

Contents:

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

Summary

Agriwatch expects that Maize would trade steady to slightly range-bound as expectation of an increase in crop arrivals in coming weeks would weigh on market sentiments. On the other hand, if markets re-open soon, 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 75% crop has been harvested but farmers are still not bringing their produce into the market on the expectation of procurement by the Government. 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 10th May 2021..

With the rising coronavirus cases all across the country, the major cotton markets were closed due to lockdown restrictions. This has also affected the demand for both cottonseed oil and cottonseed oilcake in the major markets. However, except for Gujarat, the various other states are facing a shortage of cottonseed oilcake and cottonseed oil. On the other side, Gujarat has immense stock available to meet the demands of other states also. The demand is expected to increase after the lockdown is over.

The cottonseed oil prices have decreased from the previous week by 2 percent and the cottonseed oilcake prices have decreased by 3-4 percent. The average price of cottonseed oilcake in the Kadi market was Rs. 2680 per quintal from Rs. 2803 per quintal and in Akola was at Rs. 2731 per quintal from Rs. 2826 per quintal the previous week.

Wheat's average mill delivery prices remained closed in all markets in the week ending during 04th–10th May 2021. Most of the markets are closed due to the lockdown and spread of Covid -19. Markets had shown weak movement as expected 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 rang-bound in upcoming weeks.

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 Haryana government has decided to stop the procurement of wheat in all mandis/procurement centres in view of the lockdown in the state from May 3-9 to check exponential surge in Covid-19 cases. "During lockdown, no procurement of wheat will be initiated in any mandis/procurement centres of the state and no gate pass shall be issued (to the farmers) for the same, an official statement said here on Sunday. As of 09th May Haryana crosses its wheat procurement target by 2 Lakh MT, which was 80 Lakh MT.

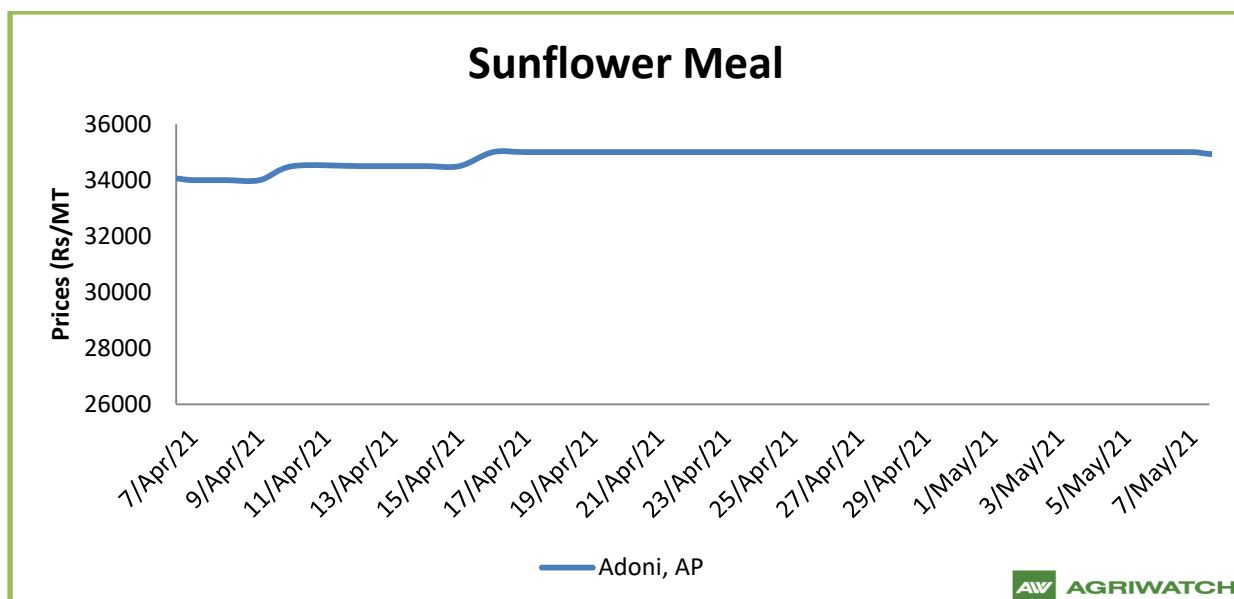
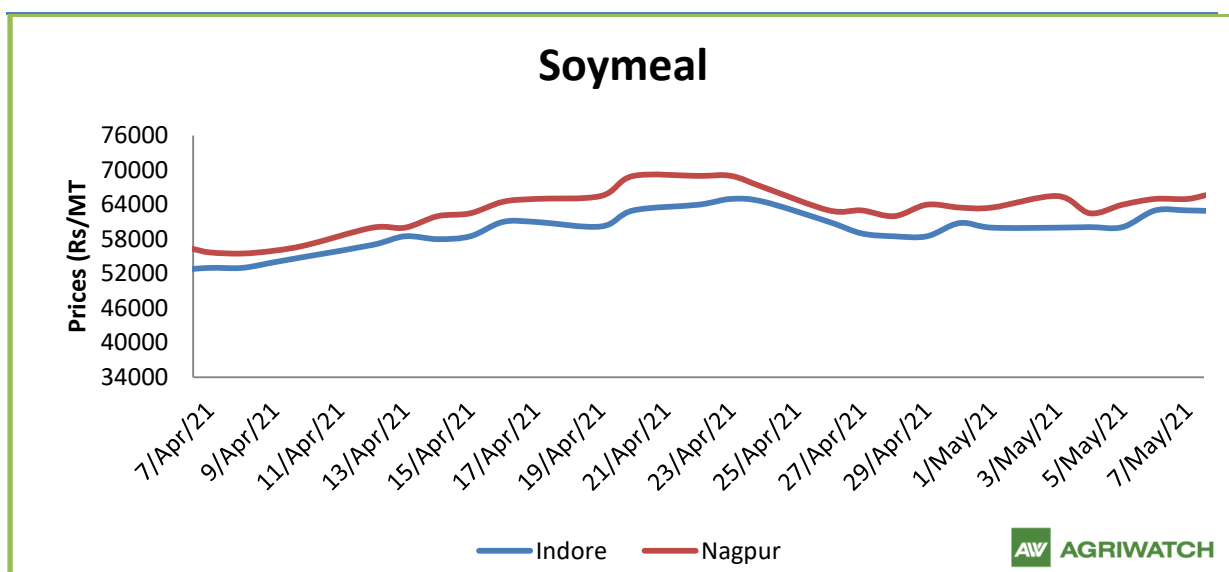
As per trade sources, India has exported around 3.98 lakh tonnes Wheat in the month of March-2021 at an average FOB of \$268 per tonnes, higher from previous month and the major destinations were Bangladesh, Malaysia, Oman, Qatar and Nepal. Exports are likely to be at higher side as other countries are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

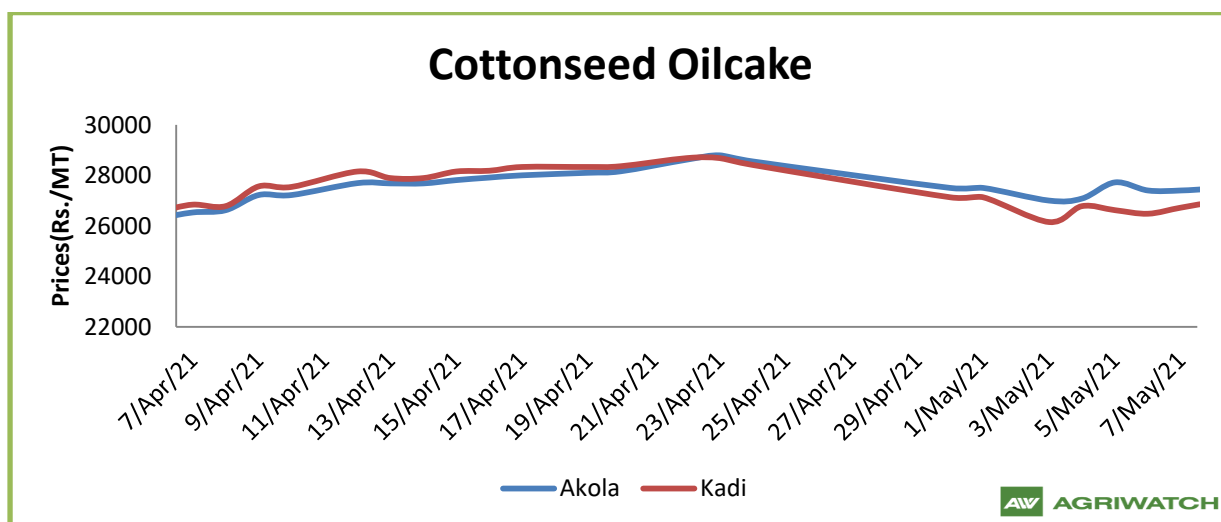
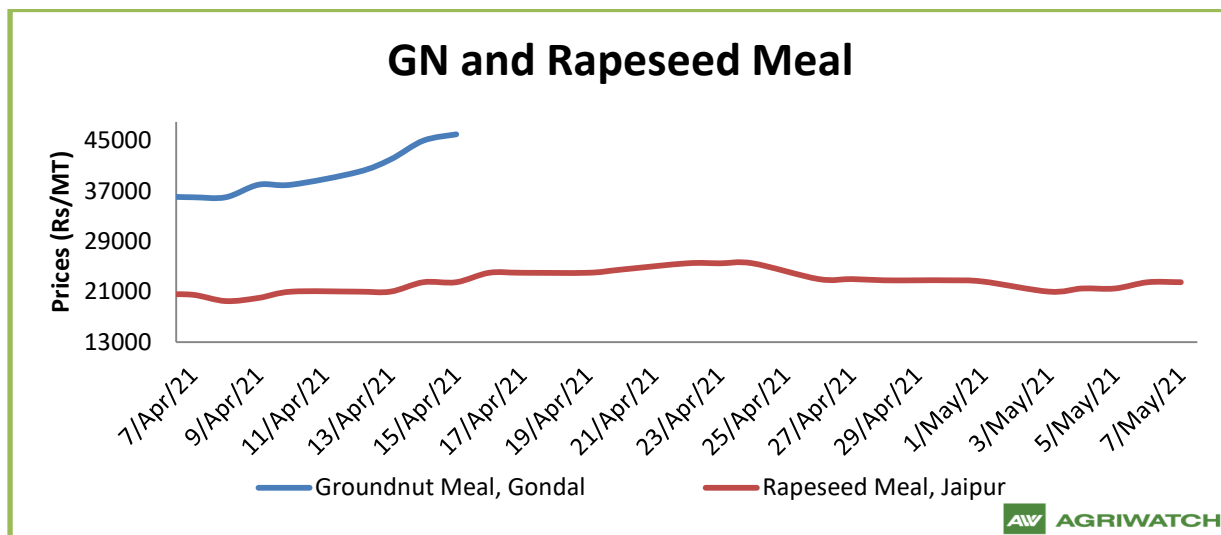
Soybean rose after weak supplies in this week due to lock down restrictions at various states of India. Further, the Ramadan demand for edible oils has improved in recent weeks, which remained bullish for the market at the price levels in the recent while. Several soybean cash market yards remained closed 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. CBOT July soybean futures closed 20.25 cents up at \$ 15.89 1/4. New crop November soybean futures closed 24.50 cents up at \$ 14.33 3/4, on Friday. CBOT soy complex continued to be strong and the prices are near seven-year high despite record

soybean production, persistent strong demand, mainly Chinese demand remained supportive for the international soy market.

Rapeseed-mustard inched higher as the demand in domestic markets boost up ahead of less supplies. 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. 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. Further, the rapeseed oilcake eased by -3.94% to the weekly average price of Rs. 2852/qrtl compared to the the weekly average price of Rs. 2969/qrtl previous week..

Trend – Raw Material, Fee





Source: AgriWatch

Soy meal

The domestic soymeal closed up in tandem with the soybean supported by good overseas demand. The domestic soymeal increased by 7.69% compared to the previous week.

The soymeal along with other oilmeal exports continued remain strong in May 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 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.

India's export of oilmeals for the month of March 2021 is reported at 32,1435 metric tonnes compared to 17,7003 metric tonnes in March 2020 i.e. up by +82%.

The overall export of oilmeals during April to March 2021 is also reported up by +51% at 36,80084 metric tonnes compared to 24,33617 metric tonnes during the same period last year.

Of the total soymeal exports of 3,21,435 metric tonnes in March 2021, Germany, Vietnam and South Korea remained top buyers with imports figures touching 73,700 metric tonnes, 66,044 metric tonnes and 44,240 tonnes respectively.

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%, and ricebran extraction exports is reported at 61,200 metric tonnes against last year 30,620 metric tonnes i.e. +100% higher compared to the same 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.

Weekend prices at various centers closed higher side compared to last weekend prices. However, at Latur the weekly average soymeal prices declined to Rs 62,583/MT compared to Rs. 67,500/MT a week ago and in Nanded too it was quoted lower at Rs. 63,333/MT compared to Rs. 65,833/MT a week ago. In Kota the meal prices slightly improved to Rs. 62,400/MT compared to Rs. 63,700/MT previous week. India's Y-o-Y soy meal prices, Indore, are currently higher. Soy meal Indore was quoted higher between Rs 60,100 – 63,000/MT during the week compared to Rs 58,000 – 68,000/MT during the corresponding period last year.

The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 58,000 – 62,000/MT on overseas demand, for short term.

Rapeseed - Mustard Seed

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 declined by 1.94% to the weekly average price of Rs 7,270 a quintal from Rs 7,283 a quintal previous month. However, weekend prices closed higher which are opened.

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/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.

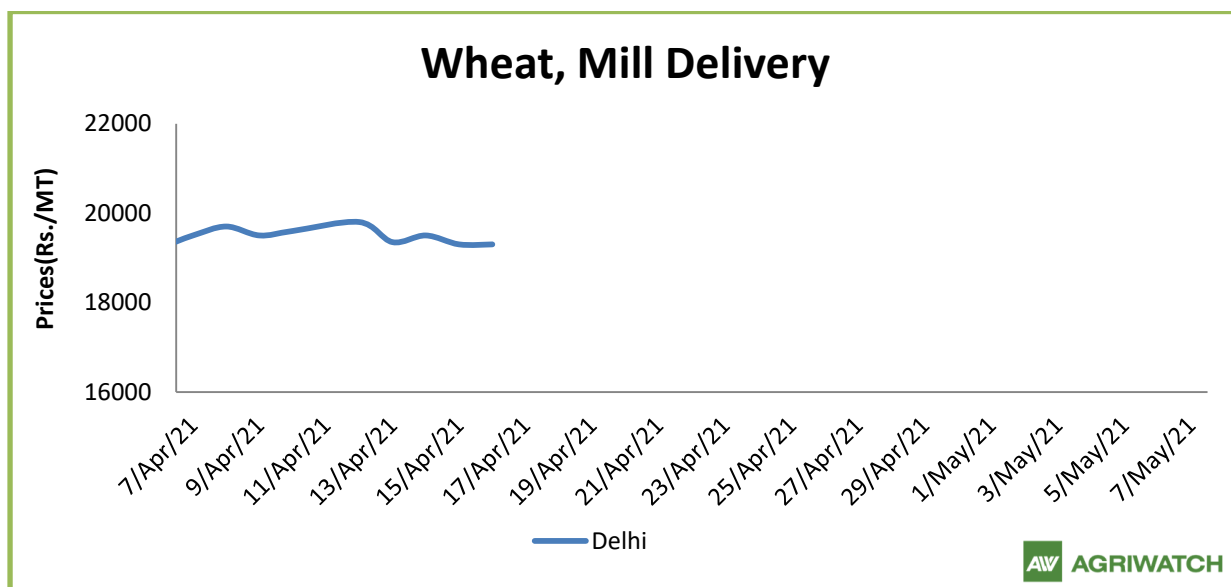
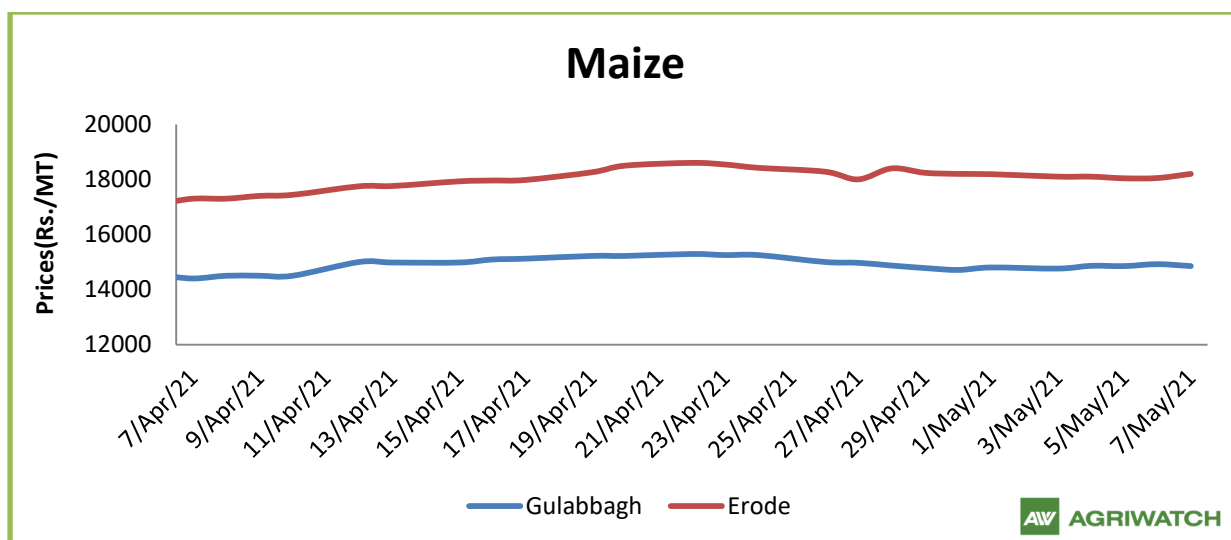
Further, the rapeseed oilcake eased by -3.94% to the weekly average price of Rs. 2852/qtl compared to the the weekly average price of Rs. 2969/qtl previous week.

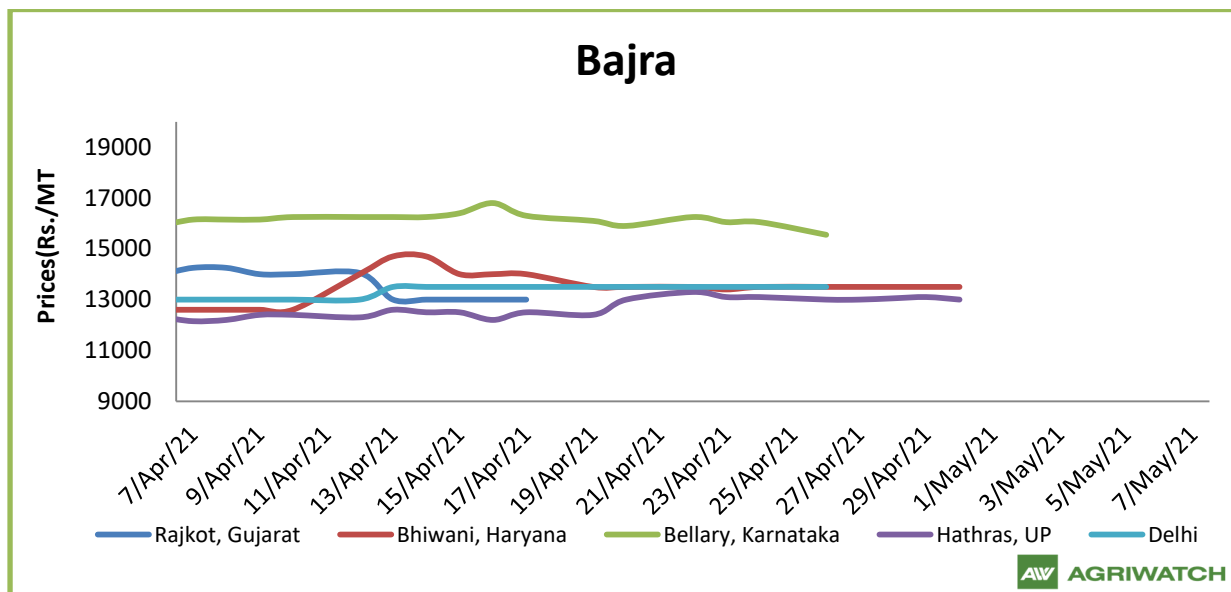
India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

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 higher at 7,324/Qtl compared to 6,871/Qtl previous month.





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

During the week under review, steady to slightly range bound sentiments were reported in most of the cash markets of maize. Major Maize markets remained closed due to Coronavirus lockdown.

Sources revealed that Maize in Gulabbagh is being traded at Rs. 1,530 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\$ 27.85 per MT to US\$ 304.22 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 along with drought conditions prevailing in U.S, would continue to support CBOT Maize.

U.S. Maize exports have reached 43.50 MMT in the 2020-21 marketing year, at 2.19 MMT (for the period April 23-29, 2021). U.S. Maize exports were up by 15 percent from the previous week and 19 percent from the prior 4-week average; mainly for the destinations like China (6,98,100 MT), Mexico (2,93,100 MT), South Korea (2,55,900 MT), Japan (4, 48,600 MT), and Colombia (1.36,600 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 04th-10th May 2021. Most of the markets are closed due to the lockdown and spread of Covid -19.

Markets had shown weak movement as expected 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 rang-bound in upcoming weeks.

Outlook: Feed prices are expected to trade range bound as overall feed ingredients prices traded slightly range bound to somewhat weak during last week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	06-May-21	29-Apr-21	Parity To
Indore - 45%, Jute Bag	63000	58500	Gujarat, MP
Kota - 45%, PP Bag	63700	62000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	67500	65000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	65000	64000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	65000	63000	Andhra, AP, Kar, TN
Latur	64000	65000	-
Sangli	64500	64000	Local and South
Solapur	61500	62000	Local and South
Akola – 45%, PP Bag	62500	60000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	63000	60000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	62000	61800	-

Soy DOC at Port

Centers	Port Price		
	5-May-21	28-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	5-May-21	28-Apr-21	Change
Soybean Pellets	445	444	1
Soybean Cake Flour	445	444	1
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	6-May-21	29-Apr-21	Change
Adoni	35000	35000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	34500	34500	Unch

Groundnut Meal (Rs/MT)	6-May-21	29-Apr-21	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC/Meal	6-May-21	29-Apr-21	Change
Jaipur (Plant delivery)	22500	22800	-300
Kandla (FOR Rs/MT)	23000	23200	-200

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	07-May-21	30-Apr-21	06-Apr-21	06-May-20	07-May-19
Delhi	Hybrid	Closed	Closed	1500	1400	1950
Davangere	Loose	Closed	1610	1530	Closed	NA
Nizamabad	Bilty	Closed	Closed	1500	Closed	2150
Ahmedabad	Feed	Closed	Closed	1650	1500	2050
	Starch	Closed	Closed	1670	1300	2100

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

As on 07.05.2021	Argentina	Brazil	US	India
FOB	250.00	260.00	291.00	251.36
Cost and Freight	300.00	315.00	351.00	286.36

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	07-May-21	29-Apr-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	NA	-
		Hybrid	Bangalore	1900	1950	-50
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	NA	NA	-
Maize	Karnataka	Yellow	Davangere	Closed	1610	-
	Telangana	Yellow	Nizamabad	Closed	Closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2750	2850	-100
Soy meal	Madhya Pradesh	DOC	Indore	6300	5850	+450
	Maharashtra	DOC	Sangli	6500	6400	+100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3500	3500	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2250	2280	-30
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2672	2686	-14
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2740	2752	-12
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.