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## Summary

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Agriwatch expects that Maize would trade steady to slightly range-bound, as expectation of an increase in crop containing higher moisture percentage in near term would weigh on market sentiments. On the other hand, if markets re-open soon demand from local millers would support the market at the lower level.

Sources revealed that around 75%-80% 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 uncertainty regarding the chances of market opening and closing uncertainties. Karnataka, Davangere market is closed at present and chances are that it might re-open on 27th 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. The major market of New Delhi and Gujarat for cottonseed oil is closed due to lockdown restrictions. Although, the cottonseed oil prices have increased from the previous week by 4 percent in Hyderabad and Mumbai. Also, the cottonseed oilcake prices have increased by 1-2 percent. The average price of cottonseed oilcake in the Kadi market was Rs. 2746 per quintal from Rs. 2680 per quintal and in Akola was at Rs. 2772 per quintal from Rs. 2731 per quintal the previous week.

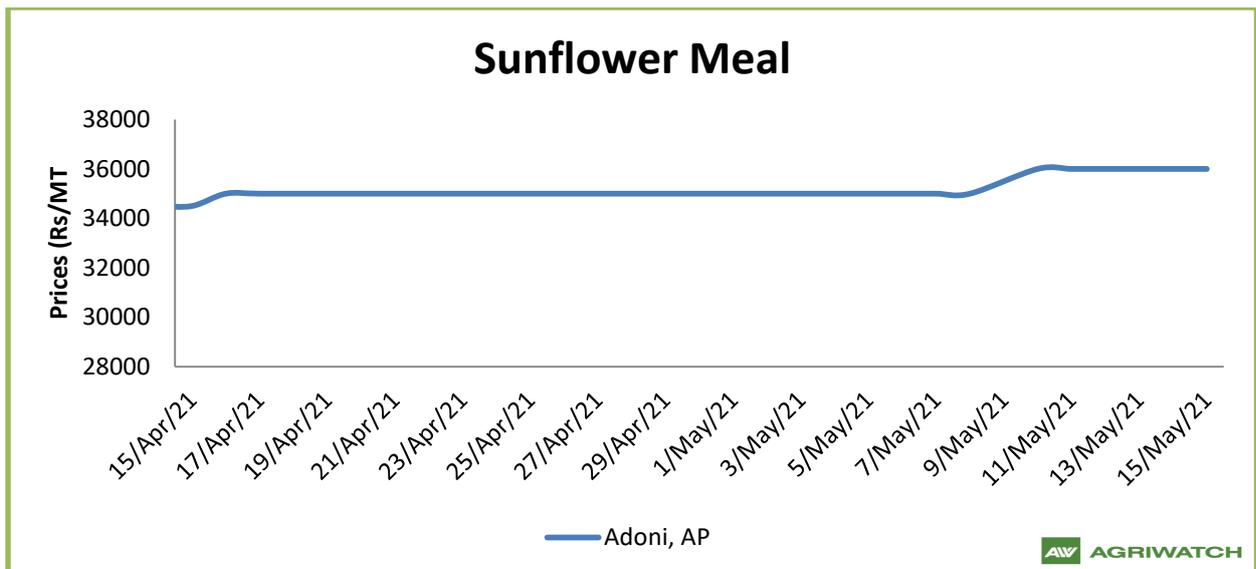
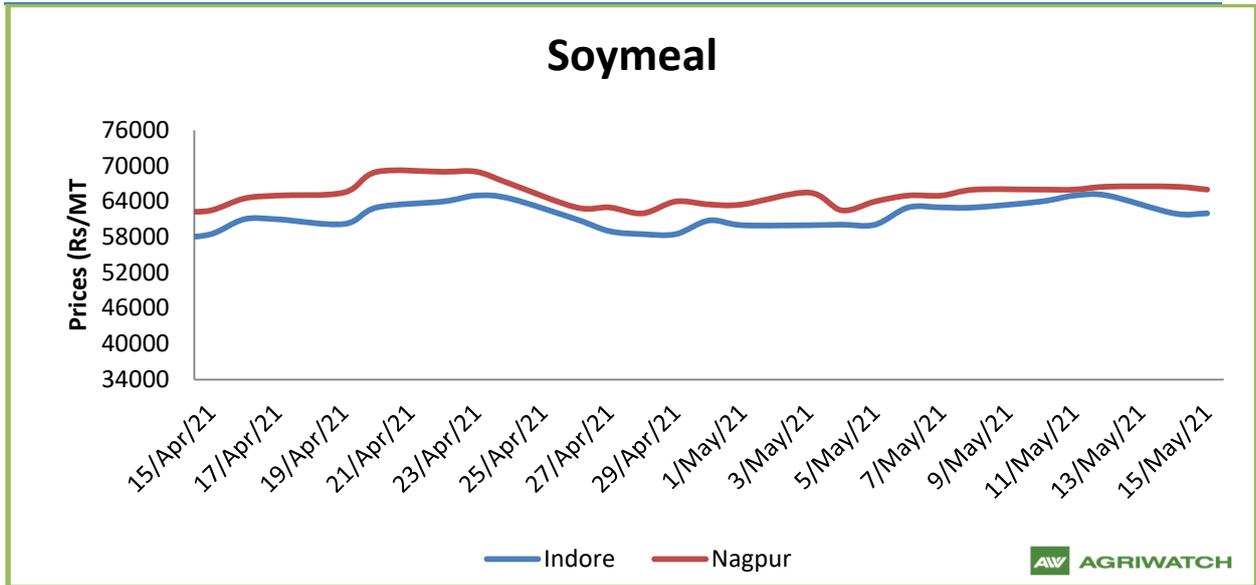
All India's weekly average prices decreased by 2.14 percent to Rs. 1997.58 per quintal during the week ended 23rd May 2021. Wheat average prices were ruling at Rs 2017.37 per quintal during 16th–23rd May 2020, which is lower by 0.98 percent from the current week last year. Due to imposed of PMGKAY scheme for May-June and ongoing procurement, wheat is likely to trade steady to slightly weak in coming weeks.

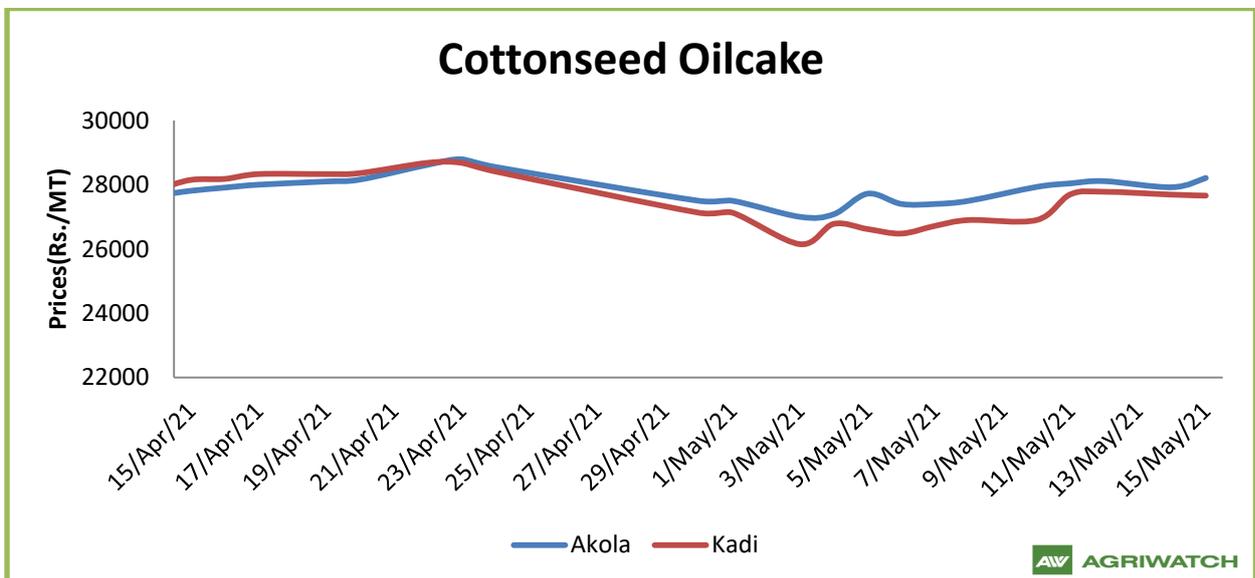
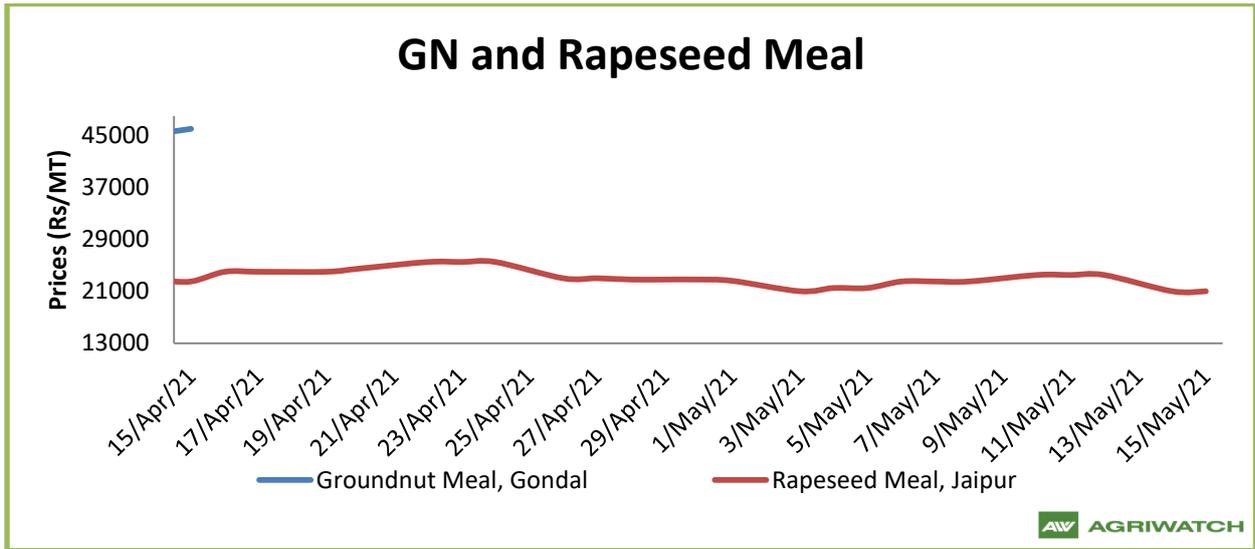
Procurement of Wheat in ongoing RMS2021-22 is continuing smoothly in the procuring States of Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan, Himachal Pradesh, Delhi, and Jammu & Kashmir at MSP, as was done in previous seasons and till now (upto 14.05.2021 a quantity of over 366.61 LMT of Wheat has been procured against the last year corresponding purchase of 282.69 LMT. About 37.15 Lakh farmers have already been benefitted from the ongoing RMS procurement operations with MSP value of Rs. 72,406.11 Crore. According to a release from the FCI, the government has set the auction of good-quality wheat procured in 2021-22 marketing season at Rupees 21,500/mt (\$293/mt). In the 2020-21 marketing season, the government sold wheat slightly lower than the current prices, at Rupees 21,350/mt. The hike in fair-quality wheat is seen pushing up export prices of the grain, as most traders will turn to these auctions to purchase while most benchmark markets are shut due to COVID-19 related restrictions.

The soybean prices will feature range-bound movement with firm bias on good crushers and retailers demand. Higher international soybean market will also support prices. The prices (Nagpur, Plant basis) are expected to feature range bound movement in the price band of 7200 – 7,800 level. Soymeal prices are expected to rise improved export and domestic demand. Higher CBOT prices of Soy may also lead a further support to rise soymeal prices. The soymeal exports continued to be strong since the commencement of marketing season. Soy meal, Indore is expected to be in the range of 63,000 – 67,000 MT levels during the week.

Rapeseed-mustard is expected to feature range-bound movement on firm-bias on improved demand despite higher prices. The seed prices are likely to witness the price levels between 7,550 –7,900/Qtl; levels during the week. 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. The Government estimation of mustard crop is high at 10.4 MT. The COOIT has estimated mustard production at 8.90 MT.

**Trend – Raw Material, Fee**





Source: AgriWatch

### Soy meal

The domestic soymeal went higher side along with the soybean prices supported by good overseas demand. Firmness in soy complex is also lending support to increase soymeal markets. The domestic soymeal increased by 5.48% compared to the previous week.

The soymeal along with other oilmeal exports continued remain strong in May 2021, as in the recent months.

The industry market participants were 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, 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. July soymeal futures settled \$ 2.90 down at \$ 418.50 per short ton, the prices are down on profit booking phase in the markets. 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.

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.

### Rapeseed - Mustard Seed

Rapeseed-mustard also settled upside as the demand in domestic markets boost up ahead of less supplies. Other competitive oil demand in the market have also supported to rise mustard prices. 40% arrivals are remaining in the markets including farmers and traders so far.

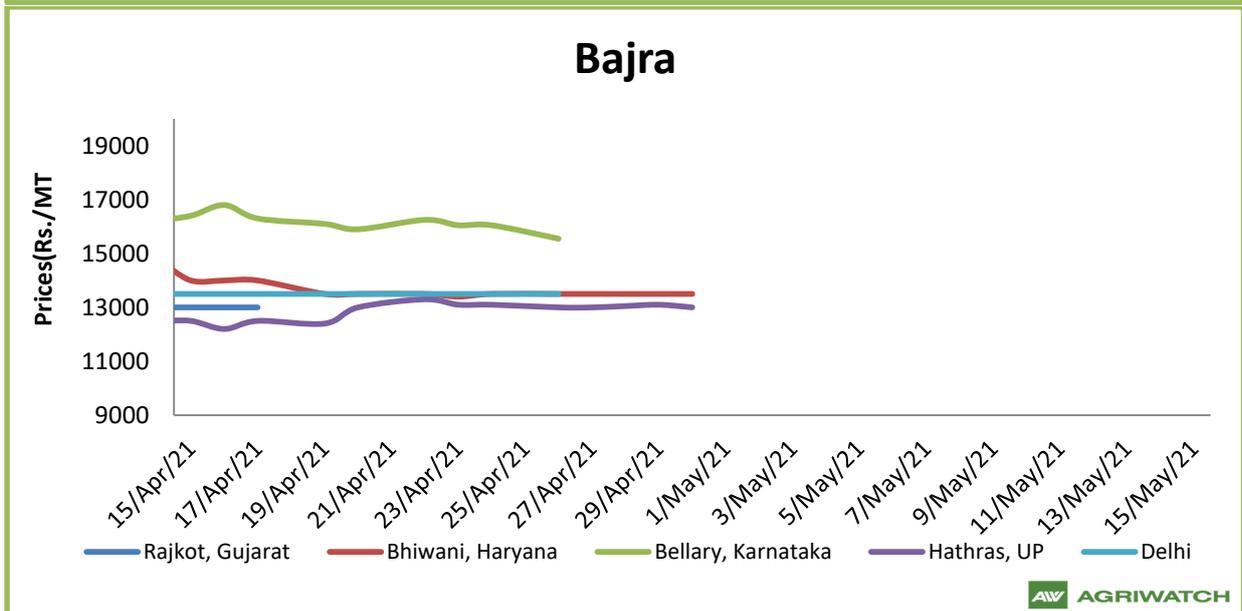
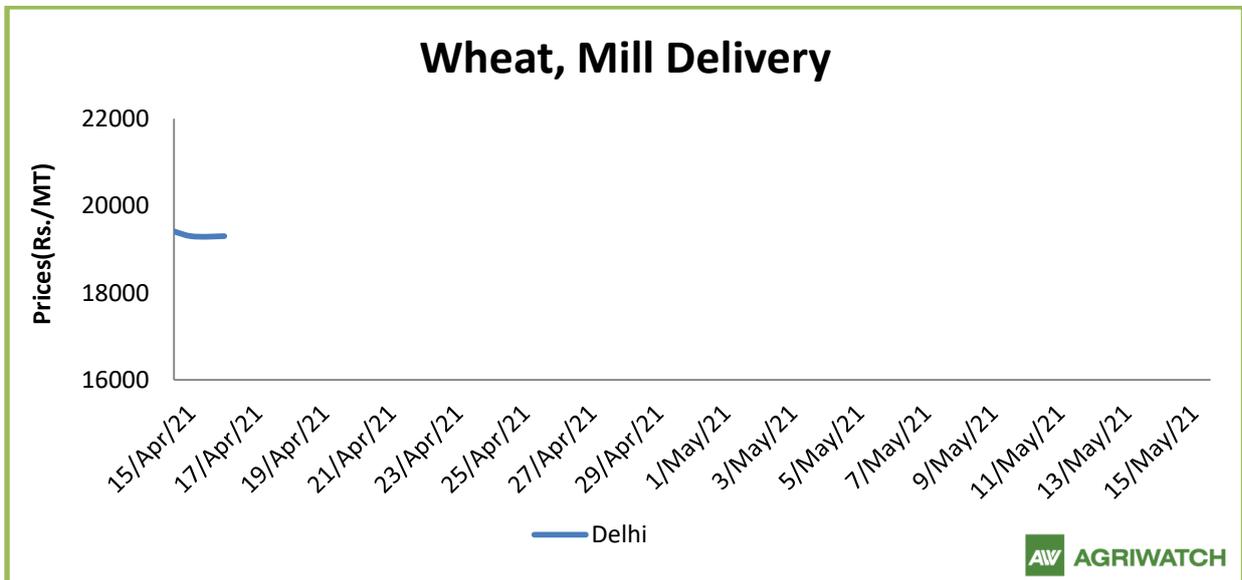
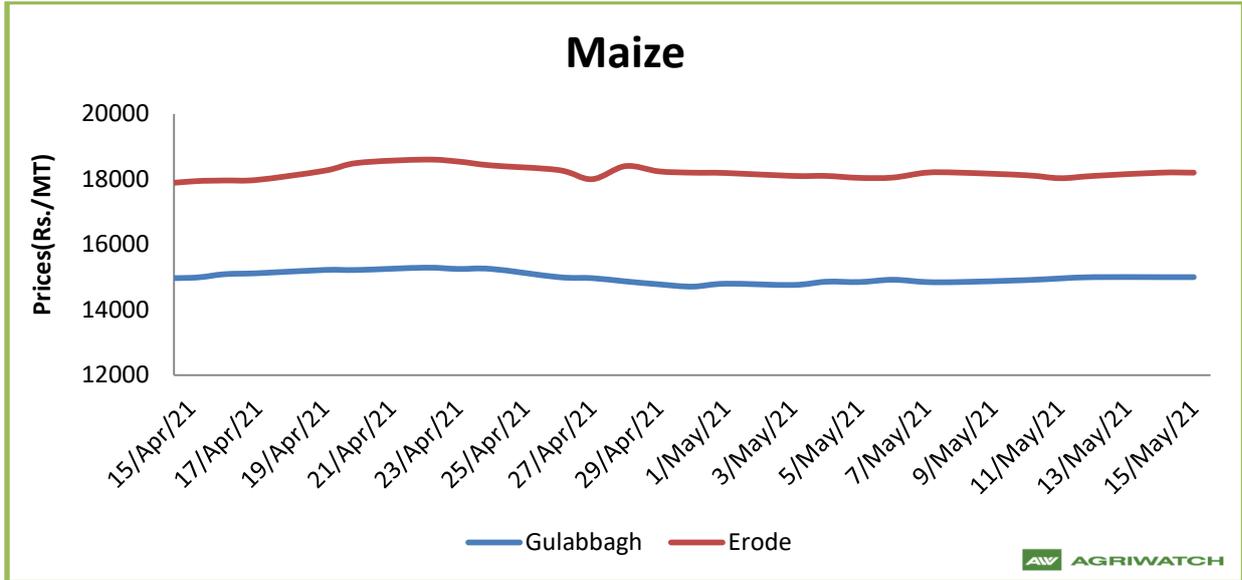
All the domestic oilseeds prices rallied to the levels which market participants strongly feel are unrealistic and not commensurating demand and supply. In Jaipur, RM seed average weekly prices rose by 5.72% to the weekly average price of Rs 7683 a quintal from Rs 7267 a quintal in last week. The crushing of the seed is at the steady pace on better mustard oil demand including demand for Public Distribution System in recent past. In February and March 17 lakh tons of mustard was crushed. 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. The Government estimation of mustard crop is high at 10.4 MT. The COOIT has estimated mustard production at 8.90 MT. Further, the rapeseed oilcake also increased by 5.18% to the weekly average price of Rs. 3000/qtl compared to the the weekly average price of Rs. 2852/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 June contract of rapeseed-mustard ended higher at 7,345/Qtl compared to 7,212/Qtl in last week.



**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 (loose) Maize in Bihar, markets is being traded at Rs. 1,450 per quintal. Maize is moving from Bihar, towards Punjab at Rs.1,750 per quintal and U.P at Rs. 1,550-1,600 per quintal. Maize from Bihar is being supplied to starch mills in Jamnagar, Gujarat and Rudrapur, Uttarakhand at Rs.1750 per quintal each. Maize crop arriving in Bihar markets contain 14-15% moisture due to rainfall in previous week.

Corn on CBOT fell by 50.79 USD/MT to 253.43 USD/MT for May'21 contract compared to previous week due to U.S. Department of Agriculture's, latest forecast of world ending stock of Corn which was greater than expected and also decreased U.S. Corn exports over last week. Agriwatch expects that Corn on CBOT would consolidate in the range of 250.89 USD/MT to 295.26 USD/MT for coming week. U.S. Maize exports have reached 45.05 MMT in the 2020-21 marketing year, at 1.54 MMT (for the period April 30-May 6, 2021). U.S. Maize exports were down by 30 percent from the previous week and 18 percent from the prior 4-week average; mainly for the destinations like China (355,700 MT), Mexico (308,100 MT), South Korea (247,800 MT), Japan (286,800MT), and Egypt (59,200 MT).

Wheat's average mill delivery prices remained closed in all markets in the week ending during 11th–17th 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 range-bound in upcoming weeks.

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

### Annexure

#### Oil Meal Prices at Key Spot Markets:

#### Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	14-May-21	07-May-21	Parity To
Indore - 45%, Jute Bag	62000	63000	Gujarat, MP
Kota - 45%, PP Bag	65000	63700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	67700	69500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	66500	65000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	67000	66000	Andhra, AP, Kar ,TN
Latur	68000	64000	-
Sangli	67000	65000	Local and South

Solapur	63000	61500	Local and South
Akola – 45%, PP Bag	63500	63500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	63500	63000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	64800	62000	-

#### Soy DOC at Port

Centers	Port Price		
	12-May-21	06-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			
Centers	12-May-21	06-Apr-21	Change
Argentina FOB USD/MT			
Soybean Pellets	473	453	+20
Soybean Cake Flour	473	453	+20
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	14-May-21	07-Apr-21	Change
Adoni	36000	35000	+1000
Khamgaon	NA	0	-
Parli	NA	0	-
Latur	35500	34500	+1000

Groundnut Meal (Rs/MT)	14-May-21	07-Apr-21	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC/Meal	14-May-21	07-Apr-21	Change
Jaipur (Plant delivery)	21000	22500	-1500
Kandla (FOR Rs/MT)	21500	23000	-1500

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

Market	Grade	14-May-21	07-May-21	13-Apr-21	14-May-20	14-May-19
Delhi	Hybrid	Closed	Closed	1600	1360	2000
Davangere	Loose	Closed	Closed	Closed	1300	NA
Nizamabad	Bilty	Closed	Closed	NA	Closed	2150
Ahmedabad	Feed	Closed	Closed	1650	1400	2200
	Starch	Closed	Closed	1650	1300	2150

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

As on 14.05.2021	Argentina	Brazil	US	India
FOB	255.00	278.00	329.00	249.00
Cost and Freight	305.00	333.00	389.00	284.00

**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						
Commodity	State	Variety	Centre	14-May-21	07-May-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	NA	-
		Hybrid	Bangalore	1959	1900	+59
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	NA	NA	-
Maize	Karnataka	Yellow	Davangere	Closed	Closed	-
	Telangana	Yellow	Nizamabad	Closed	Closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2550	2750	-200
Soy meal	Madhya Pradesh	DOC	Indore	6200	6300	-100
	Maharashtra	DOC	Sangli	6700	6500	+200
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3600	3500	+100
Mustard	Rajasthan	Plant delivery	Jaipur	2100	2250	-150
Groundnut Meal	Gujarat	GN Cake	Gondal	Closed	Closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2792	2672	+120
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2769	2740	+29
Note: Prices Rs./Qtl						

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