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Summary

Agriwatch expects Maize cash market is likely to trade steady to range bound in the near term, if strict lockdown restrictions are not imposed. However, continuous demand from domestic and global feed makers would support the market at the lower level.

In Bihar, maize arrivals contain moisture up to 15% and some grains are small in size. While, in Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that 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.

The cotton seed oil and cottonseed oilcake prices are likely to remain range bound till June' 2021 and prices are expected to increase after June, whereas, the raw cotton prices are still increasing in the market. Currently, Cottonseed oilcake prices are prevailing around Rs. 3200- 3600 per quintal in the market. Cottonseed oil prices are around Rs. 3800- 4000 per quintal in Maharashtra, it is expected that the prices may increase to Rs. 4500 per quintal. But the demand for cotton seed oil in Maharashtra and Gujarat is likely to fall with the rising temperature and Corona cases. According to the market experts it is difficult to predict the market situation right now. The average price of cotton seed oilcake has increased in Kadi at Rs. 2824 per quintal from Rs. 2762 per quintal and in Akola was at Rs. 2798 per quintal from Rs. 2737 per quintal previous week.

All India's weekly average prices decreased by 3.73 percent to Rs. 1987.9 per quintal during the week ended 30th Apr 2021. Wheat average prices were ruling at Rs 1989.95 per quintal during 24th–30th Apr 2020, which is lower by 0.08 percent from the current week last year. Due to imposed of PMGKAY scheme for May-June and ongoing procurement, wheat is likely to trade steady to slightly firm in coming weeks.

The government has procured 222.33 lakh tonnes of wheat as of 25 April in the new procurement season. The procurement has started in all major producing states.

The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) which was announced in 2020 for three months till July, is being re-implemented given the worsening situation due to the second wave of Covid-19. Govt. will provide 5-kg additional food grains for free to PDS beneficiaries under the PMGKAY for two months -- May and June. This time, they are not providing pulses under this scheme.

The Uttar Pradesh government has procured 5.24 lakh tonne of wheat in the first 22 days of the ongoing rabi marketing year, which began on April 1. This is about four times the procurement done in the year-ago period. Despite the raging Covid pandemic this year, the state has been able to procure record wheat from as many as 99,935 farmers from various districts, against 39,500 farmers in the last season.

As per trade sources, India has exported around 3.98 lakh tonnes Wheat in the month of March-2021 at an average FOB of \$268 per tonnes, higher from previous month 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.

The domestic soybean and soymeal skyrocketed mainly on firm global cues, strong soymeal export sale. The prices of oils and fats are unbelievably so high that the market participants are marking it to be unrealistic and they are in the view that unnecessary speculation has jacked up the prices in recent weeks.

The soybean plant delivery price at Nagpur is quoted up by +15% at Rs. 7,740/qrtl compared to Rs. 6,730/qrtl last week.

Besides, the rapeseed-mustard and rapeseed oilcake extended the rally on good demand for the seed from oilseeds' and improved overseas rapeseed oilmeal demand. As expected the newly harvested rapeseed-mustard arrivals are gradually easing in the market.

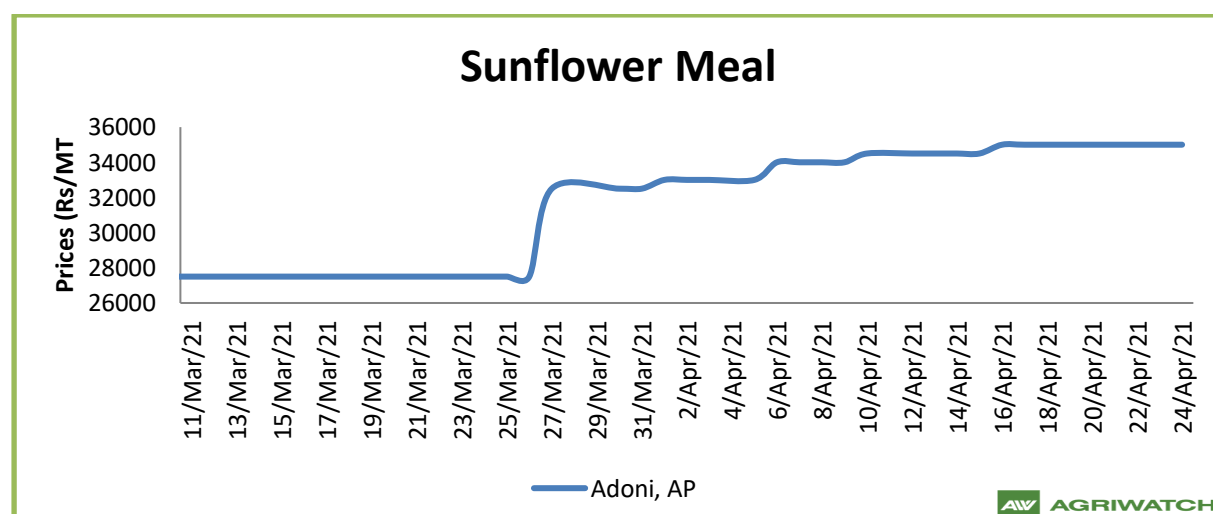
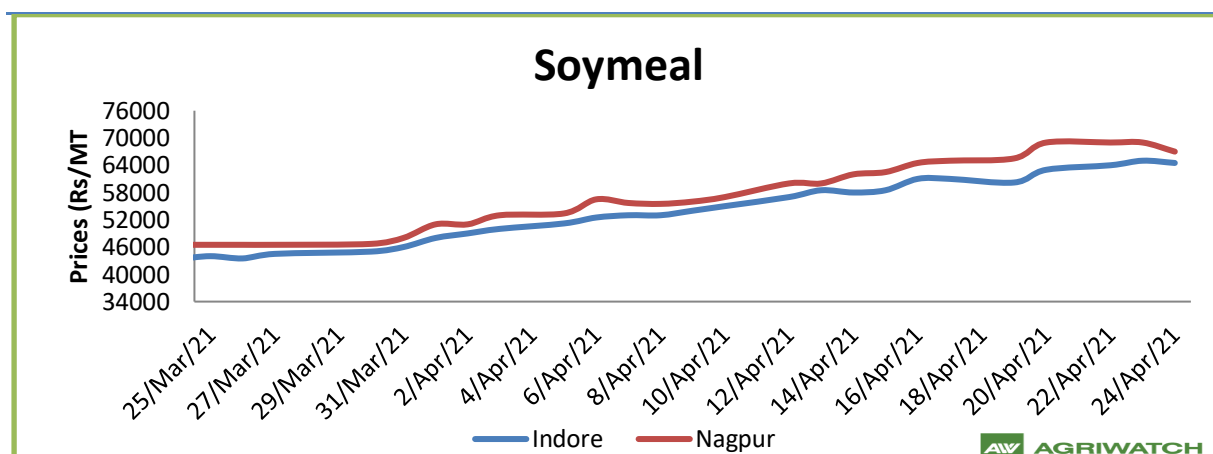
However, the groundnut seed rebound, as expected, but it is still under the rabi supply pressure, with harvesting in full swing in South India. Persistent overseas demand in the groundnut seed and groundnut oil, mainly from China will lend support to the market.

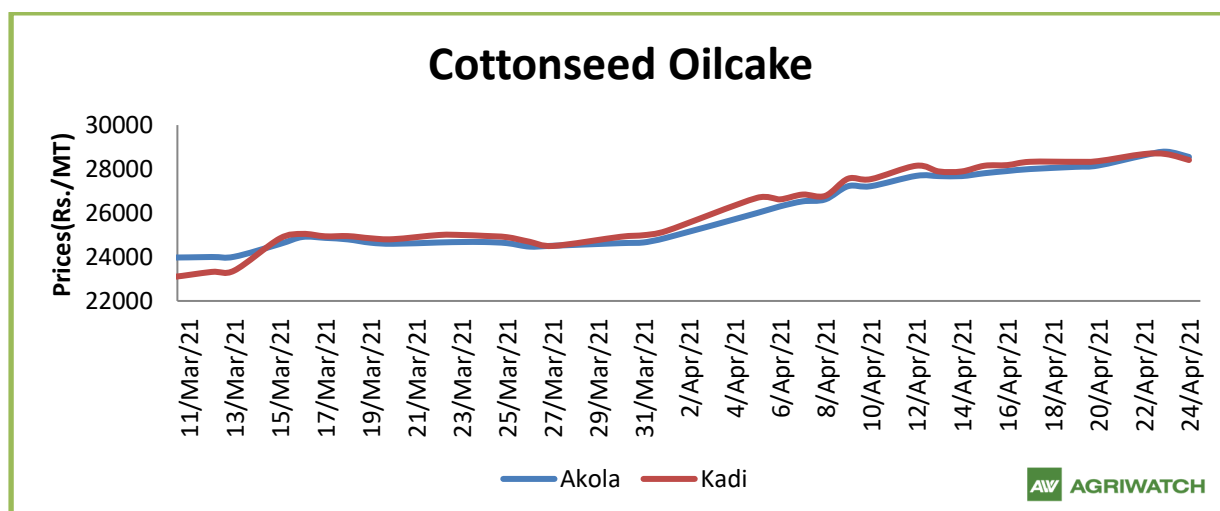
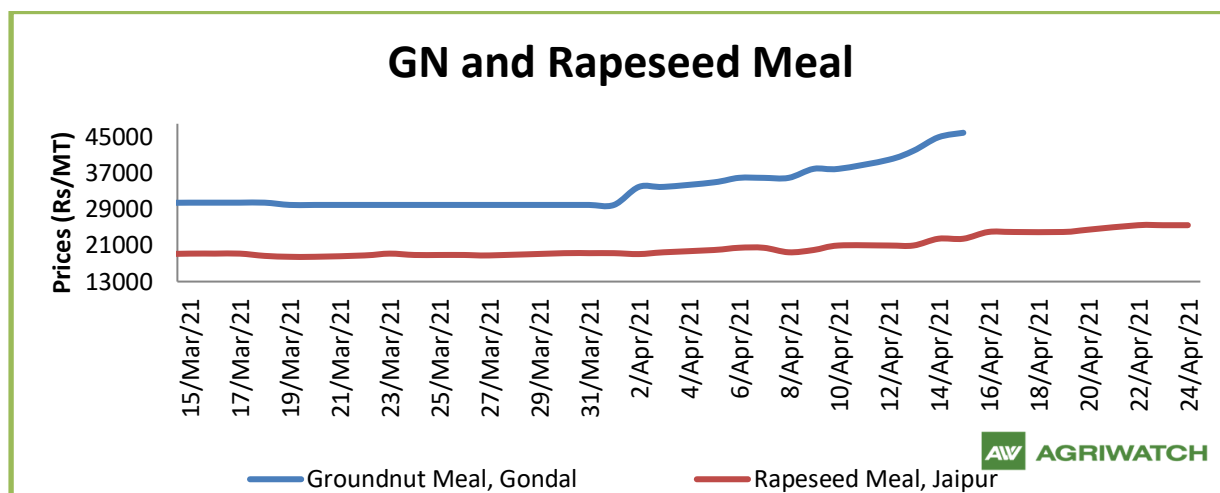
The rapeseed-mustard prices improved by +11% while rapeseed oilcake increased by +14%, soybean surged by +15% and soymeal posted gains by +9% while groundnut seed posted gains by +2%, all compared to the previous week's level.

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 extended gains by +9% in sync with rally in the soybean. Strong international benchmark CBOT soy complex and good soymeal export sales continued to lend support to the soymeal prices. However, the industry market participants are in view that there is an unnatural price run due to technical reasons and alleged price rigging by speculators leading to the disparity in crushing.

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 everyday. 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.

July soymeal futures settled \$0.50 up at \$425.8 per short ton but the prices are up from recent years on better demand, Friday.

Besides, prices of soymeal edged-up by 3% in the Dalian Commodity Exchange, towards the end of last week when compared with the prices early during the week. The meal prices were stronger than the soy oil in the

exchange. The recent African Swine Flu outbreaks in China were more isolated than in 2018-19 following strict containment efforts by the local administration..

World 2020/21 soymeal production is estimated slightly down at 253.3 million tones 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 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.

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 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 Rs61,840/MT and was quoted between Rs60,200– 64,000/MT compared to the weekly average of Rs56,833/MT and was traded between the price ranges of Rs54,000 – 58,000/MT previous week.

Rapeseed - Mustard Seed

Rapeseed-mustard extended the rally on continued crushers' demand following good mustard oil demand at retail.

In Jaipur, RM seed prices witnessed gains by +11% to the weekly average price of Rs7,298a quintal from Rs6,585 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/qrtl) 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/qrtl compared to the the weekly average price of Rs. 2,502/qrtl 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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In a major development, 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 (Rs 4650/qrtl) under PSS, as on 01 March 2021.

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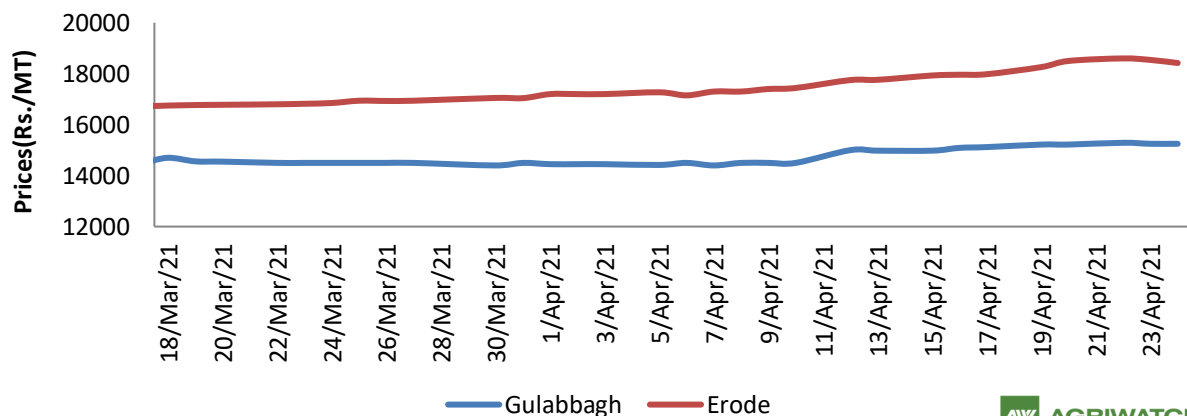
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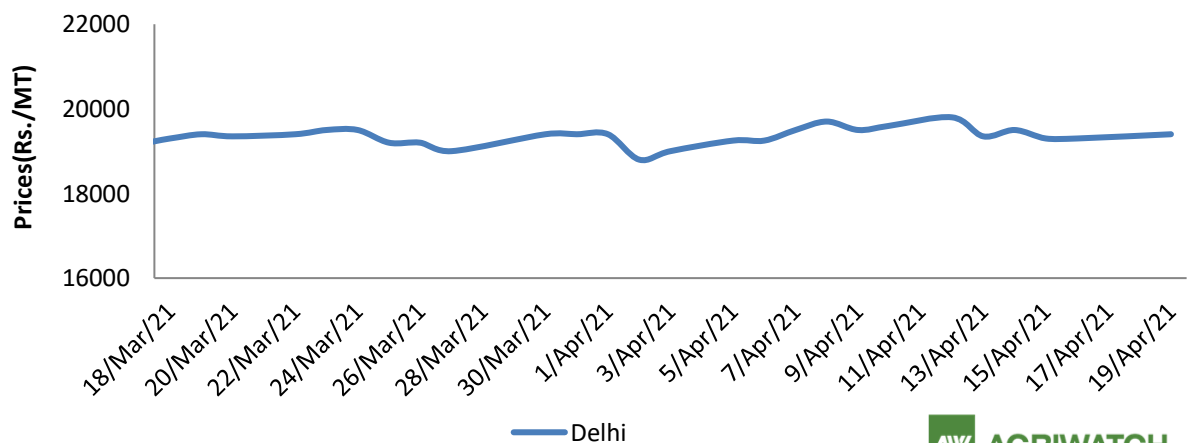
At NCDEX futures, the May contract of rapeseed-mustard ended up at 5,836/QtI compared to 5,765/QtI previous week.

Maize



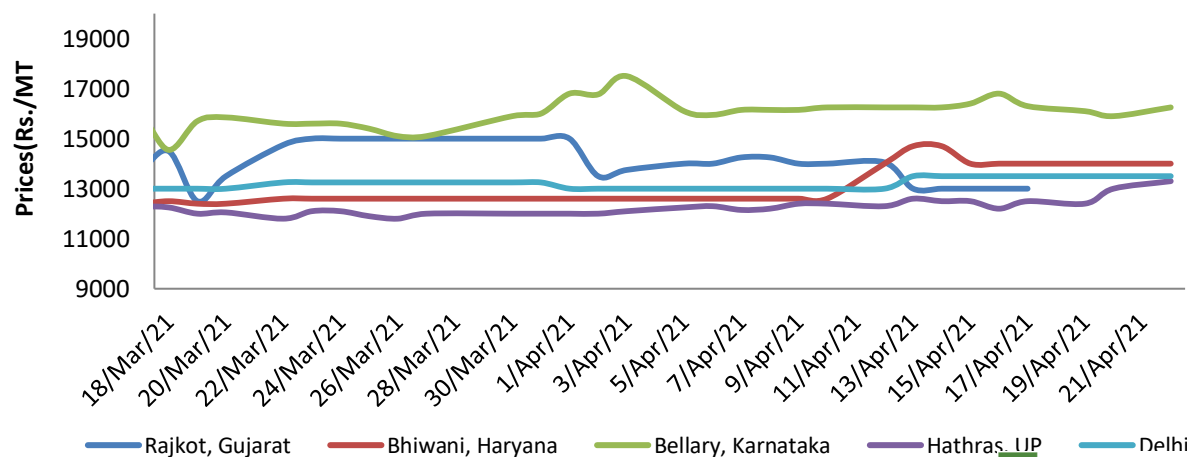
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Wheat, Mill Delivery



AW AGRIWATCH

Bajra



AW AGRIWATCH

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

Agriwatch expects Maize cash market is likely to trade steady to range bound in the near term, if strict lockdown restrictions are not imposed. However, continuous demand from domestic and global feed makers would support the market at the lower level.

In Bihar, maize arrivals contain moisture up to 15% and some grains are small in size. While, in Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that 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 27.56 USD/MT to 258.06 USD/MT for May'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 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).

Wheat's average mill delivery prices remained mix in all markets in the week ending during 20th– 26th Apr 2021. Most of the markets are closed due to the spread of Covid -19. Markets had shown mixed movement in prices last week due to imposing the PMGKAY scheme once again—high Procurement from last year and strong demand from the export front. Wheat is likely to trade steady to slightly firm in upcoming weeks.

Outlook: Feed prices are expected to trade steady to 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)		
	22-Apr-21	16-Apr-21	Parity To
Indore - 45%, Jute Bag	64000	61000	Gujarat, MP
Kota - 45%, PP Bag	66700	61700	Rajasthan, Del, Punjab, Haryana

Dhulia/Jalna - 45%, PP Bag	70000	65000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	69000	64500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	70000	64000	Andhra, AP, Kar, TN
Latur	68000	67000	-
Sangli	71000	60500	Local and South
Solapur	65500	63000	Local and South
Akola – 45%, PP Bag	67000	62000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	60000	60000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	66500	61500	-

Soy DOC at Port

Centers	Port Price		
	22-Apr-21	16-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	22-Apr-21	16-Apr-21	Change
Soybean Pellets	450	426	24
Soybean Cake Flour	450	426	24
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	22-Apr-21	16-Apr-21	Change
Adoni	35000	35000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	34500	34500	Unch

Groundnut Meal (Rs/MT)	22-Apr-21	16-Apr-21	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-

GN Cake, Gondal	Closed	Closed	-
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Mustard DOC/Meal	22-Apr-21	16-Apr-21	Change
Jaipur (Plant delivery)	25500	24000	1500
Kandla (FOR Rs/MT)	25000	25000	Unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	23-Apr-21	16-Apr-21	23-Mar-21	23-Apr-20	23-Apr-19
Delhi	Hybrid	Closed	1600	1550	Closed	2200
Davangere	Loose	1600	1550	1500	1300	NA
Nizamabad	Bilty	NA	NA	1500	Closed	2150
Ahmedabad	Feed	Closed	1630	1600	Closed	2250
	Starch	Closed	1650	1650	Closed	NA

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

As on 24.04.2021	Argentina	Brazil	US	India
FOB	244.00	256.00	285.00	215.37
Cost and Freight	294.00	311.00	345.00	250.37

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	24-Apr-21	16-Apr-21	Change
Bajra	Karnataka	Hybrid	Bellary	1605	1680	-75
		Hybrid	Bangalore	2000	2000	Unch
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	2040	1620	420
Maize	Karnataka	Yellow	Davangere	1600	1550	50
	Telangana	Yellow	Nizamabad	Closed	Closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2450	2850	-400
Soy meal	Madhya Pradesh	DOC	Indore	6450	6100	350
	Maharashtra	DOC	Sangli	6400	6050	350
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3500	3500	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2550	2400	150
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2841	2818	23
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2855	2791	64
Note: Prices Rs./Qtl						

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