

***Contents:***

---

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

## Summary

---

Agriwatch expects Maize cash markets are likely to trade steady to range-bound as new crop arrivals continue 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 Telangana, maize crop arrivals are small in quantity and contain moisture up to 22%. Sources revealed that around 60%-70% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government and also due to uncertainty about market opening hours.

In the Davangere region of Karnataka, maize market is closed at present and chances are to re-open from 14th May 2021. Nizamabad market is also closed at present and chances are that it might re-open on Tuesday.

With the rising coronavirus cases all across the country, the major cotton markets were closed due to lockdown restrictions. The cotton seed oil prices were firm similar to previous week whereas the cotton seed oilcake prices have increased in the Akola market. The average price of cotton seed oilcake has increased in Kadi at Rs. 2803 per quintal from Rs. 2824 per quintal and in Akola were at Rs. 2826 per quintal from Rs. 2798 per quintal previous week.

All India's weekly average prices increased by 5.73 percent to Rs. 2101.83 per quintal during the week ended 08th May 2021. Wheat average prices were ruling at Rs 2054.69 per quintal during 01st–08th May 2020, which is lower by 2.29 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 280.39 lakh tonnes of wheat as of 30th April 2021 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 11.51 lakh tonne of wheat in the April month 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.

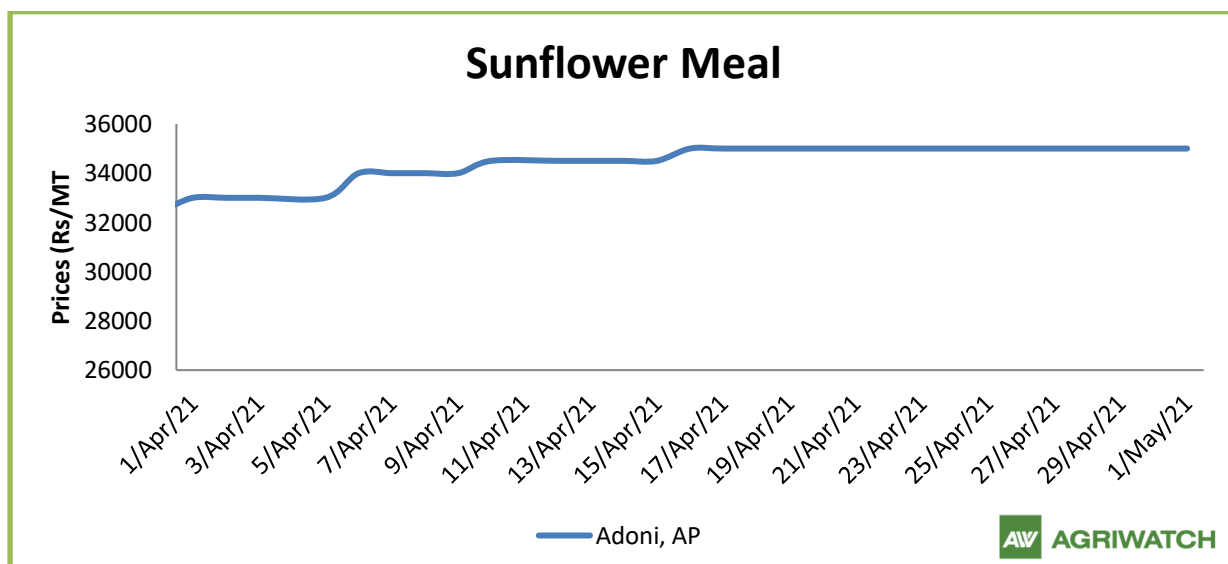
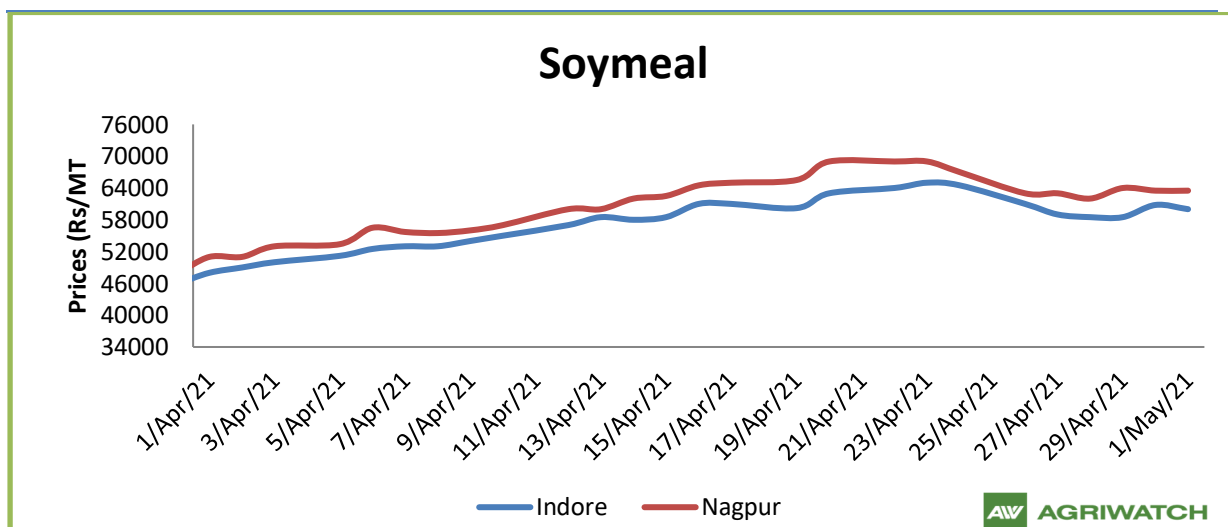
As per trade sources, India has exported around 3.98 lakh tonnes Wheat in the month of March-2021 at an average FOB of \$268 per tonnes, higher from previous month and the major destinations were Bangladesh, Malaysia, Oman, Qatar and Nepal. Exports are likely to be at higher side as other countries are providing wheat at higher prices. High export will be going to support the domestic market in near term.

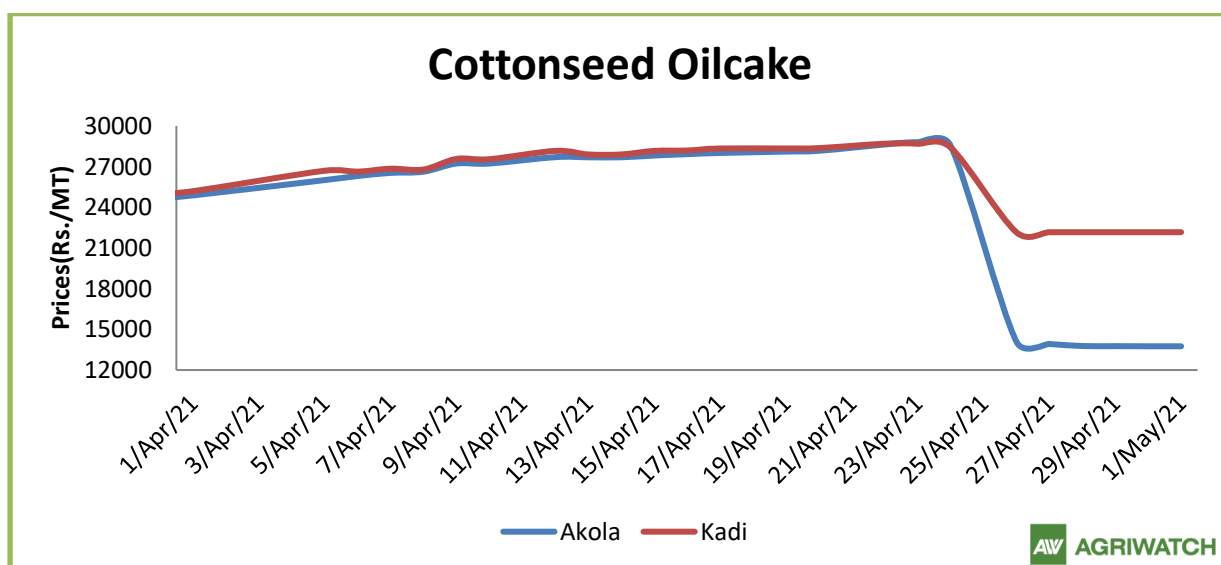
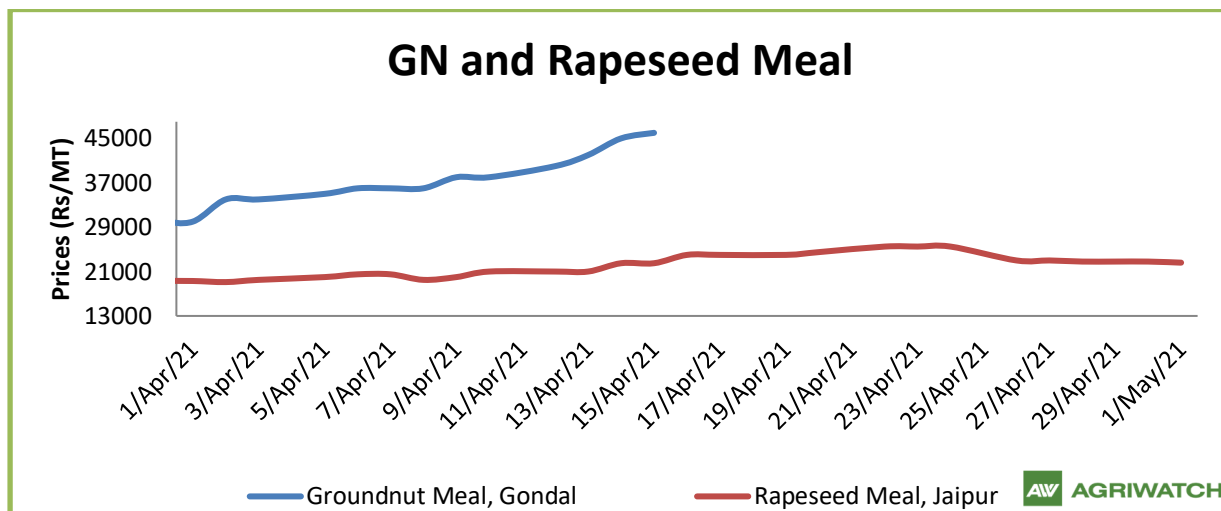
Soybean fell on decline in demand from the oilseeds' processor at the current market price. The soybean crush margin continued to fall deeper in the negative territory making crushing unviable day by day, fall in the prices will improve the crush margin to some extent. Further, the Ramadan demand for edible oils have also eased in recent weeks, which remained bears for the market at the price levels in the recent while. Soybean witnessed all time high prices in April'21 with an average monthly prices of Rs 6,900/Qtl with monthly high of Rs 8,400/Qtl and low of Rs 5,925/Qtl.

Several soybean cash market yards remained closed for COVID lockdown restrictions during the week. As expected India's March'21 soymeal and other oilmeal exports figures remained strong, this will certainly limit the losses in coming days.

Rapeseed-mustard witnessed mild losses as the oilseeds' crushers reduced the crushing momentum and refrained from the seed market following its exceptionally higher, all time high, prices in recent weeks. All the domestic oilseeds prices rallied to the levels which market participants strongly feel are unrealistic and not commensurating demand and supply. The substantial rise in the seed prices is gradually leading the crush margin to deeper in negative zone, hence, the prices of the seed declined as expected. In Jaipur, RM seed prices witnessed mild losses by -0.4% to the weekly average price of Rs 7,271 a quintal from Rs 7,298 a quintal previous month. The all India rapeseed-mustard arrivals are easing week-on-week and were reported at 14.0 lakh bags during the week compared to around 18.50 lakh bags, previous week. The crushing of the seed is at the steady pace on better mustard oil demand including demand for Public Distribution System in recent past.

### Trend – Raw Material, Fee





Source: AgriWatch

## Soy meal

The domestic soymeal fell in tandem with the soybean as the meal buyers refrained to off take at the price which were too high after they jumped in recent weeks. The domestic soymeal declined by -1.2% compared to the previous week. The soymeal along with other oilmeal exports continued remain strong in March 2021, as in the recent months.

During April'21 the soymeal prices witnessed all time high prices where the average monthly price stood at Rs. 57,368/MT with low price at Rs 48,000/MT and high Rs 65,000/MT during the month.

The industry market participants were in view that the there is an unnatural price run due to technical reasons and alleged price rigging by speculators leading to the disparity in crushing, the fall in prices was inevitable.

In this regard, the solvent Extractors' Association of India has already 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 its 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 \$ 3.10 up at \$ 426.10 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 March 2021 soymeal exports improved by +346% to 14,6379 metric tonnes compared to 32,818 metric tonnes in the same period last year. Further, the soymeal shipments improved by +126% to 15,64,833 metric tonnes in aggregate, during the last ten months (Apr.-Mar.) of financial year 2020-21 compared to 69,2833 metric tonnes during the corresponding period last year.

The domestic soymeal demand has considerably recovered in previous months, from poultry sector, 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 improved the soybean crop prospects. The soymeal export price spread of India vs Argentina (FAS Kandla and FOB Argentina) have further widened to US \$ 215/MT in April'21 vs US \$ 163/MT in March'21, leading incompetitiveness for Indian soymeal exports.

The domestic weekly average soymeal prices at Indore fell to Rs 61,083/MT and was quoted between Rs 58,500 – 65,000/MT compared to the weekly average of Rs 61,840/MT and was traded between the price ranges of Rs 60,200 – 64,000/MT previous week. At Latur the weekly average soymeal prices declined to Rs 67,500/MT compared to Rs. 67,800/MT a week ago and in Nanded too it was quoted lower at Rs. 65,833/MT compared to Rs. 66,500/MT a week ago. Besides, in Kota the meal prices slightly improved to Rs. 63,700/MT compared to Rs. 63,580/MT previous week. India's Y-o-Y soy meal prices, Indore, are currently higher. Soy meal Indore was quoted higher between Rs 58,500 – 65,000/MT during the week compared to Rs 32,000–32,250/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 57,000 – 60,000/MT on weak off-take at the higher prices, for short-term. But strong overseas soymeal demand will limit the fall.

### Rapeseed - Mustard Seed

---

Rapeseed-mustard witnessed mild losses as the oilseeds' crushers reduced the crushing momentum and refrained from the seed market following its exceptionally higher, all time high, prices in recent weeks.

All the domestic oilseeds prices rallied to the levels which market participants strongly feel are unrealistic and not commensurating demand and supply. The substantial rise in the seed prices is gradually leading the crush margin to deeper in negative zone, hence, the prices of the seed declined as expected. In Jaipur, RM seed prices witnessed mild losses by -0.4% to the weekly average price of Rs 7,271 a quintal from Rs 7,298 a quintal previous month. The all India rapeseed-mustard arrivals are easing week-on-week and were reported at 14.0 lakh bags during the week compared to around 18.50 lakh bags, previous week. The crushing of the seed is at the steady pace on better mustard oil demand including demand for Public Distribution System in recent past.

NAFED had 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. 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.

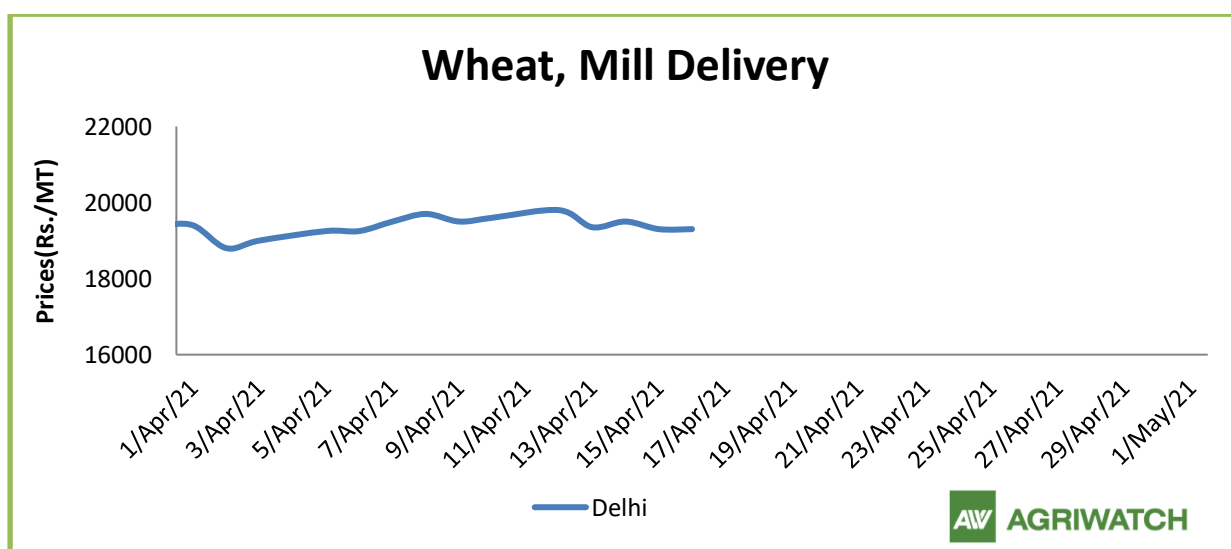
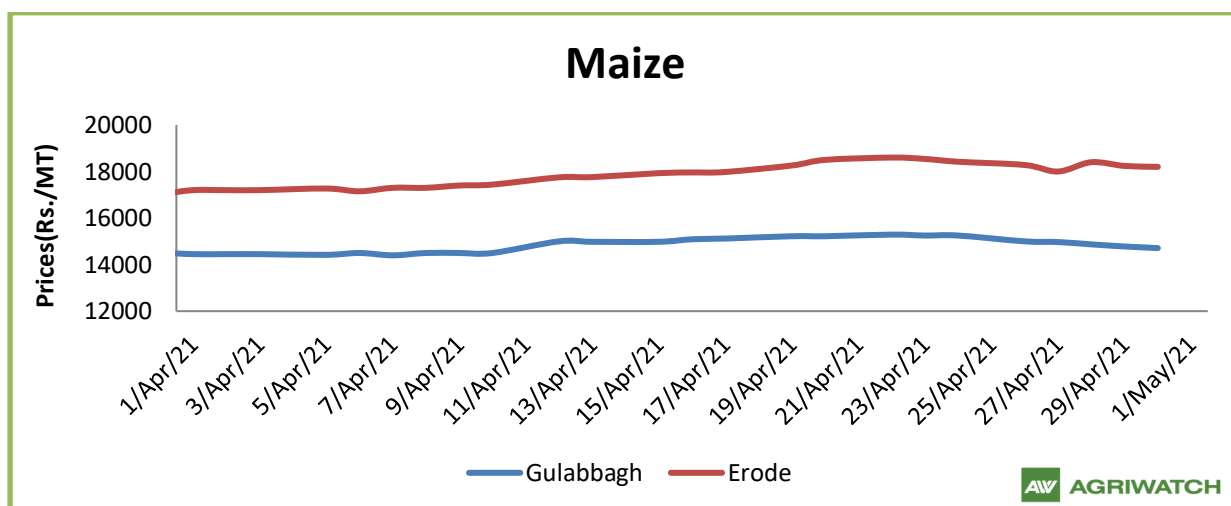
Further, the rapeseed oilcake eased by -4% to the weekly average price of Rs. 29,62/qrtl compared to the the weekly average price of Rs. 3,099/qrtl previous week.

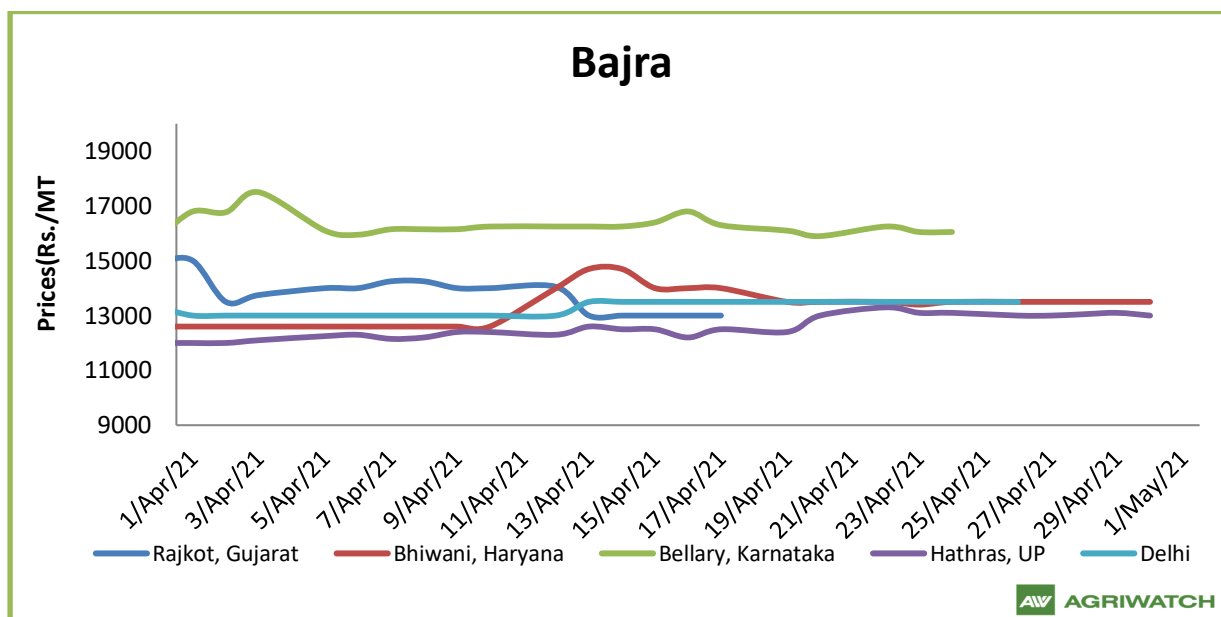
India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

However, India's exports for rapeseed meal during April-March 2021 was up +16% at 11,13,021 metric tonnes compared to 96,1312 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in March'21 is reported at 84,276 metric tonnes against last year 89,235 metric tonnes during the same period i.e. down by -6%.

At NCDEX futures, the May contract of rapeseed-mustard ended low at 6,871/Qtl compared to 7,110/Qtl previous month.





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

During the week under review, steady to range bound sentiments were reported in most of the major cash markets of maize.

Sources revealed that Maize in Gulabbagh is being traded at Rs. 1,500 per quintal. Maize is moving towards Punjab, Haryana and M.P at Rs. 1,750-1,800 per quintal each, while Kolkata and South at Rs. 1,550 per quintal and Rs. 1,650-1,700 per quintal, respectively; sourced from Bihar. It is also moving towards Vizag at Rs. 1,700 per quintal, sourced from Bihar. Hyderabad poultry feed makers are buying Maize at Rs.1,650 per quintal; sourced from Telangana.

Maize on CBOT rose by US\$ 54.23 per MT to US\$ 276.37 per MT for May 2021 contract compared to the previous month due to increase in demand for U.S Maize. Agriwatch expects that increase in export demand for U.S. Maize, would continue to support CBOT Maize.

U.S. Maize exports have reached 41.31 MMT in the 2020-21 marketing year. At 1.92 MMT (for the period April 16-22, 2021) U.S. Maize exports were up by 19 percent from the previous week and 3 percent from the prior 4-week average; mainly for the destinations like China (5,61,600 MT), Mexico (2,87,400 MT), South Korea (1,83,800 MT), Japan (3,99,500 MT), and Colombia (94,600 MT). Agriwatch expects that increase in export demand for U.S. Maize in the near term would support CBOT Maize.

Wheat's average mill delivery prices remained closed in all markets in the week ending during 27th Apr–03rd May 2021. Most of the markets are closed due to the lockdown and 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 range bound to slightly weak as overall feed ingredients prices traded slightly weak during last week.

## Annexure

### Oil Meal Prices at Key Spot Markets:

#### Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	29-Apr-21	23-Apr-21	Parity To
Indore - 45%, Jute Bag	58500	65000	Gujarat, MP
Kota - 45%, PP Bag	62000	66700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	65000	70000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	64000	69000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	63000	70000	Andhra, AP, Kar, TN
Latur	65000	72000	-
Sangli	64000	71000	Local and South
Solapur	62000	65500	Local and South
Akola – 45%, PP Bag	60000	67000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	60000	60000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	61800	66500	-

#### Soy DOC at Port

Centers	Port Price		
	28-Apr-21	23-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	28-Apr-21	23-Apr-21	Change
Soybean Pellets	444	450	-6
Soybean Cake Flour	444	450	-6
Soya Meal	NR	NA	-
Soy Expellers	NR	NA	-



<b>Sunflower (DOC) Rates</b>	<b>Ex-factory rates (Rs/ton)</b>		
<b>Centers</b>	<b>29-Apr-21</b>	<b>23-Apr-21</b>	<b>Change</b>
Adoni	35000	35000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	34500	34500	Unch

<b>Groundnut Meal (Rs/MT)</b>	<b>29-Apr-21</b>	<b>23-Apr-21</b>	<b>Change</b>
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

<b>Mustard DOC/Meal</b>	<b>29-Apr-21</b>	<b>23-Apr-21</b>	<b>Change</b>
Jaipur (Plant delivery)	22800	25500	-2700
Kandla (FOR Rs/MT)	23200	25000	-1800

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

Market	Grade	30-Apr-21	23-Apr-21	30-Mar-21	30-Apr-20	30-Apr-19
Delhi	Hybrid	Closed	Closed	1550	Closed	2150
Davangere	Loose	1610	1600	1500	1300	NA
Nizamabad	Bilty	Closed	NA	Closed	Closed	NA
Ahmedabad	Feed	Closed	NA	1485	NA	2100
	Starch	Closed	Closed	Closed	Closed	2150

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

As on 30.04.2021	Argentina	Brazil	US	India
FOB	244.00	256.00	285.00	246.39
Cost and Freight	294.00	311.00	345.00	281.39

#### 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						
<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Centre</u>	<u>29-Apr-21</u>	<u>24-Apr-21</u>	<u>Change</u>
Bajra	Karnataka	Hybrid	Bellary	NA	1605	-
		Hybrid	Bangalore	1950	2000	-50
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	NA	2040	-
Maize	Karnataka	Yellow	Davangere	1610	1600	10
	Telangana	Yellow	Nizamabad	Closed	Closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2850	2450	400
Soy meal	Madhya Pradesh	DOC	Indore	5850	6450	-600
	Maharashtra	DOC	Sangli	6400	6400	Unch
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3500	3500	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2280	2550	-270
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2686	2841	-155
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2752	2855	-103
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.