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## Summary

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Overall Maize cash markets except Naugachia market of Bihar traded steady to slightly firm during the week compared to last week. Agriwatch expects that Maize would trade steady to slightly firm in near term too due to regular demand from domestic and global feed markets. However, expectation of new crop arrivals during the month of April could limit the gain.

All India's weekly average prices of wheat decreased by 3.37 percent to Rs. 1965.97 per quintal during the week ended 15th Mar 2021. Wheat average prices were ruling at Rs 2065.6 per quintal during 09th–15th Mar 2020. Due to upcoming demands from Multinational companies, Wedding season It is unlikely that any slowdown in the wheat market and prices will increase for a longer period.

CCI cotton daily arrivals have again slowed down at 90,000 bales a day as the cotton prices in the local market are increasing. Cotton seed Oilcake prices in the kadi market have also increased from the previous week by 1.37 percent, the rising prices for both cottonseed oil and cotton seed oilcake is resulting in falling demand. The average price of cotton seed oilcake in Kadi is at Rs. 2286 per quintal from Rs. 2255 per quintal previous week and in Akola market is at Rs. 2382 per quintal from Rs. 2359 per quintal previous week.

The domestic soybean and soymeal extended previous gains on strength in the international soybean and continued soymeal exports from India.

The current market price of soybean - plant delivery at Indore is quoted up by 51-53% at Rs. 5,550-5,570/qrtl compared to Rs. 3600-3700/qrtl same period last year.

However, rapeseed-mustard and rapeseed DOC continued its downtrend on improving new crop supplies with harvesting in full swing in key seed growing region.

The rapeseed-mustard complex will remain under the new crop supply pressure for short-term. However, better demand in mustard oil amidst COVID and good export enquiries on rapeseed-meal DOC will limit any sharp fall.

Further, groundnut seed extended gains on strong and persistent overseas demand in the groundnut seed and groundnut oil, mainly from China.

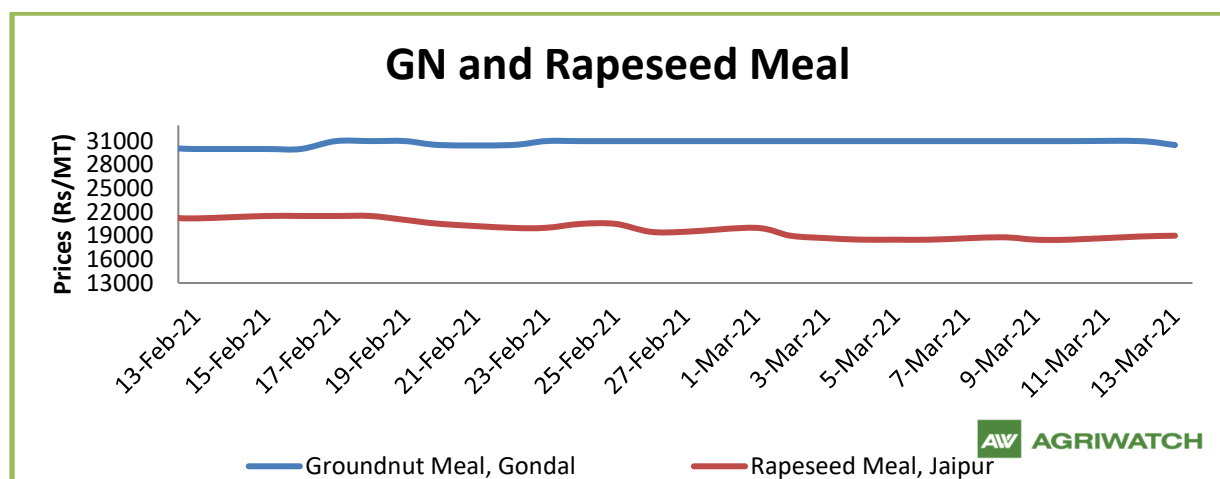
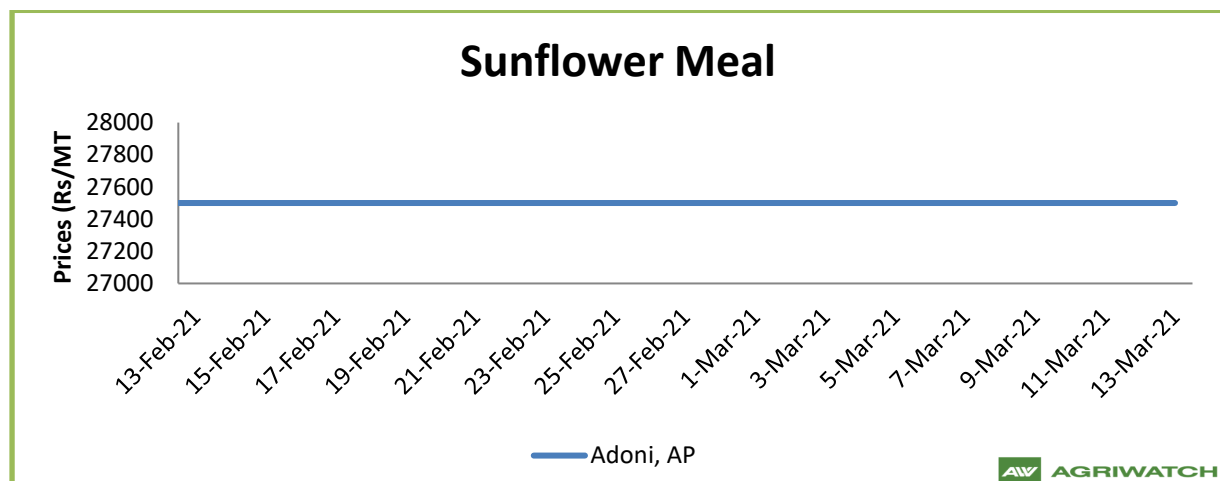
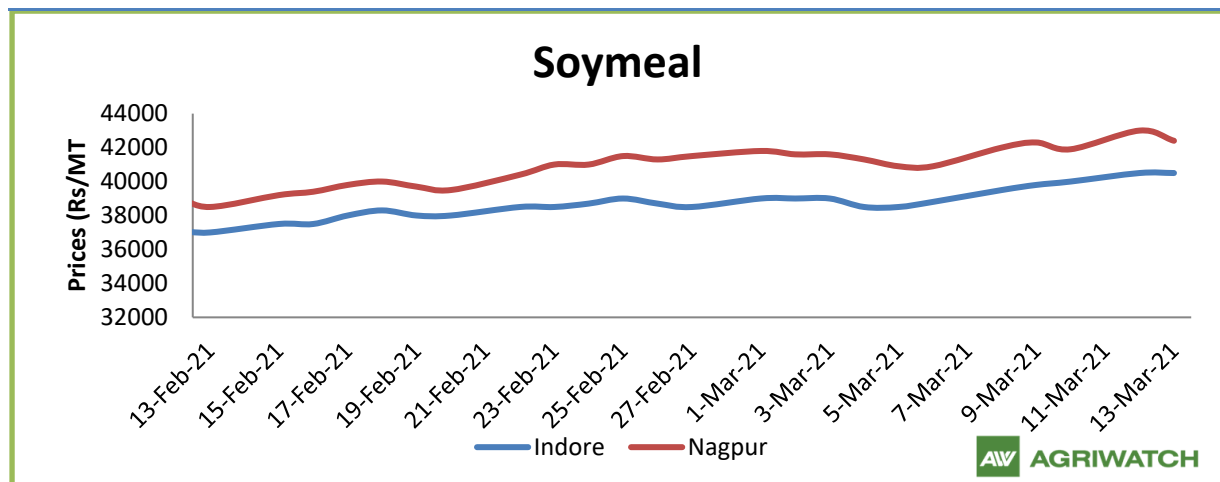
The rapeseed-mustard prices decline by -3% also rapeseed meal fell by -6%, soybean improved by +1% and soymeal posted gains by +1% while groundnut seed rose by +0.2%, all compared to the previous week's level.

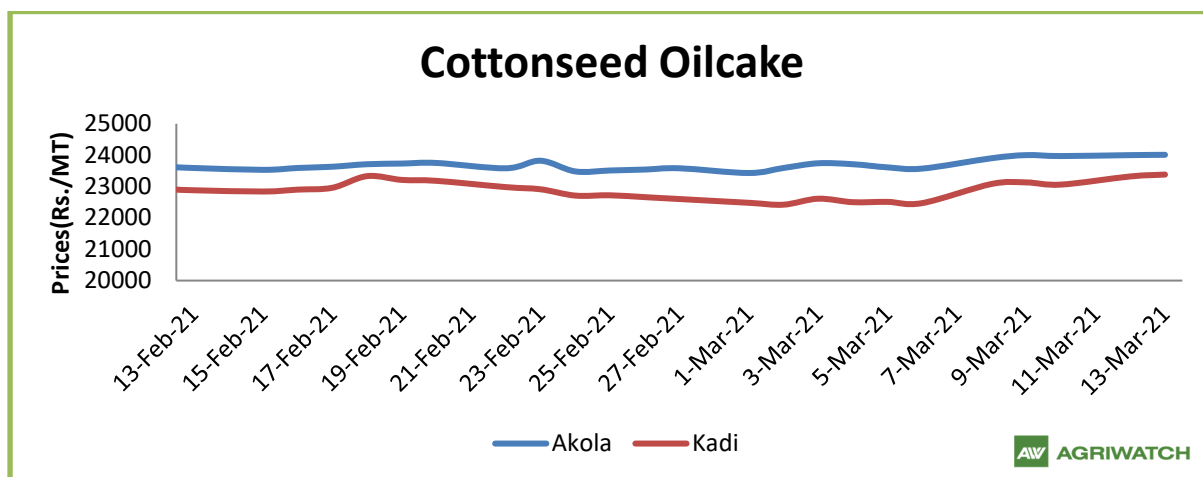
We feel the soy complex to feature range-bound movement with firm-bias on improved overseas soymeal demand and better crush margin and strong international soy complex.

Rapeseed-mustard complex will gradually improve in coming days on expected good buying support.

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 continued to feature uptrend on bullish soybean outlook and strong soymeal export sales from India this season.

The domestic soymeal prices improved by over +1% in tandem with soybean on strong soymeal export data.

However, CBOT May soymeal closed down \$ 4.10 at \$ 400.70 per short ton, with technical selling accelerating as the contract fell below its 100-day moving average.

World 2020/21 soymeal production is estimated slightly up at 254.1 million tonnes vs 252.9 million tonnes in its previous estimate.

But there is concern over Argentina's soybean output due to dry weather, Argentina is the world's largest soymeal exporter.

Overall, the global soymeal outlook is bullish on likely upcoming demand mainly from China with rising China's pig herd which fell last year due to swine flu.

Robust Chinese soy demand, lower than expected soybean production estimates in US and Argentina will remain bullish for soymeal.

The gains in local soymeal will be backed by the strong and continued overseas soymeal demand of Indian origin.

India's January 2021 soymeal exports improved by +579% to 28,3167 metric tonnes compared to 41,726 metric tonnes in the same period last year. Further, the soymeal shipments improved by +92% to 11,71,369 metric tonnes in aggregate, during the last nine months (Apr.-Jan.) of financial year 2020-21 compared to 61,1075 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of January 2021 is reported at 4,98,060 metric tonnes compared to 1,69,397 metric tonnes in January 2020 i.e. up by +194%.

The overall export of oilmeals during April to January 2021 is also reported up by +39% at 29,62,680 metric tonnes compared to 21,27,635 metric tonnes during the same period last year.

Of the total soymeal exports of 28,3167 metric tonnes in January 2021, Germany, Indonesia and US remained to top buyers with imports figures touching 92,037 metric tonnes, 60,770 metric tonnes and 22,617 metric tonnes respectively.

India's exports for rapeseed meal during April-January 2021 was down +18% at 9,90,955 metric tonnes compared to 8,39,197 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in January'21 is reported at 74,240 metric tonnes against last year 97,998 metric tonnes during the same period i.e. down by-24%, and ricebran extraction exports is reported at 89,776 metric tonnes against last year 15,925 metric tonnes i.e. +464% higher compared to the same period last year.

However, the domestic demand continues to be dull on COVID. Poultry industry contributes more than 60% of the total domestic soymeal demand and thus soymeal prices are expected to be under pressure for short-term.

The international soymeal prices are once again getting competitive after rains in South America, improving the soybean crop prospect. The soymeal export price spread of India vs Argentina (FAS Kandla and FOB Argentina) have once again widened to US \$ 76/MT in February'21 vs US \$ 16/MT in January'21, creating incompetitiveness for Indian soymeal.

However, 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 2021, USDA report the world soymeal exports estimates are slightly higher at 62.87 million tonnes vs 62.81 million tonnes for 2020/21.

The domestic weekly average soymeal prices at Indore improved to Rs 3,9320/MT and was quoted between Rs 38,500 – 38,783/MT compared to the weekly average of Rs 38,783/MT and was traded between the price ranges of Rs 38,500 – 39,000/MT previous week.

At Latur the weekly average soymeal prices improved to Rs 42,917/MT compared to Rs. 41,267/MT a week ago and in Nanded too it was quoted higher at Rs. 42,060/MT compared to Rs. 41,717/MT a week ago. Besides, in Kota, the meal improved to Rs. 41,560/MT compared to Rs. 41,450/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted higher between Rs 38,500 – 38,783/MT during the week compared to Rs 30,600 – 31,340/MT during the corresponding period last year.

*The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 41,000 – 41,500/MT on cases strong overseas soymeal demand.*

### **Rapeseed - Mustard Seed**

Rapeseed-mustard continued downtrend mainly on new crop arrival pressure with harvesting advancing considerably at a good pace across the key growing regions this season compared to last season.

The all-India rapeseed-mustard arrivals improved week-on-week and were reported at 41.20 lakh bags during the week compared to around 25.35 lakh bags, previous week. The supplies for the same were 7.70 lakh bags during the corresponding period last year.

Considering the higher seed production estimate this season and harvesting pace we expect the Indian market will witness the seasonal peak supplies very soon.

We have projected India's 2021-22 rapeseed-mustard crop production up by 11% at 8.0 million tonnes vs 7.21 million tonnes in 2020-21, on higher planted acreage of 73.94 lakh hectares vs 69.08 lakh hectares last season.

The yield in rapeseed-mustard seed have been hit by around 15% in Sri Ganganagar and Bikaner due to the scarcity of water for irrigation and deficit rains during the crop development stage. Besides, productivity the recovery in oil is also expected to decline by 1-2% to an average of 38% from the normal 40%.

However, the rains in January has improved the crop prospect in Agra belt and boosted the recovery level in the seed by around +1% to 35-36% from the normal 34-35%, Agra belt is the key seed growing region of Uttar Pradesh.

India has not imported any rape oil (canola) in January too as in last several months. We expect, India will not import the rape oil in coming months too.

India's export of rapeseed meal in January'21 is reported at 74,240 metric tonnes against last year 97,998 metric tonnes during the same period i.e. down by-24% due to decline in crushing of the seed on dried up stock.

However, India's exports for rapeseed meal during April-January 2021 was down +18% at 9,90,955 metric tonnes compared to 8,39,197 metric tonnes during the same period previous marketing season.

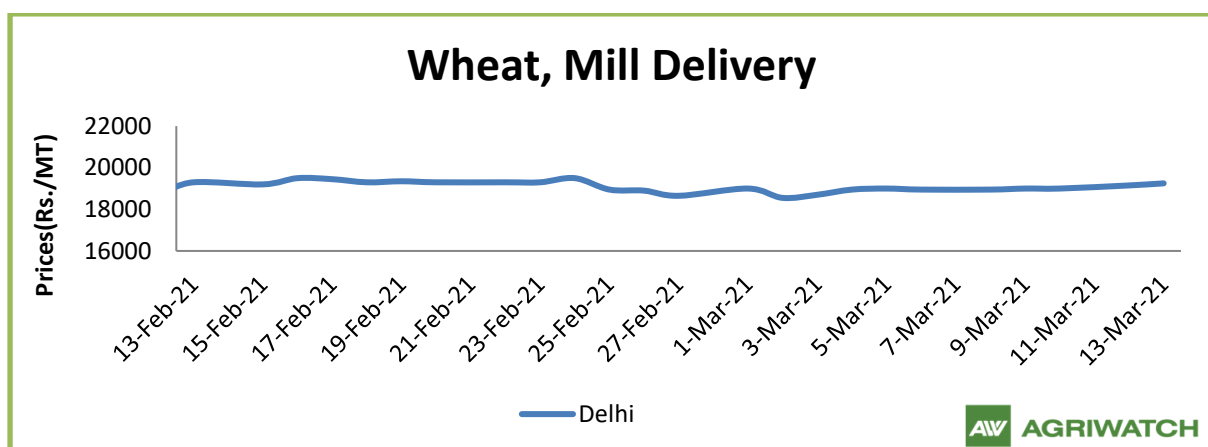
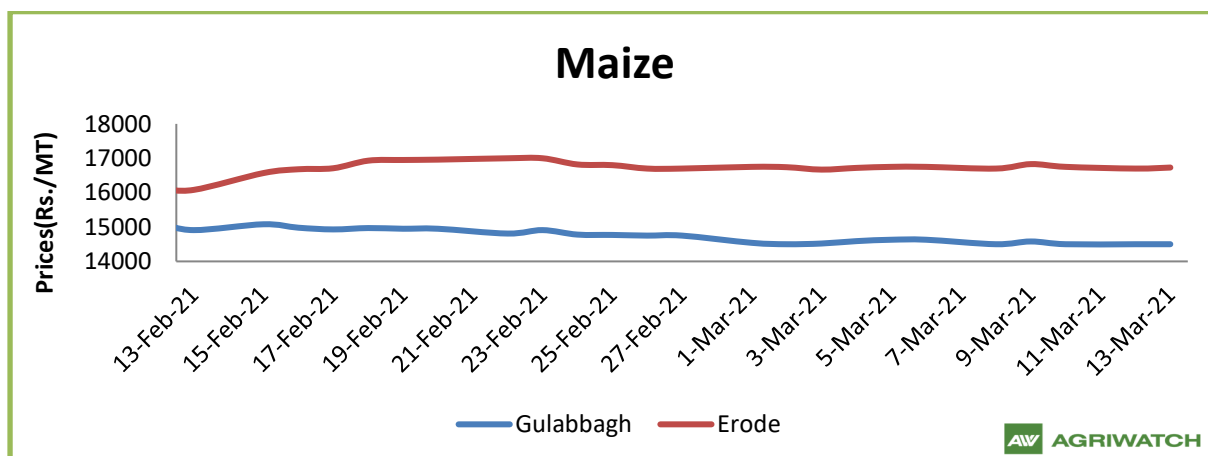
NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 11.5 lakh tonnes of old and new stocks while Hafed has offloaded around 4.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

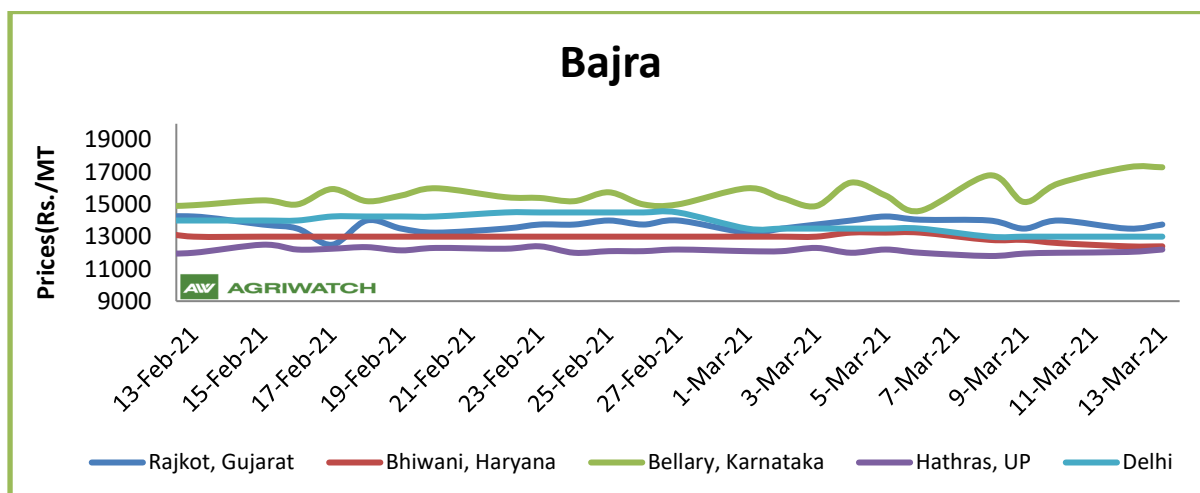
The all India rapeseed-mustard arrivals improved week-on-week and were reported at 41.20 lakh bags during the week compared to around 25.35 lakh bags, previous week. The supplies for the same were 7.70 lakh bags during the corresponding period last year.

In Jaipur, RM seed prices declined by -3% to the weekly average price of Rs 5,615 a quintal from Rs 5,798 a quintal previous week and Rs 4,141 a quintal during the corresponding period last year.

The rapeseed-mustard meal too declined by -6% to the weekly average price of Rs. 2289/qlt compared to the the weekly average price of Rs. 2428/qlt previous week.

At NCDEX futures, the April contract of rapeseed-mustard fell and ended at 5,810/Qtl compared to 5,471/Qtl previous week.





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

Overall Maize cash markets except Naugachia market of Bihar traded steady to slightly firm during the week compared to last week. Agriwatch expects that Maize would trade steady to slightly firm in near term too due to regular demand from domestic and global feed markets. However, expectation of new crop arrivals during the month of April could limit the gain.

Sources revealed that Hyderabad poultry feed makers are buying Maize at Rs.1,550 per quintal; sourced from Telangana while, Kolkata feed makers are buying Maize at Rs. 1,600 per quintal, sourced from Gulabbagh region of Bihar. In Karnataka, maize export has been slow from past 2- 3 days due to insufficient quality arrivals; which contains 8-10% water fungus.

Agriwatch's first advance estimate for the Maize production in 2020-21 Rabi season is 6.41 MMT with average yield of 3.74 MT per hectare.

Corn on CBOT fell by 5.02 USD/MT to 216.23 USD/MT for March'21 contract compared to previous week due to decrease in export demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize and concern over unfavorable weather condition in crop growing regions of South America would support CBOT Maize. However, increase in Global Maize Production Estimates would limit the gain.

At 1.59 MMT (for the period February 26- March 04, 2021) U.S. Maize exports were down 21 percent from the previous week but up 4 percent from the prior 4-week average; mainly for the destinations like China (3,48,400 MT), Japan (2,76,300 MT), Mexico (2,02,100 MT), Egypt (1,40,800 MT), and South Korea (1,27,900 MT).

All India's weekly average prices of wheat decreased by 3.37 percent to Rs. 1965.97 per quintal during the week ended 15th Mar 2021. Wheat average prices were ruling at Rs 2065.6 per quintal during 09th–15th Mar 2020. Due to upcoming demands from Multinational companies, Wedding season It is unlikely that any slowdown in the wheat market and prices will increase for a longer period.

FCI has made the following changes in wheat procurement policy. The moisture content decreased from 14% to 12%, foreign matter content has decreased from 0.75% to 0.50% and damage wheat content decreased from 4% to 2%. So that wheat can be exported.

As per the latest update, wheat sowing is almost end. 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.

Haryana state government will start the procurement of wheat from April 1. If a transporter does not lift the crop from the market in 48 hours, then a fine will be imposed on him.

As per sources, the Agriculture Department Rain, coupled with hailstorms and strong winds that lashed the Haryana, Punjab, and Rajasthan on Tuesday night, caused damage to Wheat's standing crop. It will also disturb the harvesting in Madhya Pradesh and will lower the quality of Wheat. Due to which price me slight increase from the current level.

The Uttar Pradesh will purchase wheat directly from farmers from April 1 to June 15 under the Minimum Support Price Scheme. The move is aimed at placating farmers who are agitating against farm laws and also to ensure that they get MSP for their produce. UP Food Commissioner Manish Chauhan said in an official statement that the wheat purchase will start from April 1 on the fixed MSP of Rs 1,975 per quintal this year.

As per trade sources, India has exported around 4 lakh tonnes Wheat in the month of Janury-2021 at an average FOB of \$263 per tonnes, higher this year and the major destinations were Bangladesh, Sri Lanka, Qatar and Nepal. 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

According to the Union Secretary, Department of Food & Public Distribution, A total quantity of 427.363 lakh tonnes wheat has been estimated for procurement during the forthcoming RMS 2021-22 which is 9.56 per cent more than the 389.93 lakh tonnes procured during RMS 2020-21. Wheat is a major rabi (winter-sown) crop. Harvesting starts from end of this month but picks up pace from April.

Wheat prices rose in most major exporting countries since last month's WASDE amid the implementation of Russia's export policies and concerns with winter wheat conditions in the United States and Black Sea, combined with strong import demand from several major markets. Most major exporter quotes are trading within a narrow range, though over the past month Argentine quotes have fallen, reflecting abundant supplies after its recent harvest. Despite new supplies also available in Australia, quotes there have trended up on strong demand from Asian markets.

**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)		
	11-Mar-21	05-Mar-21	Parity To
Indore - 45%, Jute Bag	40000	38500	Gujarat, MP
Kota - 45%, PP Bag	42300	40500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	43500	42000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	41900	40900	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	42200	41800	Andhra, AP, Kar ,TN
Latur	43500	41000	-
Sangli	41500	41000	Local and South



Solapur	40300	40000	Local and South
Akola – 45%, PP Bag	40300	39200	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	42000	41500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	42100	40300	-

**Soy DOC at Port**

Centers	Port Price		
	09-Mar-21	05-Mar-21	Change
Kandla (FOR) (INR/MT)	41000	40000	1000
Kandla (FAS) (USD/MT)	575	550	25
CNF Indonesia – Yellow SBM (USD/MT)	600	585	15

International Soy DOC			
Argentina FOB USD/MT	09-Mar-21	05-Mar-21	Change
Soybean Pellets	440	445	-5
Soybean Cake Flour	440	445	-5
Soya Meal	436	438	-2
Soy Expellers	436	438	-2
Sunflower (DOC) Rates			
Centers	Ex-factory rates (Rs/ton)		
	11-Mar-21	05-Mar-21	Change
Adoni	27500	27500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	27000	27000	Unch

Groundnut Meal (Rs/MT)	11-Mar-21	05-Mar-21	Change
Basis 45%, Saurashtra	30000	30000	Unch
Basis 40%, Saurashtra	27000	27000	Unch
GN Cake, Gondal	31000	31000	Unch

Mustard DOC/Meal	11-Mar-21	05-Mar-21	Change
Jaipur (Plant delivery)	18500	18500	Unch
Kandla (FOR Rs/MT)	19500	19300	200

**Maize Spot Market Prices (Rs. /Quintal)**

Market	Grade	12-Mar-21	05-Mar-21	12-Feb-21	12-Mar-20	12-Mar-19
Delhi	Hybrid	1575	1550	1450	1650	2200
Davangere	Loose	1500	1500	1420	1300	1950
Nizamabad	Bilty	1500	1500	1500	1800	2020
Ahmedabad	Feed	1600	1470	1500	1600	2200
	Starch	1650	1525	1500	1500	2000

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

As on 12.03.2021	Argentina	Brazil	US	India
FOB	228.54	235.00	246.00	211.92
Cost and Freight	278.54	290.00	306.00	246.92

**Soy Meal Exports (In MT):**

Month	2016	2017	2018	2019	2020	2021
Jan	7707	155160	105678	86378	41726	283167
Feb	1127	207977	73816	132375	20309	
Mar	430.1	107059	39209	193920	61499	
Apr	12295	124374	68264	40829	25940	
May	10400	48900	76026	53272	46614	
Jun	17930	45975	104088	62524	56638	
Jul	12270	80797	63747	76558	61957	
Aug	10615	87668	59643	95450	58190	
Sep	12210	102212	45388	35268	68576	
Oct	31390	71425	150388	63800	120290	
Nov	97750	207630	186409	69415	198776	
Dec	241250	168865	170588	72233	251221	
<b>Total</b>	<b>455374.1</b>	<b>1408042</b>	<b>1143244</b>	<b>982022</b>	<b>1011736</b>	<b>283167</b>

**Feed Ingredient Prices at a Glance**

Commodity	State	Variety	Centre	12-Mar-21	05-Mar-21	Change
Bajra	Karnataka	Hybrid	Bellary	1730	1555	175
		Hybrid	Bangalore	2200	2200	Unch
Jowar	Karnataka	White	Bangalore	2400	2400	Unch
		White	Bellary	1700	1800	-100
Maize	Karnataka	Yellow	Davangere	1500	1500	Unch

	Telangana	Yellow	Nizamabad	1400	1450	-50
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2450	2450	Unch
Soy meal	Madhya Pradesh	DOC	Indore	4050	3850	200
	Maharashtra	DOC	Sangli	4150	4100	50
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2750	2750	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	1890	1850	40
Groundnut Meal	Gujarat	GN Cake	Gondal	3100	3100	Unch
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2332	2251	81
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2400	2361	39
Note: Prices Rs./Qtl						

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