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Summary

Sentiments remained same as most of the Maize cash markets were closed during the week due to March closing and Holi festival. Agriwatch expects that Maize would trade steady given continuous demand from domestic feed markets, despite expectation of new crop arrivals in near term weighing on market sentiments.

All India's weekly average prices of wheat decreased by 2.90 percent to Rs. 1945.58 per quintal during the week ended 31st Mar 2021. Wheat average prices were ruling at Rs 2099.53 per quintal during 23rd–31st Mar 2020. Due to the arrival of new crop in mandis and high export demand, wheat may trade steady to slightly firm in coming weeks.

Due to a decrease in quality standards of cottonseed oilcake, the oil percentage has now declined to around 7-10 percent from the previous year 10-13 percent. CCI daily has declined and is now at 50,000 bales. The average price of cotton seed oilcake has increased in Kadi at Rs. 2493 per quintal from Rs. 2431 per quintal and in Akola were at Rs. 2468 per quintal from Rs. 2448 per quintal previous week.

The domestic soybean and soymeal rallied on firm global cues and continued soymeal export sales from India.

The current market price of soybean - plant delivery at Indore is quoted up by 59% at Rs. 5,719/qtl compared to Rs. 3,600/qtl same period last year.

However, the rapeseed-mustard and rapeseed DOC once again witnessed mild losses on increase in the arrivals, but good demand from oilseeds' crushers limited the fall in the prices.

The new rapeseed-mustard 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 too fell after sharp rally in recent while. We feel the prices to recover after the correction on persistent overseas demand in the groundnut seed and groundnut oil, mainly from China.

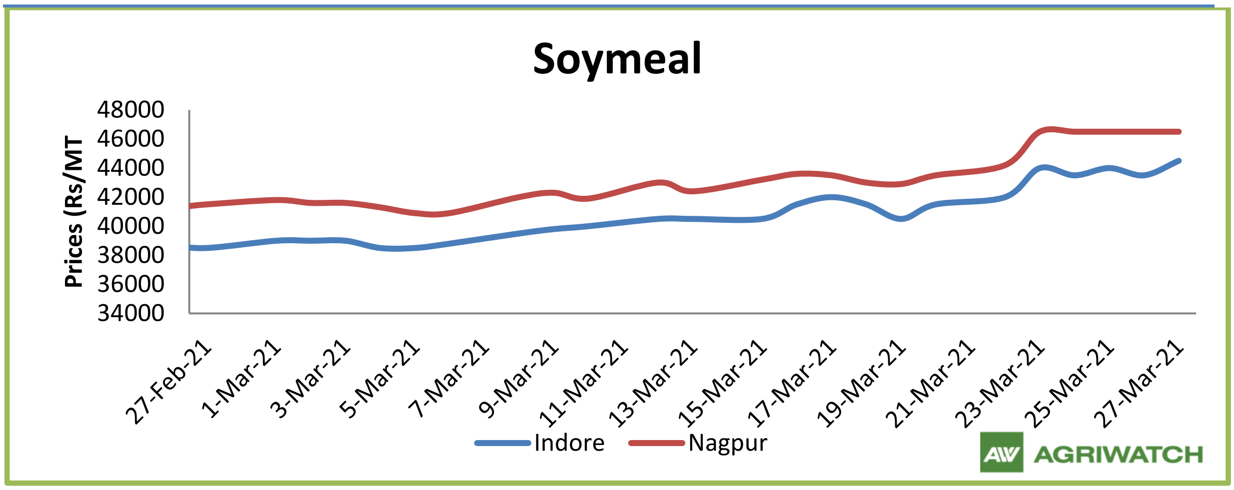
The rapeseed-mustard prices fell by -0.03% while rapeseed meal improved by +0.37%, soybean increased by +2.33% and soymeal posted gains by +3.65% while groundnut seed eased by -2.12%, all compared to the previous week's level.

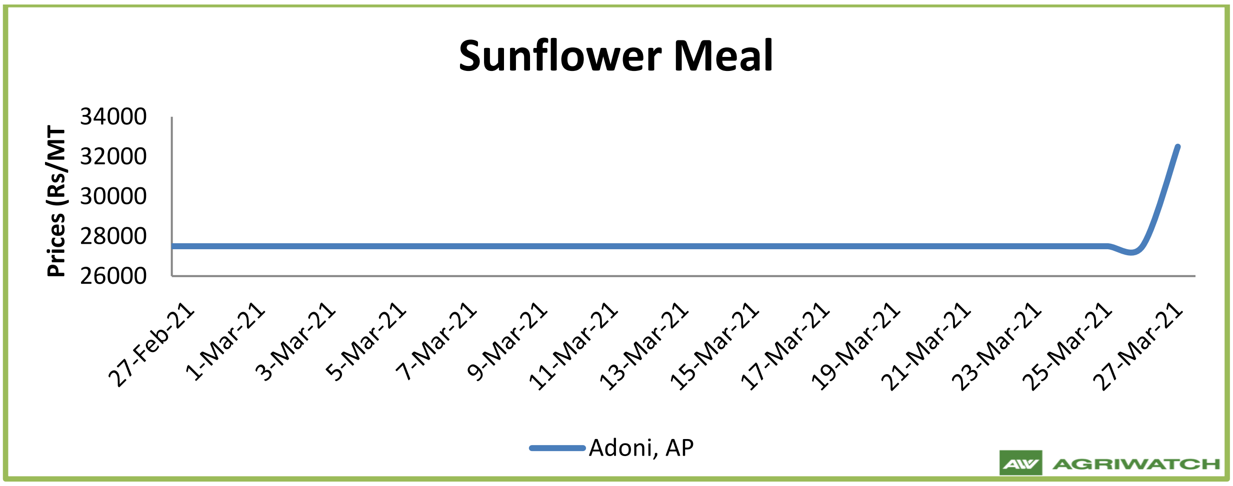
We feel the soy complex to remain bullish on improved overseas soymeal demand and strong international soy complex.

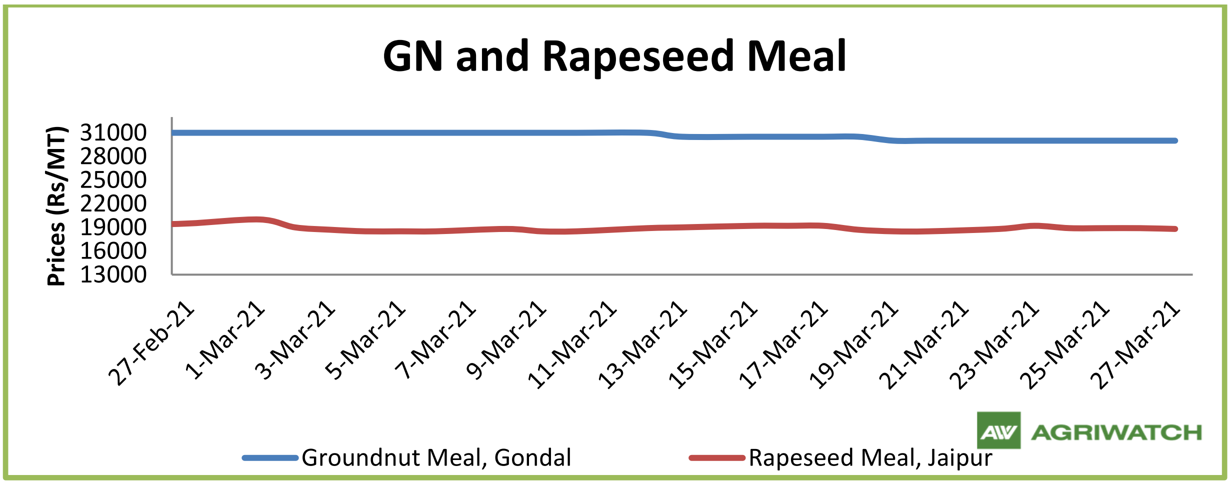
Rapeseed-mustard complex will rebound and remain strong on expected good buying support.

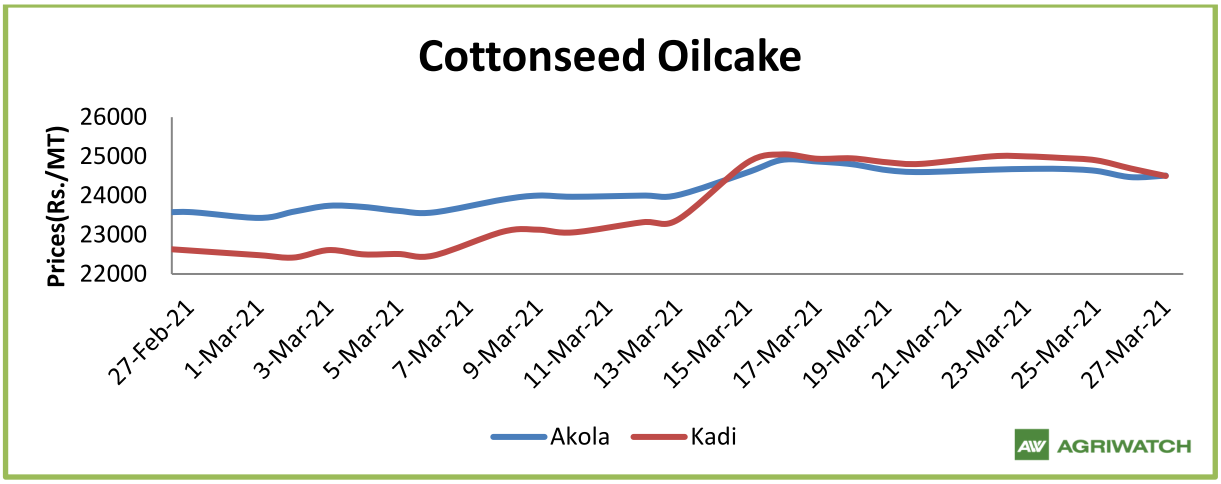
Bullish global soybean outlook will continue to support the soy prices at higher level in medium-term. Besides, groundnut prices will also feature range-bound movement with firm bias on bullish outlook following good overseas demand for Indian seed.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

The domestic soymeal extended gains by +3.65% in sync with soybean mainly on strong overseas demand for soymeal and persistent export enquiries. The near-term outlook for the market remains firm.

May soymeal fell $ 0.60 to $ 404.0 per short ton and May soyoil fell 2.50 cents to 52.48 cents a pound.

The market is eagerly waiting for the USDA planting intention report due on March 31.

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 for some more time.

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

India's February 2021 soymeal exports improved by +404% to 24,7085 metric tonnes compared to 48,990 metric tonnes in the same period last year. Further, the soymeal shipments improved by +115% to 14,18,454 metric tonnes in aggregate, during the last ten months (Apr.-Feb.) of financial year 2020-21 compared to 66,0065 metric tonnes during the corresponding period last year.

India's export of oilmeals for the month of February 2021 is reported at 39,33,09 metric tonnes compared to 12,8761 metric tonnes in February 2020 i.e. up by +205%.

The overall export of oilmeals during April to February 2021 is also reported up by +49% at 33,58,649 metric tonnes compared to 22,56,641 metric tonnes during the same period last year.

Of the total soymeal exports of 66,00,65 metric tonnes in February 2021, US, Germany and Indonesia remained to top buyers with imports figures touching 2,14,889 metric tonnes, 14,2098 metric tonnes and 12,22,24 tonnes respectively.

India's exports for rapeseed meal during April-February 2021 was up +18% at 10,28,745 metric tonnes compared to 87,2077 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in February'21 is reported at 37,790 metric tonnes against last year 32,880 metric tonnes during the same period i.e. up by +15%, and ricebran extraction exports is reported at 8,55,23 metric tonnes against last year 25,836 metric tonnes i.e. +231% higher compared to the same period last year.

However, the domestic demand has much recovered but still below pre-COVID levels. 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 42,583/MT and was quoted between Rs 40,500 – 44,000/MT compared to the weekly average of Rs 41,083/MT and was traded between the price ranges of Rs 40,500 – 42,000/MT previous week.

At Latur the weekly average soymeal prices improved to Rs 46,583/MT compared to Rs. 44,750/MT a week ago and in Nanded too it was quoted higher at Rs. 44,417/MT compared to Rs. 43,133/MT a week ago. Besides, in Kota, the meal improved to Rs. 44,467/MT compared to Rs. 43,467/MT previous week.

India's Y-o-Y soy meal prices, Indore, are currently higher. Soy meal Indore was quoted higher between Rs 40,500 – 44,000/MT during the week compared to Rs 29,500 – 31,000/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 43,500 – 44,500/MT on cases strong overseas soymeal demand.

Rapeseed - Mustard Seed

Rapeseed-mustard witnessed mild losses on harvesting and improved new crop supplies pressure. Good buying support in the seed by the oilseeds' processors and improved rapeseed-mustard DOC export sales limited fall in the seed prices.

Further, India has not imported any rape oil (canola) in February too as in last several months. India is unlikely to import the rape oil in coming months too.

The all-India rapeseed-mustard arrivals improved week-on-week and were reported at 62.45 lakh bags during the week compared to around 55.10 lakh bags, previous week. The supply number or volume for is not available for the same period last year due to the lockdown restrictions during the corresponding period.

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.

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 February too as in last several months. We expect, India will not import the rape oil in coming months too.

India's rapeseed meal in February'21 is reported at 37,790 metric tonnes against last year 32,880 metric tonnes during the same period i.e. up by +15%.

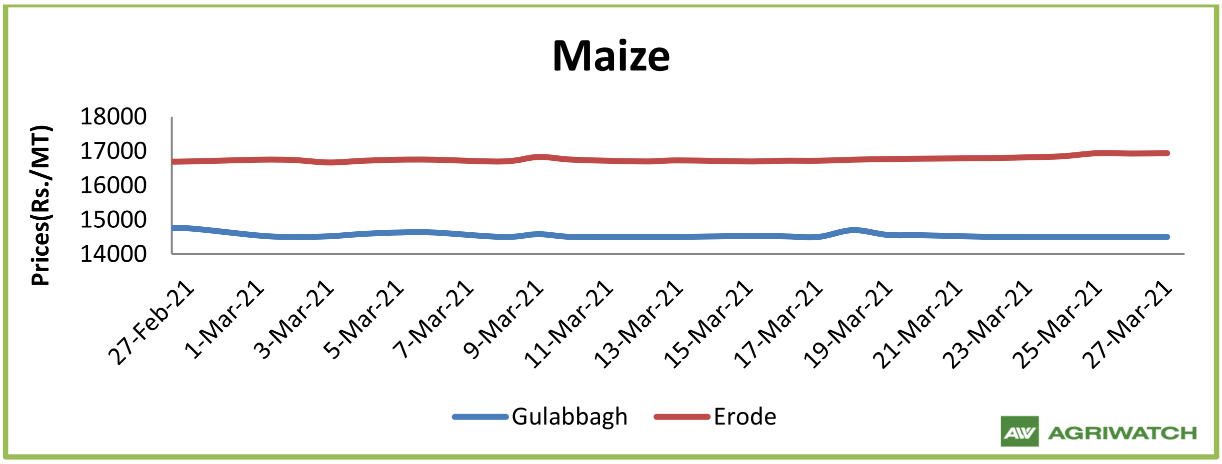
Besides, India's exports for rapeseed meal during April-February 2021 was up +18% at 10,28,745 metric tonnes compared to 87,2077 metric tonnes during the same period previous marketing season.

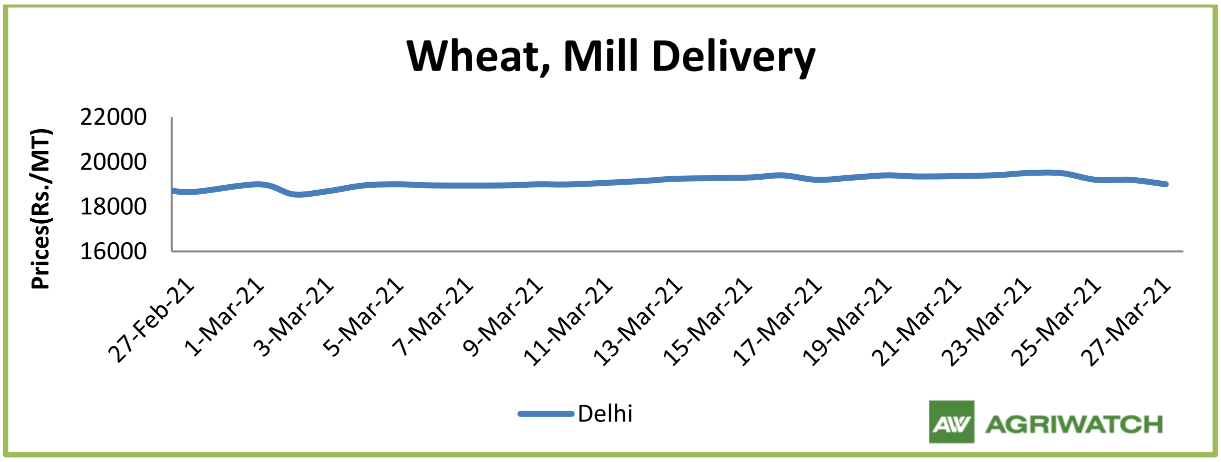
NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 11.5 lakh tonnes of old and new stocks while Hafed has offloaded around 4.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

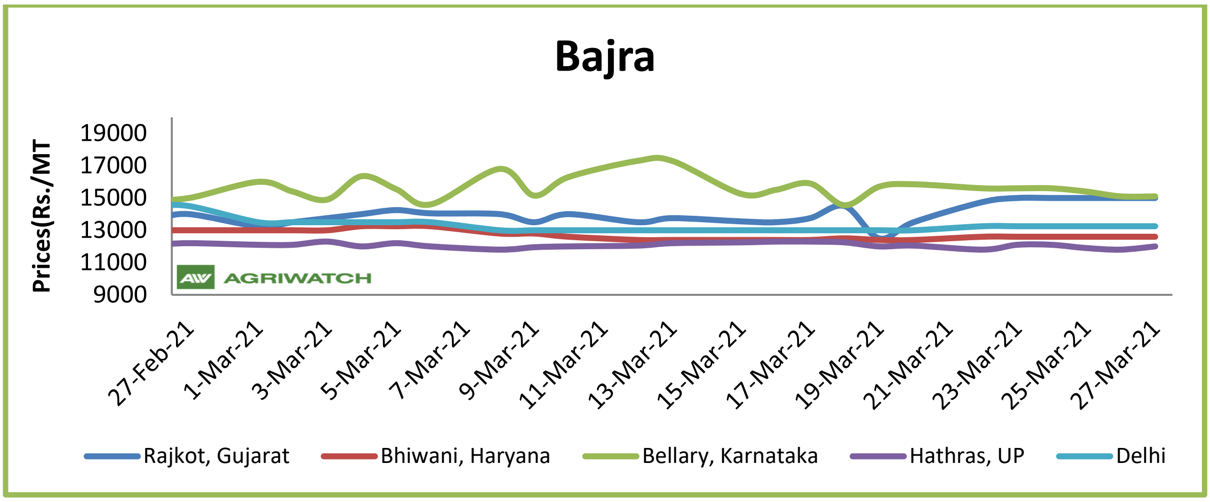
In Jaipur, RM seed prices witnessed mild losses by -0.03% to the weekly average price of Rs 5,843 a quintal from Rs 5,845 a quintal previous week and Rs 4,066 a quintal during the corresponding period last year.

The rapeseed-mustard meal edged up by +0.37% to the weekly average price of Rs. 2,413/qtl compared to the the weekly average price of Rs. 2,404/qtl previous week.

At NCDEX futures, the April contract of rapeseed-mustard ended up at 5,739/Qtl compared to 5,5380/Qtl previous week.







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

Sentiments remained same as most of the Maize cash markets were closed during the week due to March closing and Holi festival. Agriwatch expects that Maize would trade steady given continuous demand from domestic feed markets, despite expectation of new crop arrivals in near term weighing on market sentiments.

Sources revealed that Hyderabad poultry feed makers are buying Maize at Rs.1,550-1,600 per quintal; sourced from Telangana. Good quality Maize is moving towards Kolkata at Rs. 1,500-1,550 per quintal while low quality material is moving towards Banaras and Muzaffarnagar districts of U.P at Rs. 1,400- 1,450 and Rs. 1,500-1,525 per quintal, respectively, sourced from Bihar.

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. Sources revealed that in Aurangabad and Jalgaon districts of Maharashtra, crop quality of maize could be affected due to recent rains. The exact assessment of quality loss would be known after few days.

Corn on CBOT fell by 2.07 USD/MT to 217.51 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 to CBOT Maize.

At 2.04 MMT (for the period March 12- March 18, 2021) U.S. Maize exports were down 7 percent from the previous week but up 17 percent from the prior 4-week average; mainly for the destinations like Mexico (4,70,200 MT), China (4,18,100 MT), South Korea (3,49,300 MT), Japan (1,97,300 MT), and Colombia (1,46,300 MT).

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)		
	25-Mar-21	19-Mar-21	Parity To
Indore - 45%, Jute Bag	44000	40500	Gujarat, MP
Kota - 45%, PP Bag	45700	43000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	47000	44500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	46500	42900	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	46500	43300	Andhra, AP, Kar ,TN
Latur	48000	44500	-
Sangli	45300	42000	Local and South
Solapur	44500	41300	Local and South
Akola – 45%, PP Bag	44500	41000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	45000	43000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	45500	42800	-

Soy DOC at Port

Centers	Port Price		
	24-Mar-21	19-Mar-21	Change
Kandla (FOR) (INR/MT)	44500	42500	2000
Kandla (FAS) (USD/MT)	640	600	40
CNF Indonesia – Yellow SBM (USD/MT)	595	615	-20

International Soy DOC			
Argentina FOB USD/MT	**24-Mar-21**	**19-Mar-21**	**Change**
Soybean Pellets	419	430	-11
Soybean Cake Flour	419	430	-11
Soya Meal	414	428	-14
Soy Expellers	414	428	-14
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		

Centers	25-Mar-21	19-Mar-21	Change
Adoni	27500	27500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	27000	27000	Unch

Groundnut Meal (Rs/MT)	25-Mar-21	19-Mar-21	Change
Basis 45%, Saurashtra	Closed	30500	-
Basis 40%, Saurashtra	Closed	27000	-
GN Cake, Gondal	Closed	30000	-

Mustard DOC/Meal	25-Mar-21	19-Mar-21	Change
Jaipur (Plant delivery)	18900	18500	400
Kandla (FOR Rs/MT)	19700	19200	500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	26-Mar-21	19-Mar-21	26-Feb-21	26-Mar-20	26-Mar-19
Delhi	Hybrid	1550	1550	1480	Closed	2250
Davangere	Loose	1500	1500	1480	Closed	1950
Nizamabad	Bilty	Closed	1500	1500	Closed	2000
Ahmedabad	Feed	Closed	1600	1480	Closed	2250
	Starch	Closed	1625	1525	Closed	2275

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

As on 26.03.2021	Argentina	Brazil	US	India
FOB	219.00	230.00	249.00	216.67
Cost and Freight	269.00	285.00	309.00	251.67

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	**26-Mar-21**	**19-Mar-21**	**Change**
Bajra	Karnataka	Hybrid	Bellary	1510	1570	**-60**
		Hybrid	Bangalore	2050	2200	**-150**
Jowar	Karnataka	White	Bangalore	2600	2400	**200**
		White	Bellary	1780	1990	**-210**
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	4350	4050	**300**
	Maharashtra	DOC	Sangli	4580	4200	**380**
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3250	2750	**500**
Mustard	Rajasthan	Plant delivery	Jaipur	1890	1850	**40**
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	3000	**-**
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2469	2485	**-16**
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2447	2465	**-18**
Note: Prices Rs./Qtl						