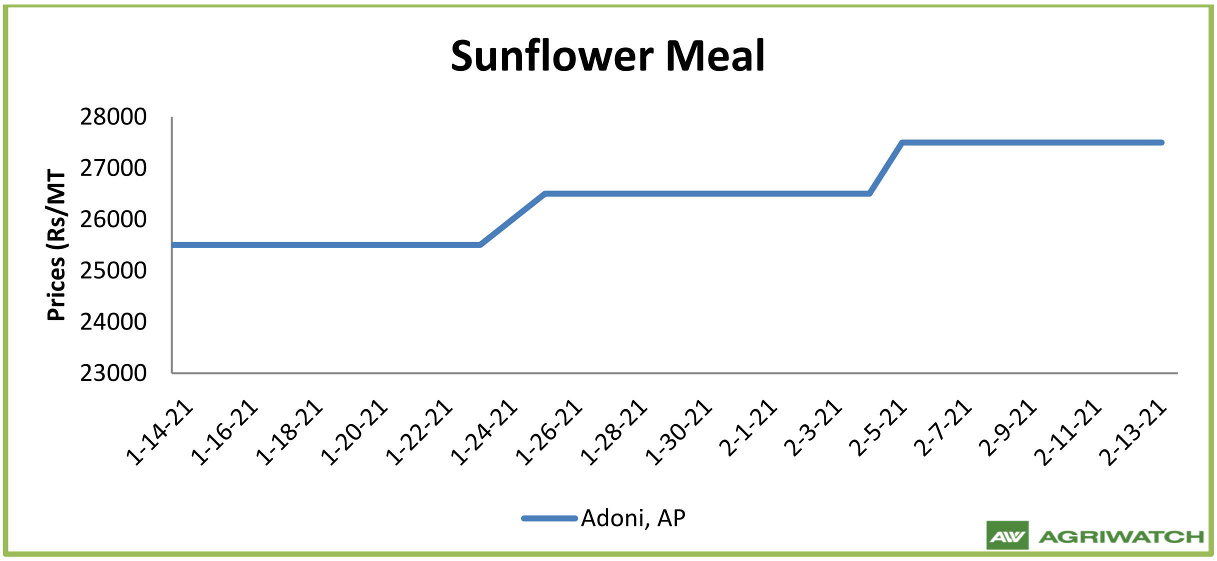
Groundnut seed made another higher price record in this week and remained leader among all the oilseeds on strong overseas demand in the seed and the groundnut oil this season.

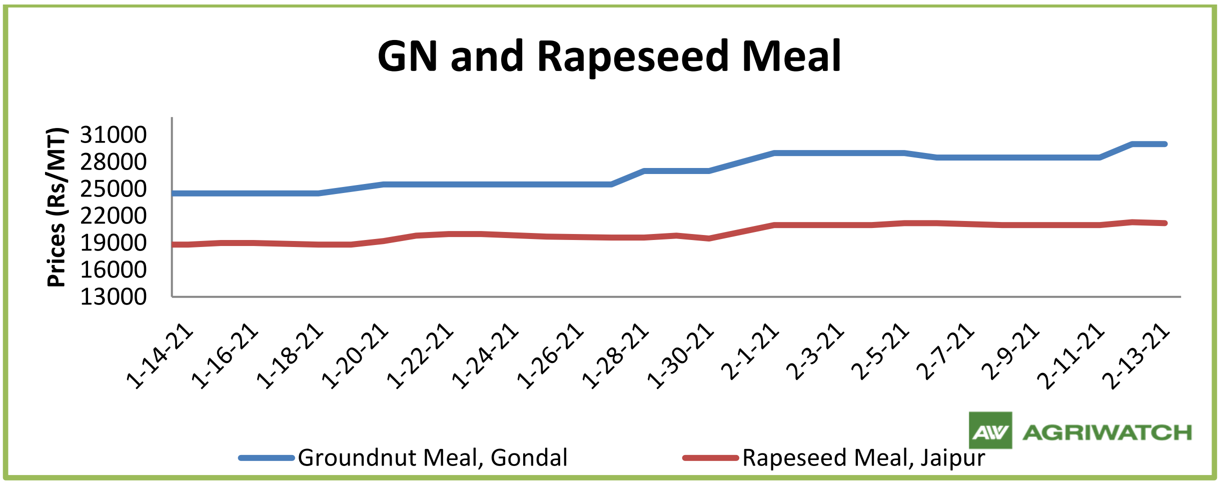
The rapeseed-mustard prices rose by 1.17% while rapeseed meal closed steady, soybean posted gains by +3.70% soymeal surged by 4.22% and groundnut seed rose by +0.94%, all compared to the previous week’s level.

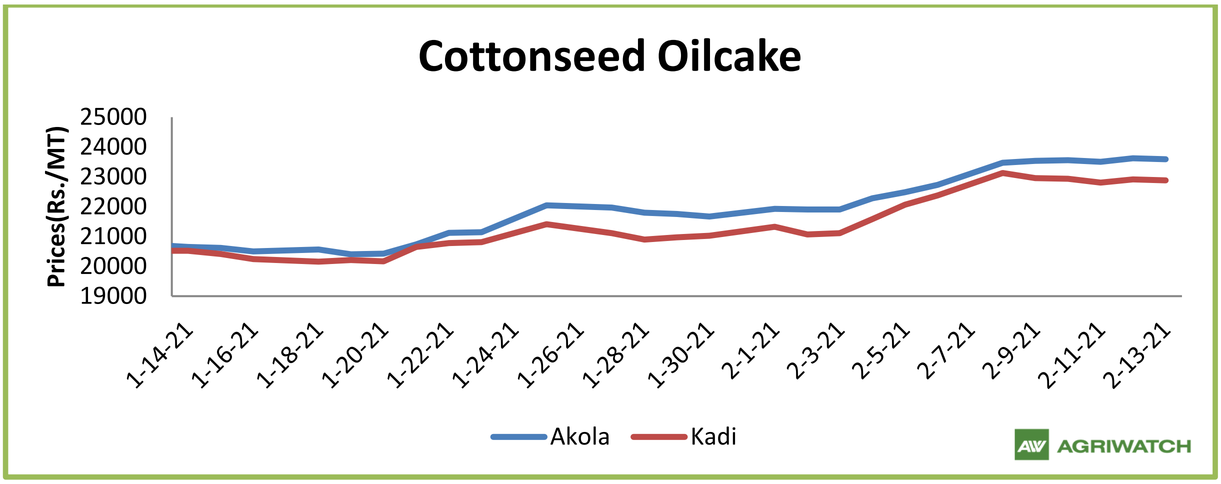
We feel the soy complex to feature range-bound movement with firm-bias on improved overseas soymeal demand and better crush margin. Rapeseed-mustard complex to feature range bound movement with weak bias ahead crop harvest and bigger crop outlook, for short-term. Bullish global soybean supply outlook will continue to support the soy prices at higher level in medium-term. Besides, groundnut prices will also feature range-bound movement with firm bias on bullish outlook following good overseas demand for Indian seed.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

The domestic soymeal pices increased at the end of this week on continue demand of exporters. Chinese demand is likely to be continue which may further support to the prices. Fresh poultry demand is also supporting price to rise.

The gains are backed by the strong and continued overseas soymeal demand of Indian origin.

The soymeal prices rose by 4.22% in this week. Declining cases of COVID and bird flu may boost up further regular soymeal demand.

India's December 2020 soymeal exports improved by +248% to 2,51,221metric tonnes compared to 72,233 metric tonnes in the same period last year. Further, the soymeal shipments improved by +56% to 8,88,202 metric tonnes in aggregate, during the last eight months (Apr.-Dec.) of financial year 2020-21 compared to 5,69,349 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of December 2020 is reported at 5,12,997 metric tonnes compared to 2,20,404 metric tonnes in December 2019 i.e., up by +13%.

The overall export of oilmeals during April to December 2020 is also reported up by +26% at 24,61,696 metric tonnes compared to 19,55,276 metric tonnes during the same period last year.

Of the total soymeal exports of 2,51,221 metric tonnes in December 2020, Bangladesh, Iran and US remained to top buyers with imports figures touching 43,794 metric tonnes, 42,000 metric tonnes and 26,051 metric tonnes respectively.

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

The export of rapeseed meal in December'20 is reported at 141866 metric tonnes against last year 60,178 metric tonnes during the same period i.e., down by+136%, and rice bran extraction is reported at 59470 metric tonnes against last year 43,891 metric tonnes i.e., +35% higher compared to the same period last year.

The global soy outlook is bullish as the Latin America is hit by dry weather conditions, downward revision of the US 2020/21 crop which have been recently harvested and strong Chinese soy demand

Soymeal futures eased on unwinding of long soymeal/short soyoil spreads. CBOT March soymeal eased at higher by US $ 33.7 and settled at US $ 426.30 per short ton compared to last week price i.e US $430 per short ton.

The international soymeal prices are remaining strong on the supply concerns, the Argentine soymeal prices have got dearer in last couple of months due to lean season, the soymeal export price spread of India vs

Argentina (FAS Kandla and FOB Argentina) have further narrowed to US $ 15/MT in January'20 vs US $ 24/MT in December'20, creating exports opportunity for India.

As expected, India's soymeal exports improved after lower soybean crushing in Argentina and Brazil providing fresh opportunities for India's exports.

In the February 2020, USDA report the world soymeal exports estimates are higher at 66.50 million tonnes vs 65.97 million tonnes for 2020/21.

The domestic weekly soymeal prices at Indore stood hgiher at Rs 37000/MT and was quoted between Rs 35,500 – 37,000MT compared to the weekly ended price of Rs 35,500/MT and was traded between the price ranges of Rs 34,500 – 35,500/MT previous week.

At Latur soymeal prices quoted higher at Rs 38,000 – 38,500/MT compared to Rs. 36,000 – 37,500/MT from a week ago and in Nanded it was quoted lower at Rs. 37,000 – 39,500/MT compared to Rs. 36,000 – 36,700/MT a week ago. Besides, in Kota, the meal improved to Rs. 37,000 – 38,700/MT compared to Rs. 36,000 – 36,700/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently higher. Soy meal Indore was quoted between Rs 35,500 – 37,000/MT during the week compared to Rs 34,500 – 35,500/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 36,500 – 37,500/MT on cases strong overseas soymeal demand.

Rapeseed - Mustard Seed

Rapeseed-mustard surged on good domestic demand of crushers. Higher demand of mustard oil is supporting seed prices. The underlying fundaments are strong on continued overseas rapeseed-mustard meal demand and improved local mustard oil demand post-COVID. However, expected heavy supplies of new crops may curb any major gain.

The seed prices increased by +1.17% compared to the previous week due to good demand of millers.

In the latest official rabi oilseeds planting report dated 29 January 2021, by the Ministry of Agriculture, the rapeseed-mustard sowing is reported up by 7.03% at 83.95 lha compared to 79.98 lha during the corresponding period last year.

The rapeseed-mustard harvesting in UP & MP has commenced and it will pick up the pace by end week of February, In Kota & Alwar belt of Rajasthan has also started but slow pace.

India has not imported any rape oil (canola) in December too and as in last several months, on higher domestic crushing and comfortable mustard oil stock. We expect, India will not import the rape oil in coming months too.

The export of rapeseed meal in December'20 is reported at 1,41,866 metric tonnes against last year 60,178 metric tonnes during the same period i.e. up by +136%.

India's exports for rapeseed meal during April-December 2020 was up +24% at 9,16,715 metric tonnes compared to 7,41,199 metric tonnes during the same period previous marketing season.

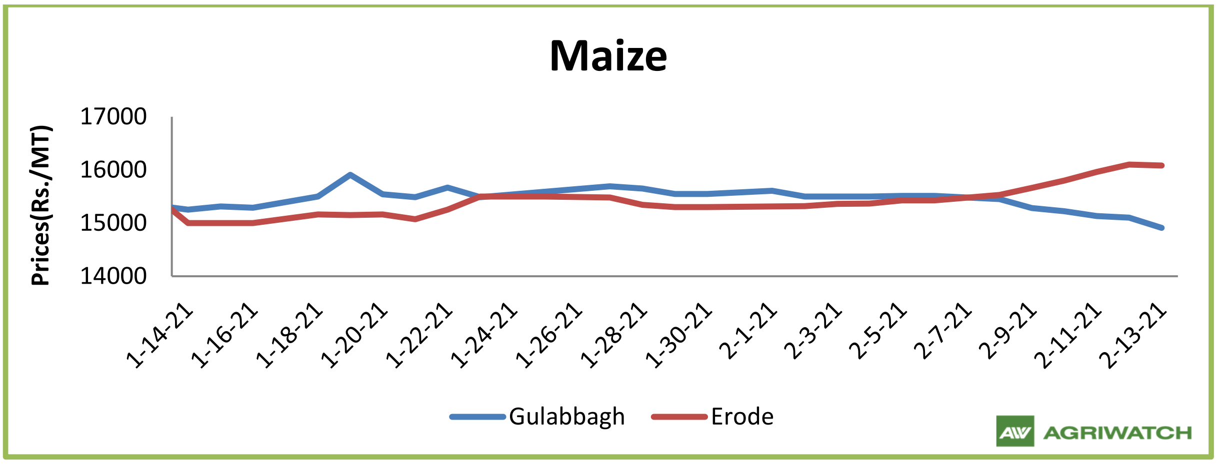
NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 11.5 lakh tonnes of old and new stocks while Hafed has offloaded around 4.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

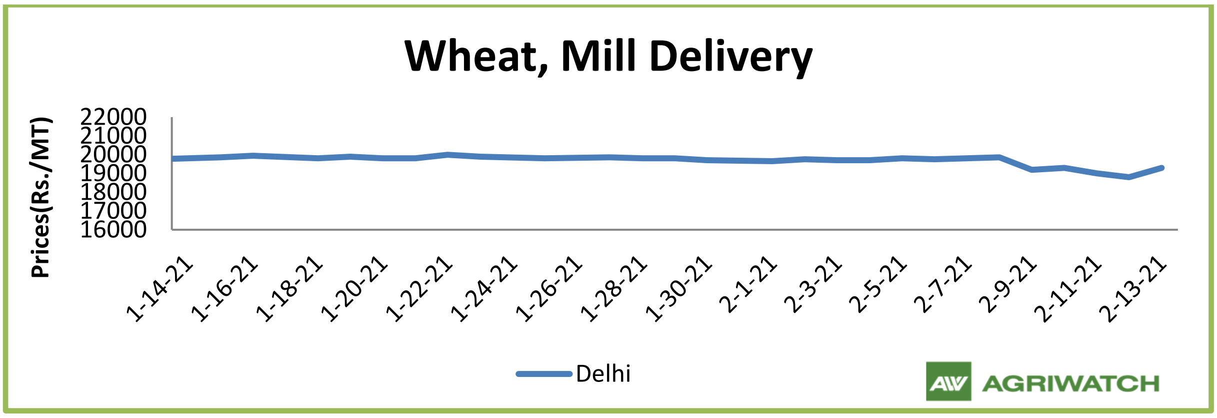
The all-India rapeseed-mustard arrivals improved week-on-week and were reported at 11.35 lakh bags during the week compared to around 8.65 lakh bags, previous week. The supplies for the same were 6.30 lakh bags during the corresponding period last year.

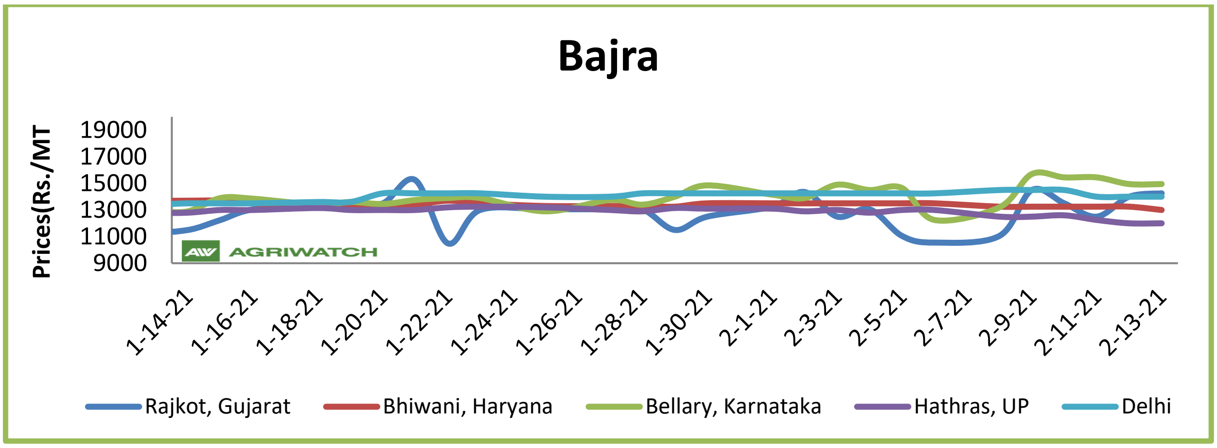
RM seed prices rose by 1.75% to the weekly average of Rs 6,455 a quintal from Rs 6380 a quintal previous week and Rs 4,400 a quintal during the corresponding period last year in Jaipur.

The rapeseed-mustard meal weekly ended price closed steady at Rs. 2,725/qtl compared to last week price.

At NCDEX futures, the April contract of rapeseed-mustard increased and ended at 5,293/Qtl compared to 5,106/Qtl previous week.







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

All India Maize cash markets traded mixed during the week compared to last week. Agriwatch expects that Maize would trade steady to slightly firm due to continuous demand from global feed markets. However, higher stock availability would limit the gain.

Trade sources revealed that Andhra Pradesh government has procured around 1,99,736 MT of Maize till January 22, 2021. While, Uttar Pradesh government has procured around 1,06,412 MT of Maize till January 16, 2021.

Sources revealed that maize is being loaded for Krishnapatnam, and Chennai port at Rs. 1,550 per quintal, and Rs. 1,570 per quintal, respectively; sourced from Davangere and Kotturu region of Karnataka. Hyderabad poultry feed makers are buying Maize at Rs.1,540 per quintal; sourced from Nizamabad region Of Telangana. While, Kolkata feed makers are buying maize at Rs. 1,600 per quintal, sourced from Gulabbagh region of Bihar.

In India, Maize has been sown in 16.94 lakh hectares as of January 29, 2021, which is lower than the 17.49 lakh hectares of area during the corresponding period last year. In Andhra Pradesh, it has been sown in 1.28 lakh hectares; lower than the 1.67 lakh hectares in the corresponding period, last year. In Karnataka, it has been sown in 0.76 lakh hectares; lower than the 0.87 lakh hectares in the corresponding period, last year and in Telangana, it has been sown in 1.08 lakh hectares; lower than the 1.39 lakh hectares in the corresponding period, last year. In Tamil Nadu, it has been sown in 1.58 lakh hectares; lower than the 1.65 lakh hectares in the corresponding period, last year. However, in Bihar, it has been sown in 5.27 lakh hectares; higher than the 5.05 lakh hectares in the corresponding period, last year and in Maharashtra, it has been sown in 2.73 lakh hectares; higher than 2.28 lakh hectares in the corresponding period, last year.

Corn on CBOT fell by 3.84 USD/MT to 212.10 USD/MT for March'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize in near term would support CBOT Maize.

At 1.57 MMT (for the period January 29- February 04, 2021) U.S. Maize exports were up 57 percent from the previous week and 32 percent from the prior 4-week average; mainly for the destinations like China (357,600 MT), Japan (314,000 MT), Mexico (288,000 MT), Colombia (129,600 MT), and Peru (78,400 MT).

All India's weekly average prices increased by 3.59 percent to Rs. 1950.55 per quintal during the week ended 15th Feb 2021. Wheat average prices were ruling at Rs 2227.17 per quintal during 09th–15th Feb 2020. It is unlikely that any slowdown in the wheat market and prices will increase for a longer period. Market is depending on the quality of standing wheat crop now.

As per the latest update, the area under wheat has increased marginally by 2.85% to 346.36 lakh hectares so far in the ongoing 2020-21 Rabi season from 336.43 lakh hectares year-ago same period. Rabi sowing progress's overall trend is excellent, with increased area coverage recorded due to favourable weather. Thus, 9.93 lakh ha more area has been covered compared to last year. The higher area is reported from the states of Madhya Pradesh (8.30 lakh ha), Maharashtra (0.93 lakh ha), Haryana (0.31 lakh ha), Jammu & Kashmir (0.36 lakh ha), Jharkhand (0.20 lakh ha), Chhattisgarh (0.13 lakh ha), West Bengal (0.64 lakh ha) and Assam (0.01 lakh ha). Less area is reported from the States of Rajasthan (0.52 lakh ha), Bihar (0.27 lakh ha), Uttar Pradesh (1.32 lakh ha), Karnataka (0.07 lakh ha), Uttarakhand (0.21 lakh ha), Gujarat (0.29 lakh ha) and Punjab (0.06 lakh ha).

During April- December 2020 period, India's export of Wheat rose to Rs 1,870 crore (252 US$ Million) against was Rs. 336 crores (48 US$ Million) reported during the same phase a year back. As per the trend, there is a growth of 456.41% in Rupee term and 431.10 % Dollar terms. The share of export of wheat is 1.84 % in the total export of APEDA scheduled products. The key exports destination for wheat includes Nepal, Bangladesh, United Arab Emirates.

According to the trade source, Due to the sudden change in the weather, the temperature has started increasing gradually. Strong sunlight in the day is making you feel warm. The concern of wheat producing farmers has increased. Similarly, if the temperature increases, wheat production will decline. The late wheat crop will collapse.

In Madhya Pradesh, registration for procurement of wheat is currently in progress, which will run till February 20. All arrangements are being made in the state for timely procurement of crop in the interest of farmers. Wheat will be procured from March 22 in Indore and Ujjain divisions in MP and from April 1 in the remaining divisions. Around 4529 procurement centres are being set up across the state.

As per trade sources, India has exported around 1.54 lakh tonnes in the month of December-2020 at an average FOB of $238.06 per tonnes, higher this year and the major destinations were Bangladesh, Sri Lanka, Nepal and Malaysia. Exports are likely to be at higher side as other countries are providing wheat at higher prices. High export will be going to support the domestic market in near term.

Wheat WPI has increased from 147.9 in November-20 to 147.3 in December-20. Monthly wheat inflation has decreased by 0.41 percent in December -2019 compared to the previous month and increased by 12.49 percent from December-19.

Global wheat production is up this month with a larger crop in Kazakhstan more than offsetting lower crops in Argentina, Pakistan, and South Africa. Global consumption is boosted on higher feed consumption in China and increased food, seed, and industrial use in India. Global trade is also higher with exports raised for Kazakhstan, the European Union, and India, more than offsetting lower exports for Argentina. Higher imports for China and Pakistan, meanwhile, more than offset lower imports for Indonesia, Saudi Arabia, and Sudan. The projected U.S. season-average farm price is raised $0.15 per bushel to $5.00.

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

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	12-Feb-21	5-Feb-21	Parity To
Indore - 45%, Jute Bag	37000	35500	Gujarat, MP
Kota - 45%, PP Bag	38700	37000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	39200	37800	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	39000	37500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	39500	37000	Andhra, AP, Kar ,TN
Latur	38500	38000	-
Sangli	38500	37600	Local and South
Solapur	37200	33700	Local and South
Akola – 45%, PP Bag	37500	36200	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	38500	37000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	38500	36800	-

Soy DOC at Port

Centers	Port Price		
	11-Feb-21	4-Feb-21	Change
Kandla (FOR) (INR/MT)	40000	38500	1500
Kandla (FAS) (USD/MT)	550	535	15
CNF Indonesia – Yellow SBM (USD/MT)	575	565	10

International Soy DOC			
Argentina FOB USD/MT	**11-Feb-21**	**4-Feb-21**	**Change**
Soybean Pellets	477	490	-13
Soybean Cake Flour	477	490	-13
Soya Meal	474	488	-14
Soy Expellers	474	488	-14
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**12-Feb-21**	**5-Feb-21**	**Change**
Adoni	27500	27500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	27000	27000	Unch

Groundnut Meal (Rs/MT)	12-Feb-21	5-Feb-21	Change
Basis 45%, Saurashtra	29000	27000	1500
Basis 40%, Saurashtra	26000	22500	500
GN Cake, Gondal	30000	29000	2000

Mustard DOC/Meal	12-Feb-21	5-Feb-21	Change
Jaipur (Plant delivery)	21300	21200	100
Kandla (FOR Rs/MT)	21800	21700	100

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	12-Feb-21	05-Feb-21	12-Jan-21	12-Feb-20	12-Feb-19
Delhi	Hybrid	1450	1480	1480	1950	2250
Davangere	Loose	1420	1300	1300	1700	1950
Nizamabad	Bilty	1500	1550	1450	2050	2050
Ahmedabad	Feed	1500	1425	1400	1800	2150
	Starch	1500	1500	1400	1700	2100

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

As on 12.02.2021	Argentina	Brazil	US	India
FOB	244.00	270.00	247.00	222.53
Cost and Freight	294.00	325.00	307.00	257.53

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	68576
Oct	4237	31390	71425	150388	63800	120290
Nov	8909	97750	207630	186409	69415	198776
Dec	5667	241250	168865	170588	72233	
Total	**276674**	**455374.1**	**1408042**	**1143244**	**982022**	**760515**

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	12-Feb-21	05-Feb-21	Change
Bajra	Karnataka	Hybrid	Bellary	1495	1465	30
		Hybrid	Bangalore	2050	2000	50
Jowar	Karnataka	White	Bangalore	2500	2500	Unch
		White	Bellary	1680	1500	180
Maize	Karnataka	Yellow	Davangere	1420	1400	20

	Telangana	Yellow	Nizamabad	1425	1425	Unch
Rice	Haryana	IR8	Karnal	2700	2700	Unch
		Parmal Raw	Karnal	2450	2450	Unch
Soy meal	Madhya Pradesh	DOC	Indore	3700	3550	150
	Maharashtra	DOC	Sangli	3850	3760	90
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2750	2750	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2130	2120	10
Groundnut Meal	Gujarat	GN Cake	Gondal	3000	2900	100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2291	2207	84
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2362	2248	114
Note: Prices Rs./Qtl						