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Summary

Agriwatch expects that Maize would trade steady to slightly range-bound, as expectation of an increase in new crop arrivals containing high moisture percentage in coming week would weigh on market sentiments. On the other hand, if demand from local millers continues, and export demand is strong it would support the market at the lower level.

Sources revealed that 50% crop has been harvested in Bihar and West Bengal. Arrivals in market are in small quantity and contain high moisture percentage due to frequent rainfalls. According to sources 2, 22, 063 MT Maize has been procured in Andhra Pradesh valued Rs. 410.82 Crore.

The cotton seed oilcake market has been affected due to the second wave of coronavirus as markets are closed due to lockdown restrictions. According to the market sources, in the kadi market stock of around 12 lakh bags is available with NCDEX and around 10-12 lakh bags with non- NCDEX. It is expected that cotton seed oilcake prices may increase in August month after the new demand for cattle feed comes in the market. The weekly average price of cottonseed oilcake in the Kadi market has decreased and was at Rs. 2758 per quintal from Rs. 2764 per quintal and in Akola was at Rs. 2760 per quintal from Rs. 2775 per quintal the previous week.

All India's weekly average prices plunged by 0.35 percent to Rs. 2001 per quintal during the week 24th May to 31st May 2021 compared to Rs. 2008.24 per quintal in last week during the same corresponding period of time. However, wheat average prices quoted higher by 0.60% to Rs. 1989.03 per quintal during 24th–31st May 2020. 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 RMS 2021-22 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 (up-to 29.05.2021) a quantity of over 405.47 LMT of Wheat has been procured against the last year corresponding purchase of 353.09 LMT. About 42.91 lakh farmers have already been benefitted from the ongoing RMS procurement operations with MSP value of Rs. 79,088 Crore

Despite hike in oilseeds prices, oilmeals fell, as expected, mainly on slack on buying at the exceptionally higher level in recent weeks. Soybean prices may fall amid lower demand of crushers at higher level. Expected weak soy oil prices may put pressure on soybean prices in coming week.

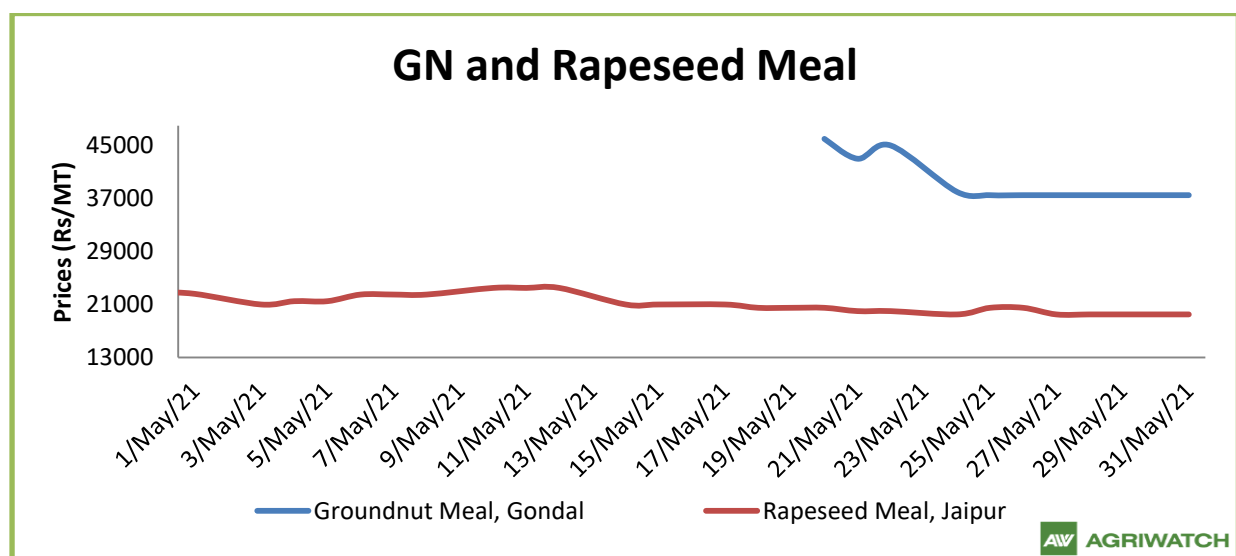
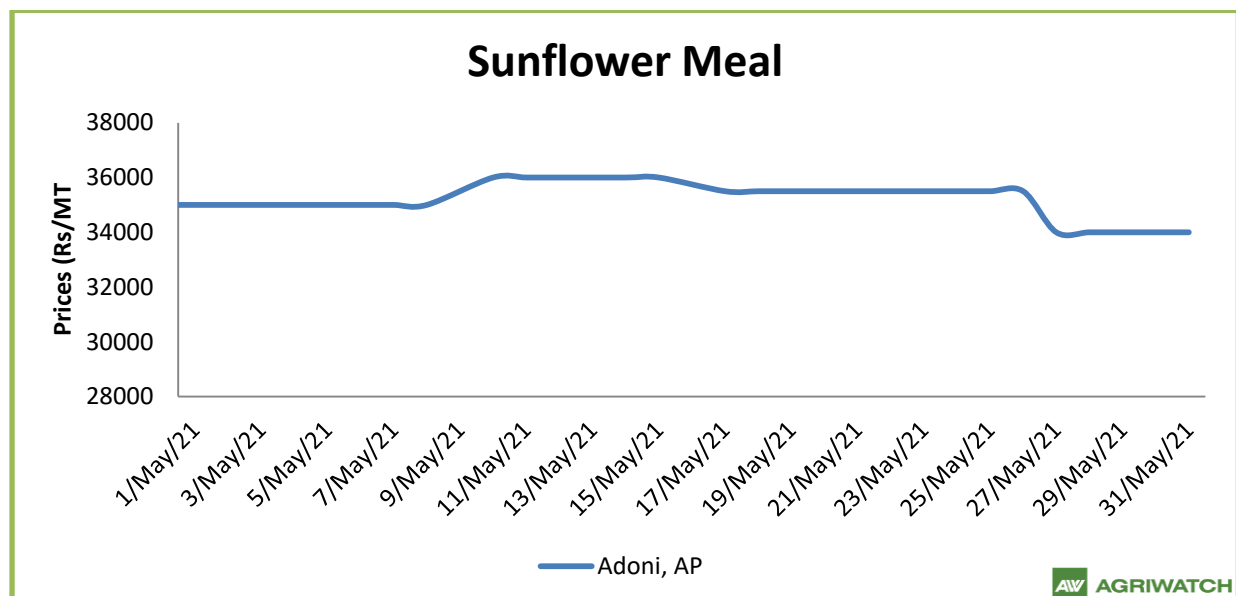
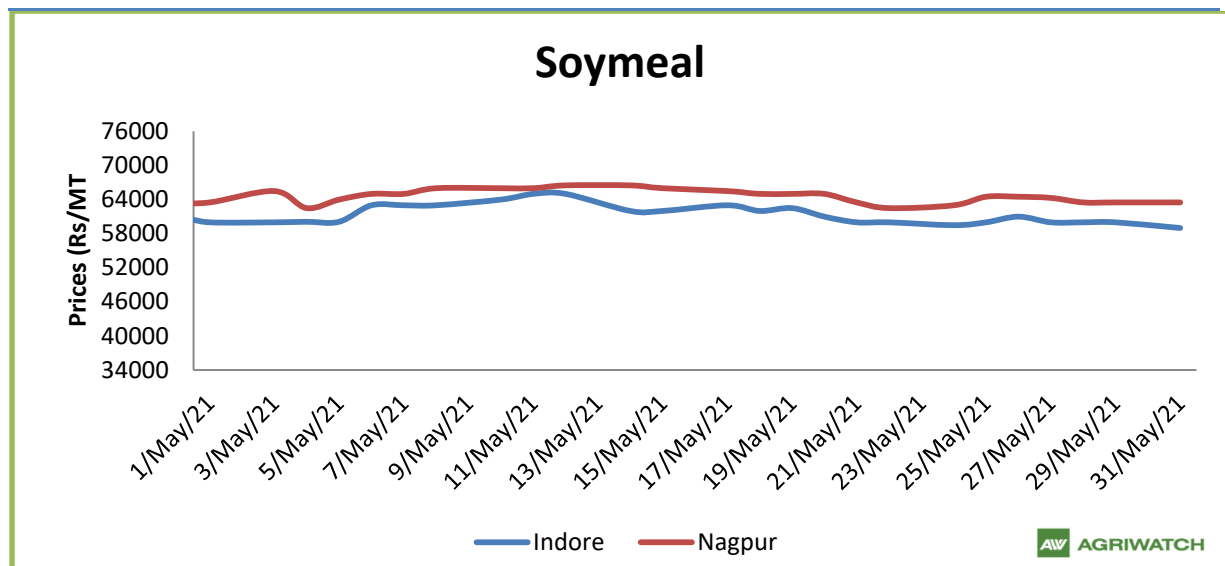
The market was waiting for the fall as the prices were unnecessarily at the very higher levels for consumers and the processing was getting unviable day by day. The soybean plant average delivery price at Nagpur is quoted higher at Rs. 7,783/qtl. While soymeal traded lower on weak demand in this week.

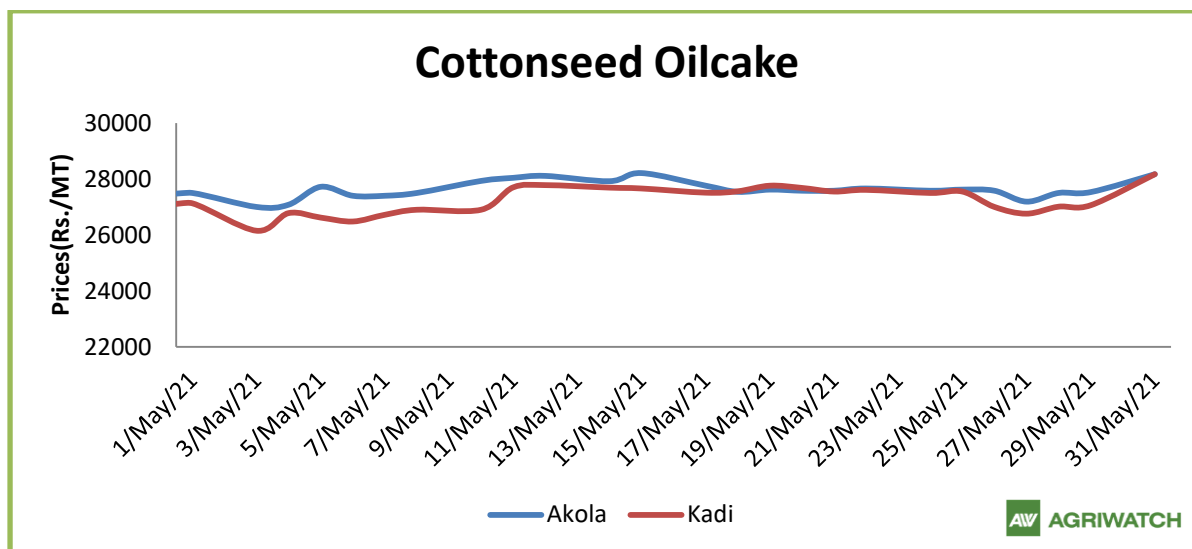
The rapeseed-mustard and rapeseed oilcake fell amid weak demand at higher level also weak price trend at global markets during the past week. The rapeseed-mustard average prices declined by 2.79% and rapeseed oilcake pulled down by 0.78%, and soymeal declined by 2.75%.

We feel the soy and rapeseed-mustard complex to remain under pressure on weak demand at the higher prices. Also, soymeal and rapeseed meal demand is lower in global markets as prices are very high. However, China may again come forward to buy a bulk order and can get support from domestic soymeal prices.

India's export of oilmeals for the month of April 2021 is reported at 303,458 metric tonnes compared to 102,150 metric tonnes in April 2020 i.e. up by +197%.

Trend – Raw Material, Fee





Source: AgriWatch

Soy meal

The domestic soy meal fell in tandem with the soybean as the meal buyers refrained to offtake at the price which were too high after they jumped in recent weeks. The domestic soy meal declined by -2.75% compared to the previous week.

The soy meal along with other oil meal exports continued remain strong in June 2021, as in the recent months.

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 soy meal futures settled \$ 5.20 higher at \$ 3.95 per short ton, on Monday. The prices are up amid china's good demand.

World 2021/22 soy meal production is estimated higher at 260.31 million tonnes vs 253.12 million tonnes against last year record, in its May report.

Higher 2021/22 US soybean planting estimates in the prospective planting report on May 17 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 soy meal for some more time.

The gains in local soy meal will be supported by the strong and continued overseas soy meal demand of Indian origin.

India's Apr 2021 soy meal exports increased by 53% to 39,705 metric tonnes compared to 25,940 metric tonnes in the same period last year. Further, the soy meal 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 April 2021 is reported at 303,458 metric tonnes compared to 102,150 metric tonnes in April 2020 i.e. up by +197%.

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 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. Limited arrivals will support prices at few extent.

In Jaipur, RM seed average weekly prices declined by 2.79% to the weekly average price of Rs 7262 a quintal from Rs 7471 a quintal in last week.

The crushing of the seed is at the steady pace on lower mustard oil demand.

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.

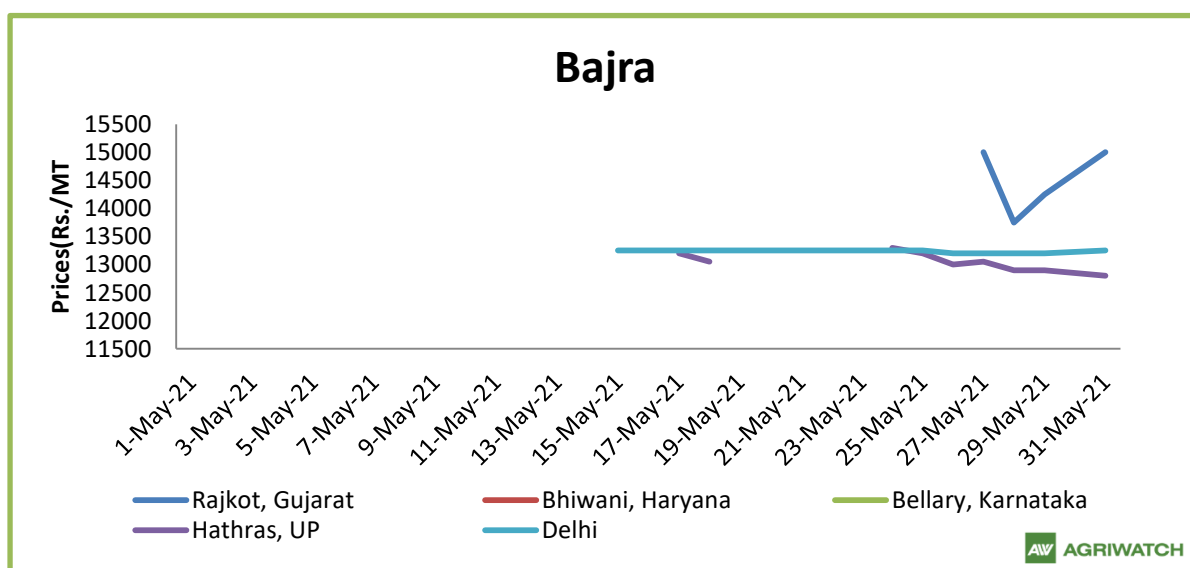
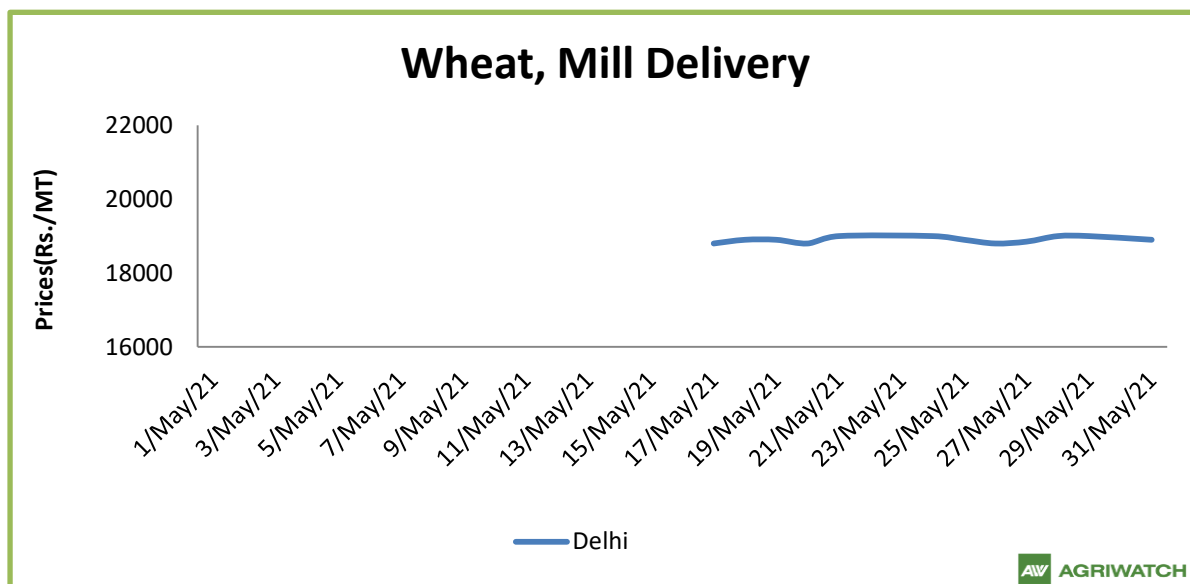
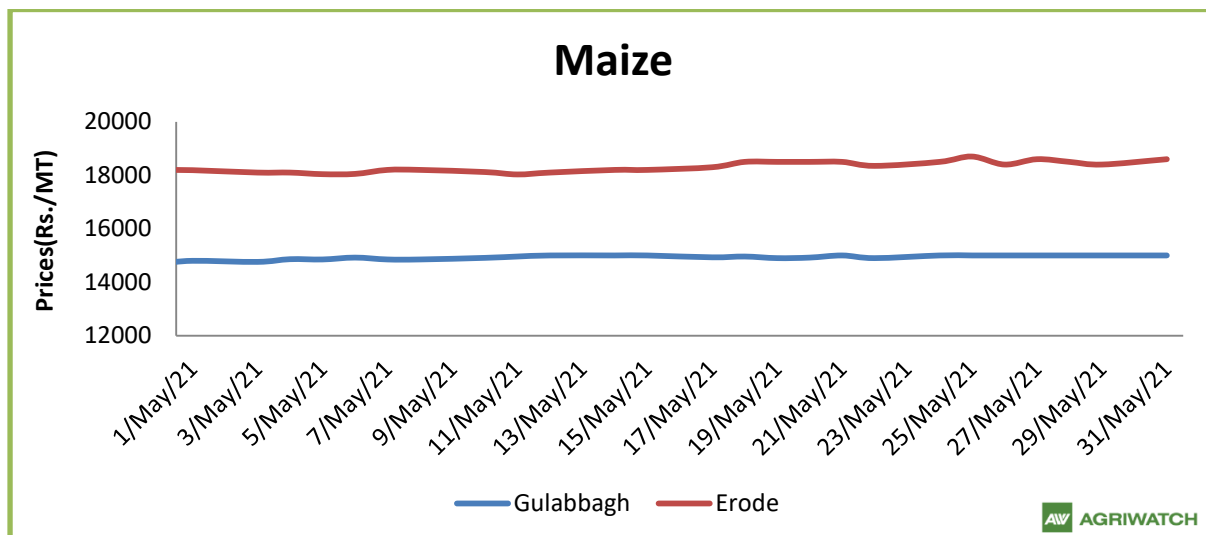
Further, the rapeseed oilcake decreased by 0.78% to the weekly average price of Rs. 2787/qtl compared to the the weekly average price of Rs. 2809/qtl previous week.

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 7,046/Qtl compared to 6,945/Qtl in last week.



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

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

Sources revealed that Maize in villages nearby Nizamabad is being traded at 1550 Rs. per quintal, Nizamabad market re-opened on Monday but trade is not taking place in Nizamabad market. Maize is being supplied to Hyderabad at 1650 Rs. per quintal sourced from Nizamabad. Sources revealed that Maize in Bihar, markets is being traded at Rs. 1,500 per quintal, Maize is being exported to Bangladesh at 1525 Rs. per quintal sourced from W.B. Maize in M.P, Mandsaur and nearby areas, is being traded at an average of Rs.1449 per quintal.

Corn on CBOT fell by 3.05 USD/MT to 258.55 USD/MT for July'21 contract compared to previous week, this can be attributed to the reason that, there have been evidences of slight drop in Corn demand in Chinese market. Agriwatch expects that Corn on CBOT would consolidate in the range of 240.89 USD/MT to 290.26 USD/MT for coming week. U.S. Maize exports have reached 49.13 MMT in the 2020-21 marketing year, at 1.84 MMT (for the period May14 – May20, 2021). U.S. Maize exports were down by 17 percent from the previous week and 6 percent from the prior 4-week average; mainly for the destinations like China (847,000MT), Mexico (379,000MT, Japan (200,000MT), Colombia (200,700 MT), and South Korea (61,500 MT).

Wheat's average mill delivery prices closed lower side at its benchmark remained closed in all markets in the week ending during 25th–31st 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 will feature range-bound movement with weak bias on decline in crushing demand for seed at the higher prices and also overall feed ingredients prices traded range bound with weak bias during last week.

Annexure
Oil Meal Prices at Key Spot Markets:
Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	28-May-21	21-May-21	Parity To
Indore - 45%, Jute Bag	60000	60000	Gujarat, MP
Kota - 45%, PP Bag	62200	62200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	65000	63500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	63500	63500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	64000	65000	Andhra, AP, Kar ,TN
Latur	64000	63000	-
Sangli	64500	64500	Local and South

Solapur	61500	61500	Local and South
Akola – 45%, PP Bag	61000	61000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	63500	63500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	62000	62000	-

Soy DOC at Port

Centers	Port Price		
	27-May-21	21-May-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	27-May-21	20-May-21	Change
Soybean Pellets	414	422	-8
Soybean Cake Flour	414	422	-8
Soya Meal	NR	-	-
Soy Expellers	NR	-	-
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	28-May-21	21-May-21	Change
Adoni	34000	35500	-1500
Khamgaon	NA	-	-
Parli	NA	-	-
Latur	33500	35000	-1500

Groundnut Meal (Rs/MT)	28-May-21	21-May-21	Change
Basis 45%, Saurashtra	40000	40000	Unch
Basis 40%, Saurashtra	37500	39000	-1500
GN Cake, Gondal	41000	43000	-2000

Mustard DOC/Meal	28-May-21	21-May-21	Change
Jaipur (Plant delivery)	19500	20000	-500
Kandla (FOR Rs/MT)	20000	20500	-500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	28-May-21	21-May-21	27-Apr-21	28-May-20	28-May-19
Delhi	Hybrid	1630	1650	Closed	1375	2000
Davangere	Loose	1520	1625	1600	1300	NA
Nizamabad	Bilty	1600	1600	Closed	NA	2150
Ahmedabad	Feed	1800	1725	Closed	1390	2150
	Starch	1800	1740	Closed	1375	2150

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

As on 25.05.2021	Argentina	Brazil	US	India
FOB	248.00	264.00	264.00	251.00
Cost and Freight	298.00	315.00	324.00	286.25

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	247085(p)
Mar	430.1	107059	39209	193920	61499	146379(p)
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	1564833

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	28-May-21	21-May-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	NA	-
		Hybrid	Bangalore	NA	1950	-
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	3200	NA	-
Maize	Karnataka	Yellow	Davangere	1440	Closed	-
	Telangana	Yellow	Nizamabad	NA	1600	-
Rice	Haryana	IR8	Karnal	3000	3000	Unch
		Parmal Raw	Karnal	2450	2650	-200
Soy meal	Madhya Pradesh	DOC	Indore	6000	6000	Unch
	Maharashtra	DOC	Sangli	6450	6450	Unch
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3400	3500	-100
Mustard	Rajasthan	Plant delivery	Jaipur	1950	2000	-50
Groundnut Meal	Gujarat	GN Cake	Gondal	4100	3900	200
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2701	2758	-57
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2750	2755	-5
Note: Prices Rs./Qtl						

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