

Contents:

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

Summary

Overall Maize cash markets traded mixed during the week compared to last week. Agriwatch expects that Maize would trade steady despite continuous demand from domestic feed markets as expectation of new crop arrivals in near term would weigh on market sentiments.

All India's weekly average prices of wheat increased by 1.92 percent to Rs. 2003.65 per quintal during the week ended 23rd Mar 2021. Wheat average prices were ruling at Rs 2055.39 per quintal during 16th–22nd Mar 2020. Due to upcoming demands from Multinational private companies, Wedding season and crop damage by unseasonal rains It is unlikely that any slowdown in the wheat market and prices will increase for a longer period.

Cotton seed Oilcake prices are likely to increase till 15th April 2021 in Gujarat as the stocks are almost over where else, in the kadi market prices have increased from the previous week by 6 percent. CCI cotton daily has remained at 75,000 bales a day as the cotton prices in the local market are increasing. The average price of cotton seed oilcake in Kadi is at Rs. 2431 per quintal from Rs. 2286 per quintal previous week and in Akola market is at Rs. 2448 per quintal from Rs. 2382 per quintal previous week.

The domestic soybean and soymeal continued uptrend primarily on firm global cues and strong soymeal exports from India.

The current market price of soybean - plant delivery at Indore is quoted up by 55% at Rs. 5,500-5,700/qrtl compared to Rs. 3,500-3,700/qrtl same period last year.

Further, the rapeseed-mustard and rapeseed DOC rebound despite increase in the arrivals, the gains is attributed to the fresh demand from oilseeds' crushers.

The new crop supplies are increasing week-on-week across key cash market yards and volume is much higher compared to the same period last year.

Besides, the groundnut seed continued upward movement on persistent overseas demand in the groundnut seed and groundnut oil, mainly from China.

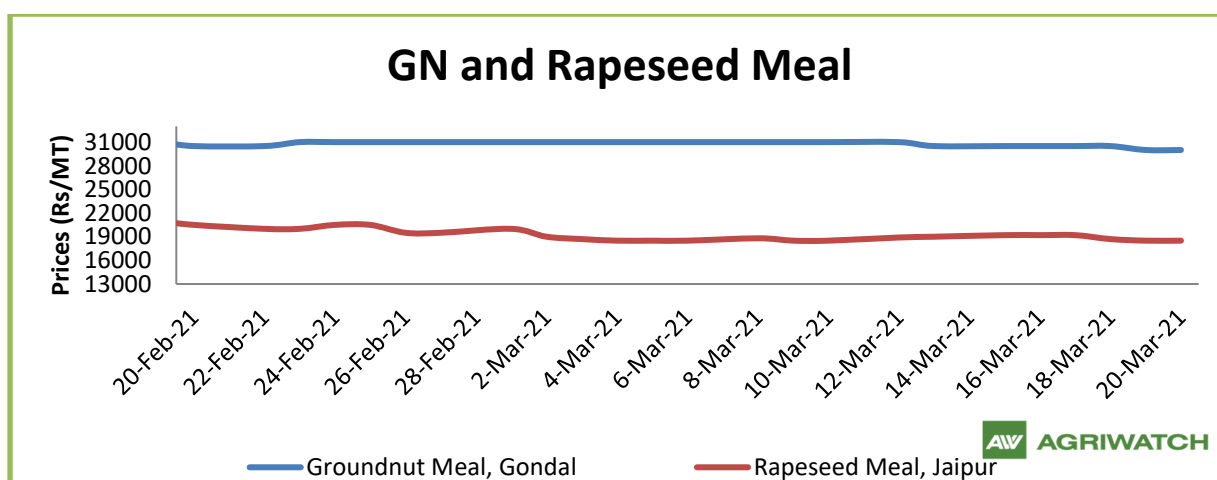
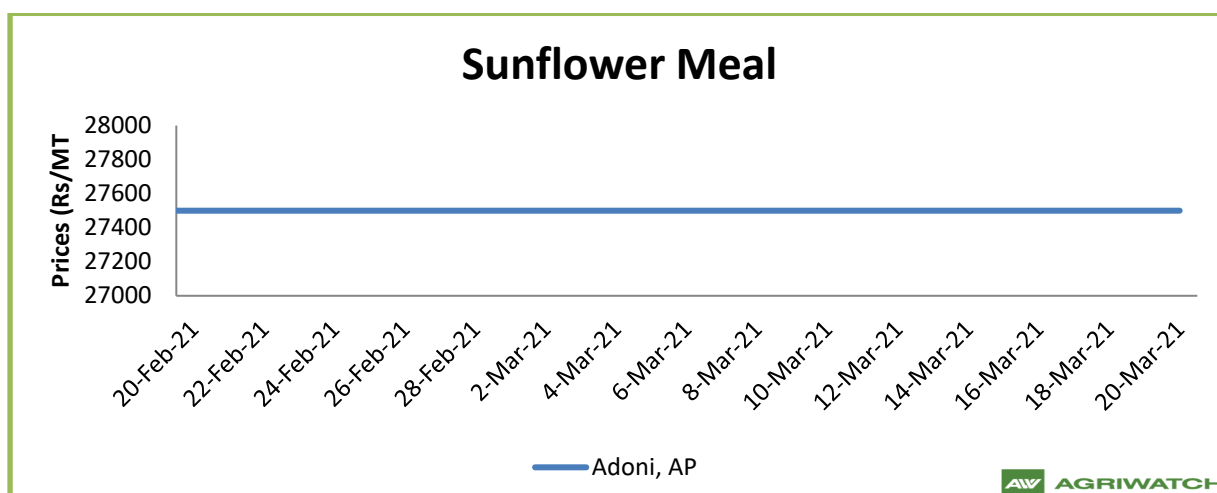
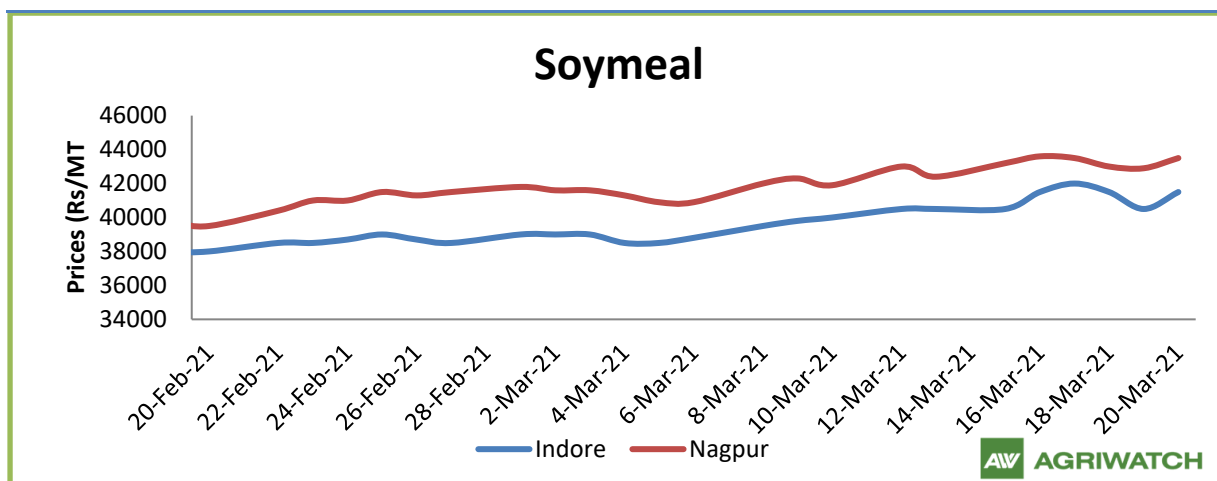
The rapeseed-mustard prices improved by +4% also rapeseed meal increased by +5%, soybean improved by +6% and soymeal posted gains by +4% while groundnut seed rose by +1%, all compared to the previous week's level.

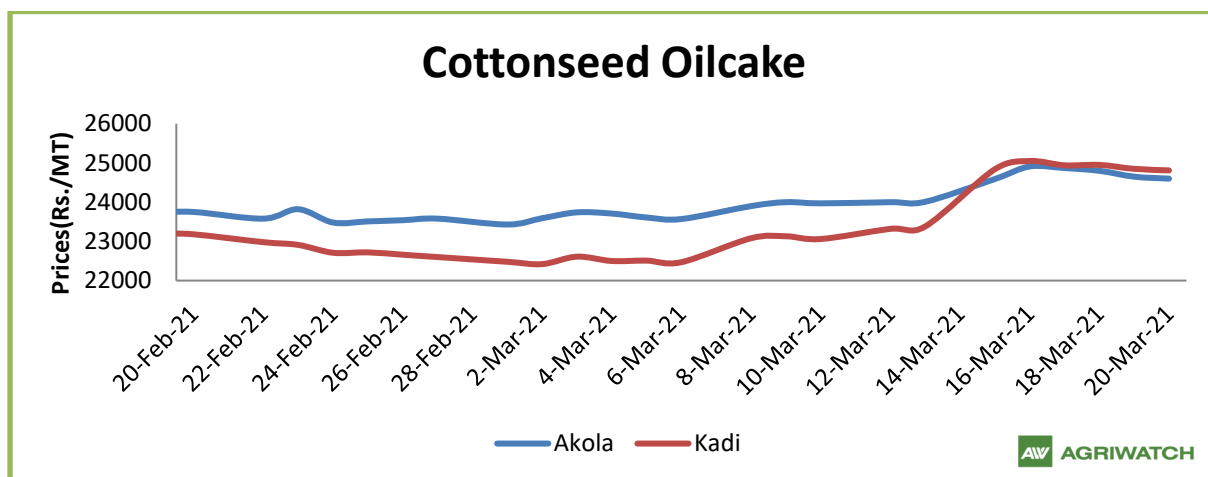
We feel the soy complex to remain bullish on improved overseas soymeal demand and strong international soy complex.

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 posted gains in tandem with soybean mainly on improved soymeal export sales and good export enquiries, pointing out bullishness in the market in near to medium term.

The domestic soymeal prices improved by +4% in sync with soybean mainly on strong soymeal exports.

May soymeal jumped \$ 9.70 to \$ 407.90 per short ton and May soyoil climbed 0.35 cent to 53.87 cents a pound.

The strength in the international soymeal is mainly due to the concern over Argentina's soybean output on dry weather conditions, Argentina is the world's largest soymeal exporter.

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

Overall, the global soymeal outlook is bullish on likely persistent and strong demand 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 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 41,083/MT and was quoted between Rs 40,500 – 42,000/MT compared to the weekly average of Rs 3,9320/MT and was traded between the price ranges of Rs 38,500 – 38,783/MT previous week.

At Latur the weekly average soymeal prices improved to Rs 44,750/MT compared to Rs. 42,917/MT a week ago and in Nanded too it was quoted higher at Rs. 43,133/MT compared to Rs. 42,060/MT a week ago. Besides, in Kota, the meal improved to Rs. 43,467/MT compared to Rs. 41,560/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently lower. Soy meal Indore was quoted higher between Rs 40,500 – 42,000/MT during the week compared to Rs 29,000 – 29,500/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 42,000 – 43,000/MT on cases strong overseas soymeal demand.

Rapeseed - Mustard Seed

Rapeseed-mustard extended gains despite surge in the new crop supplies with harvesting of the seed in full swing across the key growing states.

Bullish demand outlook in mustard oil and overseas demand for rapeseed-mustard DOC will continue to lend support to the rapeseed-mustard prices at higher level.

A short-term correction in the seed prices is likely but we rule out any sharp fall due to the likely increase in crusher's and stockist's demand to cover their stock.

The all India rapeseed-mustard arrivals improved week-on-week and were reported at 55.10 lakh bags during the week compared to around 41.20 lakh bags, previous week. The supplies for the same were 19.70 lakh bags during the corresponding period last year.

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.

With advancing harvest of the rapeseed-mustard and bigger crop this season, we expect NAFED's intervention in late April or May 2021.

India has not imported any rape oil (canola) in Febuary 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.

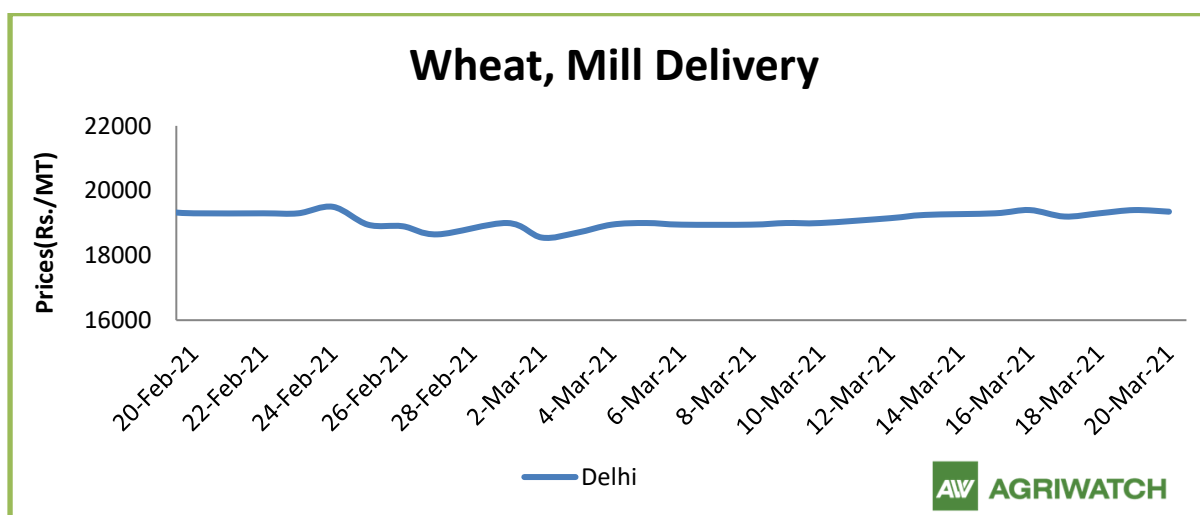
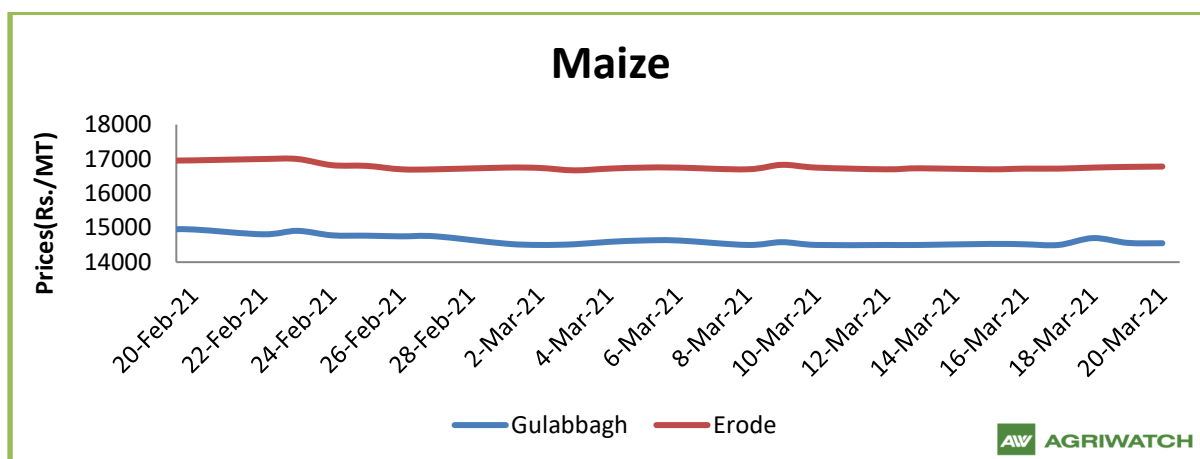
However, India's exports for rapeseed meal during April-January 2021 was down +18% at 9,90,955 metric tonnes compared to 8,39,197 metric tonnes during the same period previous marketing season.

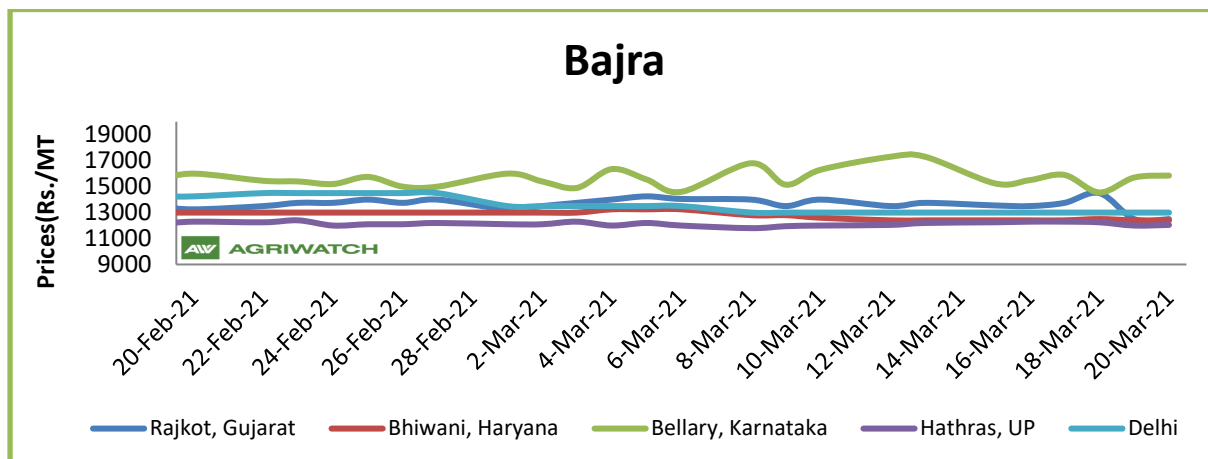
NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 11.5 lakh tonnes of old and new stocks while Hafed has offloaded around 4.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

In Jaipur, RM seed prices posted gains by +4% to the weekly average price of Rs 5,845 a quintal from Rs 5,615 a quintal previous week and Rs 4,029 a quintal during the corresponding period last year.

The rapeseed-mustard meal too improved by +5% to the weekly average price of Rs. 2,404/qrtl compared to the weekly average price of Rs. 2,289/qrtl previous week.

At NCDEX futures, the April contract of rapeseed-mustard fell and ended at 5,5380/Qtl compared to 5,810/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. Agriwatch expects that Maize would trade steady despite continuous demand from domestic feed markets as expectation of new crop arrivals in near term would weigh on market sentiments.

Sources revealed that Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Telangana while, Kolkata feed makers are buying Maize at Rs. 1,550-1,600 per quintal, sourced from Gulabghat region of Bihar. In Karnataka, maize export has been slow 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 rose by 7.38 USD/MT to 219.58 USD/MT for March'21 contract compared to previous week. Agriwatch expects that increase in export demand for U.S. Maize would support to CBOT Maize in near term.

At 2.20 MMT (for the period March 05- March 11, 2021) U.S. Maize exports were up 38 percent from the previous week and 42 percent from the prior 4-week average; mainly for the destinations like Japan (434,400 MT), Mexico (390,100 MT), China (356,900 MT), Colombia (199,900 MT), and Taiwan (192,400 MT).

All India's weekly average prices of wheat increased by 1.92 percent to Rs. 2003.65 per quintal during the week ended 23rd Mar 2021. Wheat average prices were ruling at Rs 2055.39 per quintal during 16th-22nd Mar 2020. Due to upcoming demands from Multinational private companies, Wedding season and crop damage by unseasonal rains it is unlikely that any slowdown in the wheat market and prices will increase for a longer period.

The arrival of Wheat has increased in Indore, Ujjain, and Bhopal Mandis of Madhya Pradesh. Presently, Wheat is being sold up to an average of 7000 quintals per day, while farmers are also getting better prices. The arrival of new Wheat has started in Mandi for the last 20 days. Other varieties of Wheat, including Sharbati, Lokvan, are also coming on sale. Due to this, the figure has reached beyond seven thousand quintals

As per the ministry's data, wheat crop has been harvested in 64.96 lakh hectares, 21 per cent of the estimated total cultivated area of 315.77 lakh hectares during the rabi season of the 2020-21 crop year (July-June).

Because of the Covid-19 spike in the state, the Punjab government will kick-start the wheat procurement operations from April 10. The decision to delay the procurement was taken at a Covid review meeting, the department needed more time to make arrangements to ensure safe procurement amid the surge in Covid cases. While Haryana to start wheat procurement from April 1.

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.

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.

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 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)		
	18-Mar-21	12-Mar-21	Parity To
Indore - 45%, Jute Bag	41500	40500	Gujarat, MP
Kota - 45%, PP Bag	43200	43300	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	44500	44500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	43000	43000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	43300	42500	Andhra, AP, Kar ,TN
Latur	45000	44000	-
Sangli	42800	41500	Local and South

Solapur	41400	41000	Local and South
Akola – 45%, PP Bag	42500	40800	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	43000	42500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	43000	43100	-

Soy DOC at Port

Centers	Port Price		
	17-Mar-21	12-Mar-21	Change
Kandla (FOR) (INR/MT)	42500	41000	1500
Kandla (FAS) (USD/MT)	585	575	10
CNF Indonesia – Yellow SBM (USD/MT)	605	600	5

International Soy DOC			
Argentina FOB USD/MT	17-Mar-21	12-Mar-21	Change
Soybean Pellets	427	425	2
Soybean Cake Flour	427	425	2
Soya Meal	427	422	5
Soy Expellers	427	422	5
Sunflower (DOC) Rates			
Centers	Ex-factory rates (Rs/ton)		
	18-Mar-21	12-Mar-21	Change
Adoni	27500	27500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	27000	27000	Unch

Groundnut Meal (Rs/MT)	18-Mar-21	12-Mar-21	Change
Basis 45%, Saurashtra	29500	30000	-500
Basis 40%, Saurashtra	27000	27000	Unch
GN Cake, Gondal	30500	31000	-500

Mustard DOC/Meal	18-Mar-21	12-Mar-21	Change
Jaipur (Plant delivery)	18700	18900	-200
Kandla (FOR Rs/MT)	19300	19900	-600

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	19-Mar-21	12-Mar-21	19-Feb-21	19-Mar-20	19-Mar-19
Delhi	Hybrid	1550	1575	1480	1700	2200
Davangere	Loose	1500	1500	1520	1100	1950
Nizamabad	Bilty	1500	1500	1500	Closed	NA
Ahmedabad	Feed	1600	1600	1500	1585	2160
	Starch	1625	1650	1525	1550	2200

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

As on 19.03.2021	Argentina	Brazil	US	India
FOB	229.72	230.00	249.00	216.46
Cost and Freight	279.72	285.00	309.00	251.46

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	
Total	455374.1	1408042	1143244	982022	1011736	283167

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	19-Mar-21	12-Mar-21	Change
Bajra	Karnataka	Hybrid	Bellary	1570	1730	-160
		Hybrid	Bangalore	2200	2200	Unch
Jowar	Karnataka	White	Bangalore	2400	2400	Unch
		White	Bellary	1990	1700	290
Maize	Karnataka	Yellow	Davangere	1500	1500	Unch
	Telangana	Yellow	Nizamabad	1400	1400	Unch
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2450	2450	Unch
Soy meal	Madhya Pradesh	DOC	Indore	4050	4050	Unch
	Maharashtra	DOC	Sangli	4200	4150	50
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2750	2750	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	1850	1890	-40
Groundnut Meal	Gujarat	GN Cake	Gondal	3000	3100	-100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2485	2332	153
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2465	2400	65
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> © 2021 Indian Agribusiness Systems Ltd.