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Summary

Agriwatch expects that Maize would trade steady to range bound as expectation of new crop arrivals in coming weeks would weigh on market sentiments. However, continuous demand from domestic and global feed makers would support the market at the lower level.

In the Haveri districts of Karnataka, crop arrivals are small in quantity and contain moisture up to 20%. In Bihar, maize arrivals contain moisture up to 16%. In Telangana, around 40% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government.

As per the official sources almost all the stock of cotton seed oil and cottonseed oilcake is over in the country. Cotton arrivals have also decreased in the market from the previous month. As a result, prices are expected to increase in coming months till June 2021. According to the market experts it is expected that the cottonseed oil prices may increase upto Rs. 5000 per quintal and cottonseed oilcake price upto Rs. 4500 per quintal. Whereas, cotton seed rates were firm this week same as previous week at Rs 750 per 20 kg. Prices for both cottonseed and cottonseed oilcake prices have increased this week by 6-7 percent. The average price of cotton seed oilcake has increased in Kadi at Rs. 2762 per quintal from Rs. 2595 per quintal and in Akola was at Rs. 2737 per quintal from Rs. 2557 per quintal previous week.

Wheat's average mill delivery prices remained firm in all market except Delhi, in the week ending during 13th–19th Apr 2021. Some of the markets are closed due the spread pf Covid -19. Markets had shown firm movement in prices last week due to marriage season, private companies, and strong export demand. Wheat is likely to trade steady to slightly strong in upcoming weeks as procurement has started, which is high compare to last year's same period in almost all states.

All India's weekly average prices increase by 2.22 percent to Rs. 2064.98 per quintal during the week ended 23rd Apr 2021. Wheat average prices were ruling at Rs 1973.95 per quintal during 16th–23rd Apr 2020, which is higher by 4.61 percent from the current week last year. Due to the arrival of new crops in mandis, demand from the upcoming marriage season, and increased export demand makes wheat trade steady to slightly firm in coming weeks.

The domestic soybean and soymeal extended the rally on good demand from oilseeds' processors for bean and strong export sales in soymeal.

The current market price of soybean - plant delivery at Indore is quoted up by 4% at Rs. 5,930/qtl compared to Rs. 5,719/qtl last week. There are no prices to compare for soybean during the same period due to imposition of lockdown restrictions.

Besides, the rapeseed-mustard and rapeseed oilcake extended the previous week's gain on good demand for the seed from oilseeds' crushers supported the prices at the higher levels. The newly harvested rapeseed-mustard arrivals are at the good pace in the market.

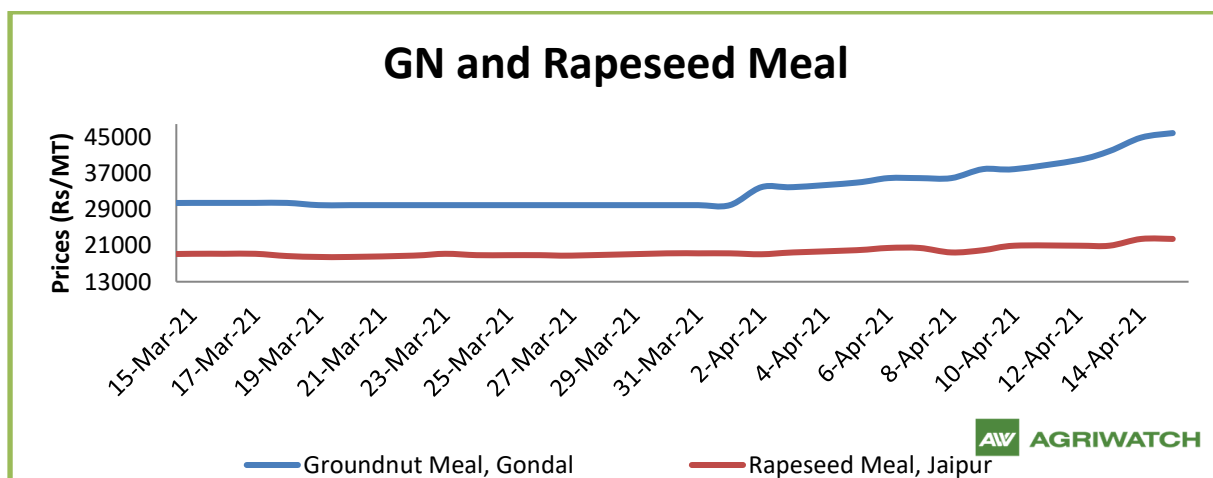
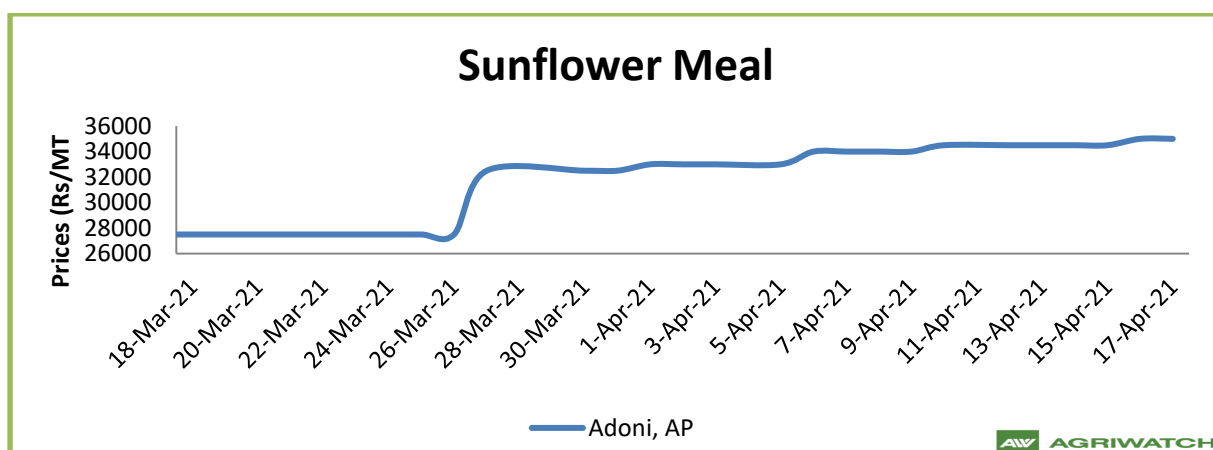
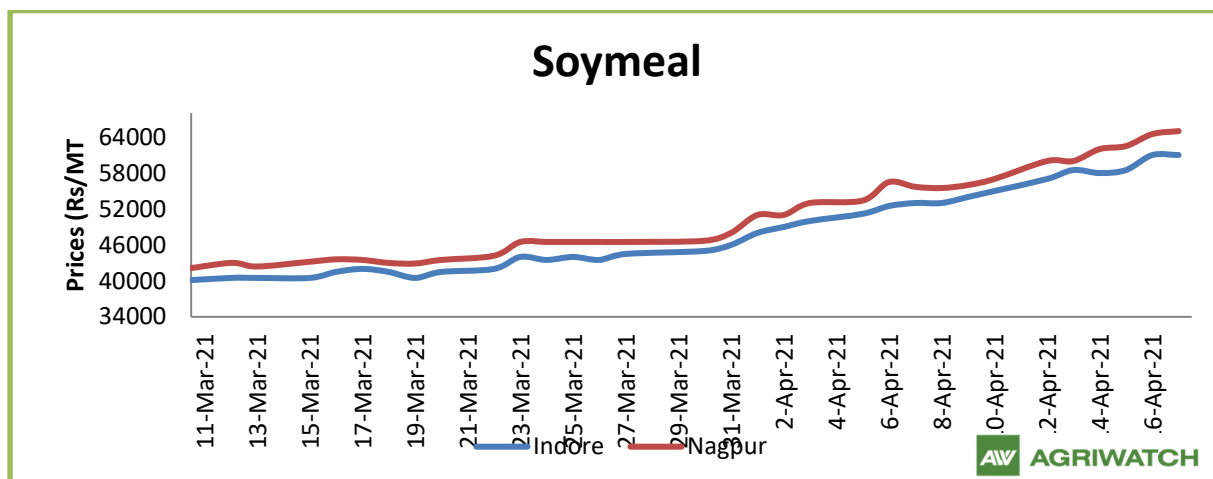
However, the groundnut seed continued downward movement with the rabi harvesting picking-up the pace. We feel the prices to recover after the correction on persistent overseas demand in the groundnut seed and groundnut oil, mainly from China.

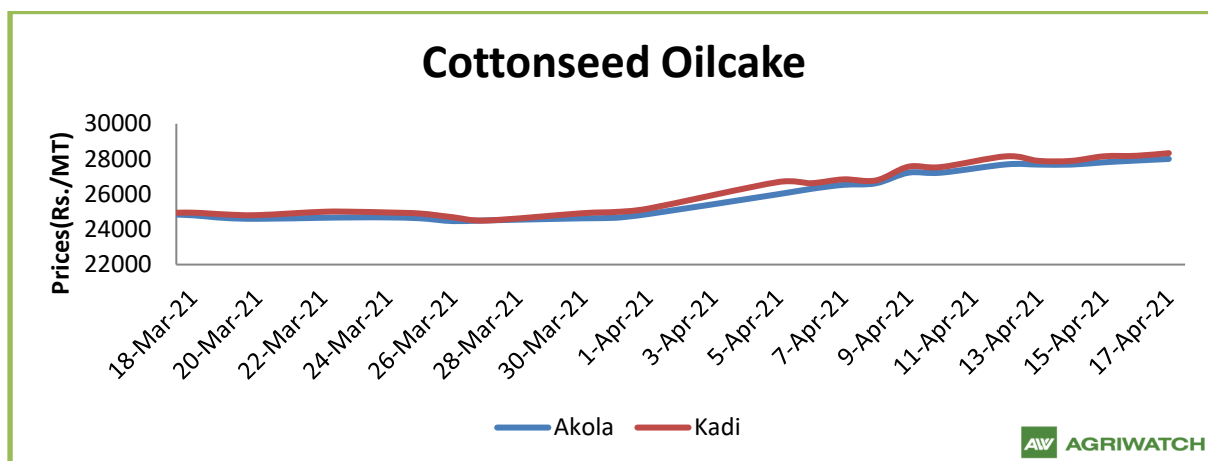
The rapeseed-mustard prices improved by +7% while rapeseed oilcake increased by +8%, soybean surged by +6% and soymeal posted gains by +10% while groundnut seed eased by -2%, all compared to the previous week's level.

We feel the soy and rapeseed-mustard complex to remain bullish on strong overseas soymeal and rapeseed meal demand and overall strong international soy complex.

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 in coming days, on bullish outlook following good overseas demand for Indian seed.

Trend – Raw Material, Fee





Source: AgriWatch

Soy meal

The domestic soymeal surged by +6% in tandem with rally in the soybean. Higher soymeal export sales and strong CBOT soy complex continued to lend support to the soymeal prices.

However, the sharp and dramatic rise in the soy prices have lead to the disparity in crushing while slow selling in the bean is witnessed in anticipation of further higher prices in the bean. This has additionally lent support to the soymeal prices at the higher levels.

Solvent Extractors' Association of India has urged SEBI for the intervention on NCDEX soy futures to maintain orderly development in soybean contract. The association believes that the market is widely dominated by the speculators and it's heading upwards every day.

In the letter to SEBI on Friday, Atul Chaturvedi, President of SEA of India, said both soy crushing and poultry industry is negatively hit in the process.

May soymeal futures settled \$0.30 up at \$402.2 per short ton but the prices are up from recent years on better demand, Friday.

World 2020/21 soymeal production is estimated slightly down at 253.3 million tonnes vs 254.14 million tonnes in its previous estimate by USDA, in its April report.

Higher 2021/22 US soybean planting estimates in the prospective planting report on March 31 indicates higher availability of the bean and subsequently meal if the crop yield stands at normal.

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 in local soymeal will be supported 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 oil meals 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.

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 rice bran 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 considerably recovering but still below pre-COVID levels. Poultry industry contributes more than 60% of the total domestic soymeal demand.

The international soymeal prices are 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 \$ 163/MT in March'21 vs US \$ 76/MT in February'21, creating in competitiveness 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 March 2021, USDA report the world soymeal exports estimates are slightly higher at 67.26 million tonnes vs 66.50 million tonnes for 2020/21.

The domestic weekly average soymeal prices at Indore improved to Rs 45,400/MT and were quoted between Rs 43,500 – 48,000/MT compared to the weekly average of Rs 42,583/MT and was traded between the price ranges of Rs 40,500 – 44,000/MT previous week.

Rapeseed - Mustard Seed

Rapeseed-mustard surged and extended the previous week's gain on good crushers' demand but slow selling of the seed in the market in anticipation of further rise in the seed prices.

In Jaipur, RM seed prices witnessed gains by +7% to the weekly average price of Rs 6,585a quintal from Rs6,147 a quintal previous month.

The all India rapeseed-mustard arrivals are easing week-on-week and were reported at 34.35lakh bags during the week compared to around 52.50 lakh bags, previous week.

NAFED has commenced procuring the rapeseed-mustard and has procured 0.03 MT of rapeseed-mustard valued Rs 0.014 Lakh from Madhya Pradesh at MSP (Rs4650/qtl) under PSS. However, the procurement couldn't pick-up the pace due to COVID lockdown restrictions.

AW has revised India's 2021/22 rapeseed-mustard production up to 8.54 million tonnes from 8.0 million tonnes estimated in its previous forecast and it is up 18% from 7.21 million tonnes estimated last season.

Further, the rapeseed oil cake surged by +8% to the weekly average price of Rs. 2,708/qtl compared to the the weekly average price of Rs. 2,502/qtl previous week.

India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

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The purchases have begun in Madhya Pradesh and we expect the federation's intervention in Rajasthan and Uttar Pradesh too in due course.

Besides, the rapeseed oilcake declined by -1% to the weekly average price of Rs. 2,398/qrtl compared to the the weekly average price of Rs. 2,413/qrtl previous week.

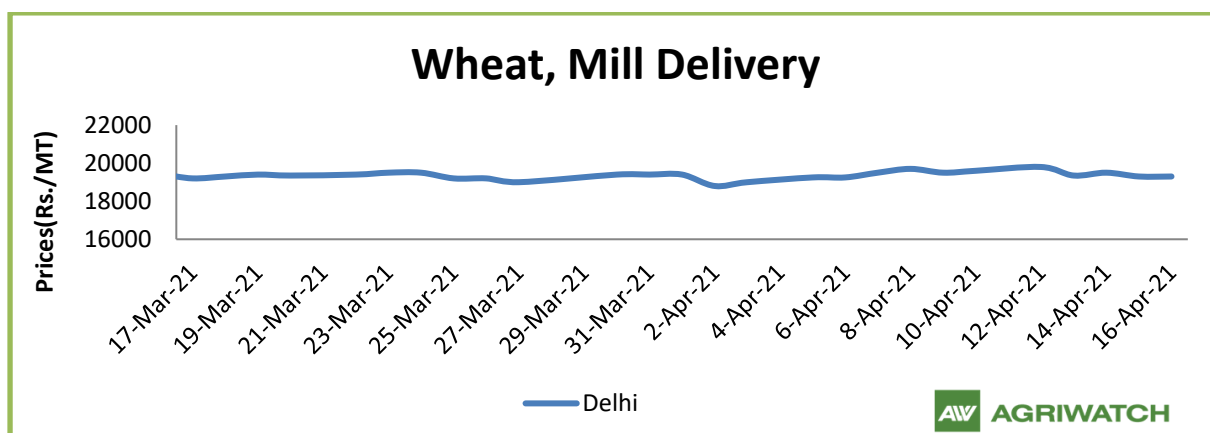
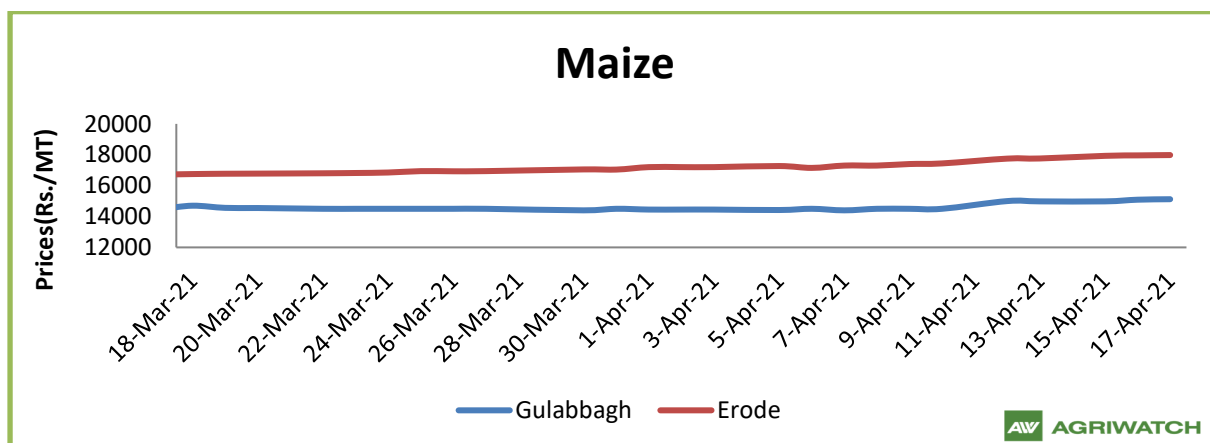
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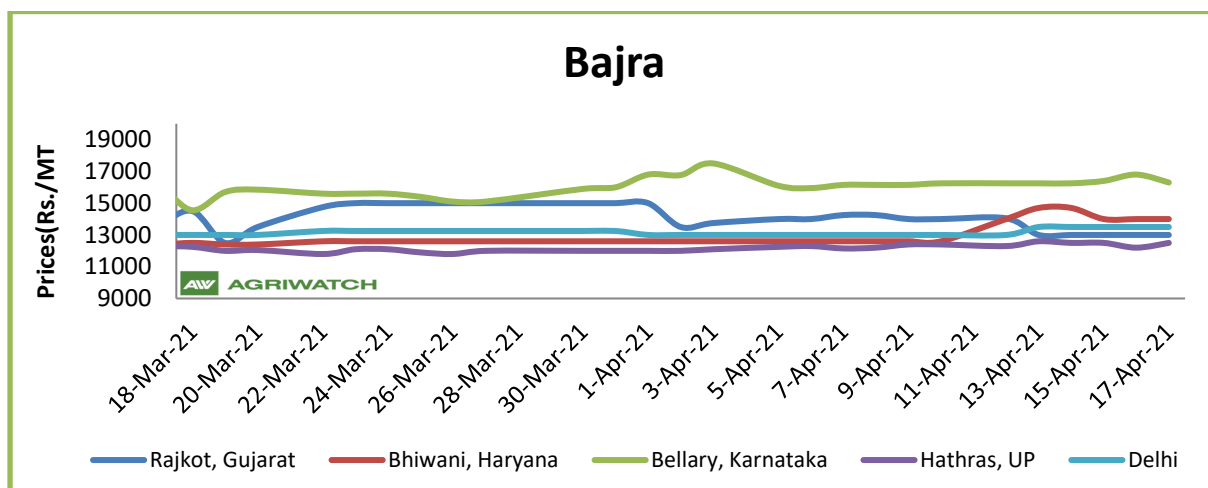
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However, India's rapeseed meal exports in February'21 is reported at 37,790 metric tonnes against last year 32,880 metric tonnes during the same period i.e. up by +15%.

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.

At NCDEX futures, the May contract of rapeseed-mustard ended up at 5,836/Qtl compared to 5,765/Qtl previous week.





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

Agriwatch expects that Maize would trade steady to range bound as expectation of new crop arrivals in coming weeks would weigh on market sentiments. However, continuous demand from domestic and global feed makers would support the market at the lower level.

In the Haveri districts of Karnataka, crop arrivals are small in quantity and contain moisture up to 20%. In Bihar, maize arrivals contain moisture up to 16%. In Telangana, around 40% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government.

Sources revealed that Maize in Gulabghat being traded at Rs. 1,500 per quintal. Maize is moving towards Banaras, Haryana, and Kolkata at Rs. 1,600-1,650 and Rs. 1,700 per quintal and Rs. 1,600-1,650, respectively; sourced from Bihar. Sources revealed that the forward contract for May, for Vizag port, is being made at Rs. 1,700 per quintal. Hyderabad poultry feed makers are buying Maize at Rs.1,600-1,650 per quintal; sourced from Telangana. Tamil Nadu feed makers are buying maize at Rs. 1,800 per quintal, sourced from Karnataka.

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 3.25 USD/MT to 230.50 USD/MT for May'21 contract compared to previous week due to decrease in Global Maize ending stock estimates. Agriwatch expects that increase in export demand for U.S. Maize in near term would support to CBOT Maize.

At 1.82 MMT (for the period April 02-08, 2021) U.S. Maize exports were down 12 percent from the previous week and prior 4-week average; mainly for the destinations like China (5,20,300 MT), Mexico (4,50,100 MT, including 34,100 MT - late), Japan (2,30,800 MT), South Korea (1,91,400 MT), and Taiwan (1,23,800 MT).

All India's weekly average prices of wheat decreased by percent to Rs. 1935.37 per quintal during the week ended 08th Apr 2021. Wheat average prices were ruling at Rs 2070.45 per quintal during 01st–08th Apr 2020. Due to the arrival of new crop in mandis and high export demand, wheat may trade steady to slightly firm in coming weeks.

The government has procured 78,392 tonnes of wheat in the first fortnight of the new procurement season, which began on March 15, 2021. The procurement has started only in Rajasthan, Gujarat, and Madhya Pradesh. It is likely to pick up pace as it takes off in Haryana, Maharashtra, Uttar Pradesh, and Uttarakhand from April 1. Punjab's procurement has been delayed to April 10 due to a spike in Covid-19 cases in the state. Last year also, Punjab had delayed procurement for ten days due to the pandemic.

Due to rising COVID-19 cases and late crop maturity, wheat procurement in Punjab has been rescheduled few days late from April 10 following the state government's request, according to the Union Food Ministry. In Haryana Wheat procurement is going to start from April 1. Under the farmer movement, the state government is looking very serious about purchasing crops this year.

The Uttar Pradesh government is gearing up to purchase wheat from farmers till their stocks last. The purchase will start from tomorrow on the fixed minimum support price (MSP) of Rs 1,975 per quintal for the 2021-22 season, an increase of Rs 50 per quintal than last year. Uttar Pradesh food commissioner said 6,000 procurement centres will be opened across the state by the Food Department and other purchasing agencies.

In Indore and Ujjain divisions of the state, wheat procurement will now start from March 27 at the minimum support price.

As per the interactions with farmers 60-70% of wheat was harvested before bad weather hit the area. Color and shine of 30-40% crop standing in the field got deteriorated, which would lead to 30-40% losses on selling price for farmers. Secondly, logging due to rain increased the labour cost for harvest since logged and wet wheat on field cannot be harvested by thresher or combine harvester. Due to harvesting of wet wheat its grain temperature increases, which leads to allocation of less rates to farmers.

As per trade sources, India has exported around 3.70 lakh tonnes Wheat in the month of February-2021 at an average FOB of \$263 per tonnes, higher this year and the major destinations were Bangladesh, Malaysia, Oman, 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 are low in most major exporting countries since last months after 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. Black sea prices are coming down due to no demand and crop is also in good condition. 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 firm during last week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	15-Apr-21	09-Apr-21	Parity To
Indore - 45%, Jute Bag	58500	54000	Gujarat, MP
Kota - 45%, PP Bag	61000	55300	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	63000	58000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	62500	56000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	62500	56200	Andhra, AP, Kar ,TN

Latur	65000	57000	-
Sangli	60500	54500	Local and South
Solapur	60500	53700	Local and South
Akola – 45%, PP Bag	60000	55500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	60000	56000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	60800	55100	-

Soy DOC at Port

Centers	Port Price		
	14-Apr-21	09-Apr-21	Change
Kandla (FOR) (INR/MT)	NR	NR	-
Kandla (FAS) (USD/MT)	NR	NR	-
CNF Indonesia – Yellow SBM (USD/MT)	NR	NR	-

International Soy DOC			
Argentina FOB USD/MT	14-Apr-21	09-Apr-21	Change
Soybean Pellets	420	418	2
Soybean Cake Flour	420	418	2
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-
Sunflower (DOC) Rates			
Centers	Ex-factory rates (Rs/ton)		
	15-Apr-21	09-Apr-21	Change
Adoni	34500	34000	500
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	34000	33500	500

Groundnut Meal (Rs/MT)	15-Apr-21	09-Apr-21	Change
Basis 45%, Saurashtra	43000	37000	6000
Basis 40%, Saurashtra	42000	35000	7000
GN Cake, Gondal	46000	38000	8000

Mustard DOC/Meal	15-Apr-21	09-Apr-21	Change
Jaipur (Plant delivery)	22500	20000	2500
Kandla (FOR Rs/MT)	23500	21700	1800

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	16-Apr-21	09-Apr-21	16-Mar-21	16-Apr-20	16-Apr-19
Delhi	Hybrid	1600	1500	1550	Closed	2300
Davangere	Loose	1550	1520	1500	1350	NA
Nizamabad	Bilty	NA	NA	1500	Closed	2100
Ahmedabad	Feed	1630	Closed	1600	Closed	2400
	Starch	1650	Closed	1640	Closed	2450

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

As on 17.04.2021	Argentina	Brazil	US	India
FOB	231.00	238.00	263.00	217.25
Cost and Freight	281.00	293.00	323.00	252.25

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	17-Apr-21	09-Apr-21	Change
Bajra	Karnataka	Hybrid	Bellary	1630	1615	15
		Hybrid	Bangalore	NA	2000	-
Jowar	Karnataka	White	Bangalore	NA	2650	-
		White	Bellary	1775	2115	-340
Maize	Karnataka	Yellow	Davangere	1550	1520	30
	Telangana	Yellow	Nizamabad	NA	Closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2850	2550	300
Soy meal	Madhya Pradesh	DOC	Indore	6100	5400	700
	Maharashtra	DOC	Sangli	6050	5450	600
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3500	3400	100
Mustard	Rajasthan	Plant delivery	Jaipur	NA	2000	-
Groundnut Meal	Gujarat	GN Cake	Gondal	NA	3800	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2800	2756	44
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2833	2722	111
Note: Prices Rs./Qtl						

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