AGRIWATCH

Contents:

Summary

Agriwatch expects that Maize would trade steady to strong, on the expectation that crop arrivals in coming weeks would remain slow and there are chances of Maize shortage in Markets in coming weeks. Also, demand from local and international feed makers continue, that would support the Market at the lower level.

Sources revealed that millers in Uttar Pradesh are buying Maize between Rs. 1,650-Rs.1750 per quintal sourced from Gulabbagh, Bihar. Maize in Bihar markets is being traded between Rs. 1400-Rs. 1700 per quintal, depending on the quality of Maize.

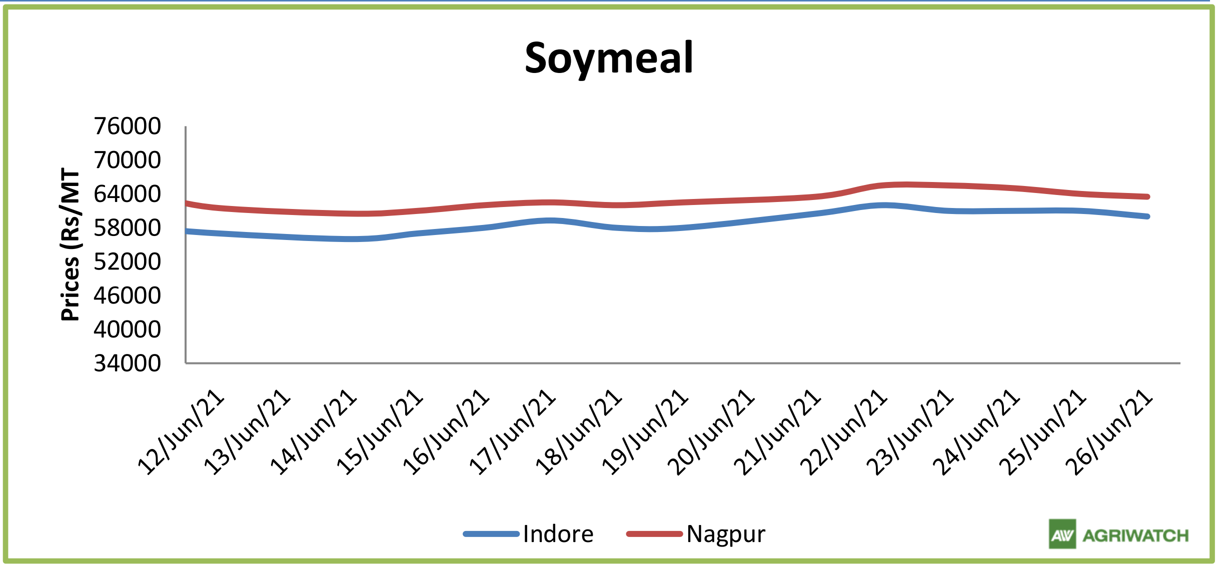
The cottonseed oil prices have decreased from the previous week by 1-2 percent in Hyderabad and Mumbai market and the cottonseed oilcake prices have increased by around 1-2 percent. The average raw cotton prices are prevailing between Rs. 7670-7712 per quintal in Rajkot market which are much above than the minimum support price of Rs. 5825 per quintal for 2020-21 season. The average price of cottonseed oilcake in the Kadi market has increased and was at Rs. 2979 per quintal from Rs. 2970 per quintal, whereas, in Akola prices were at Rs. 2974 per quintal from Rs. 2939 per quintal the previous week.

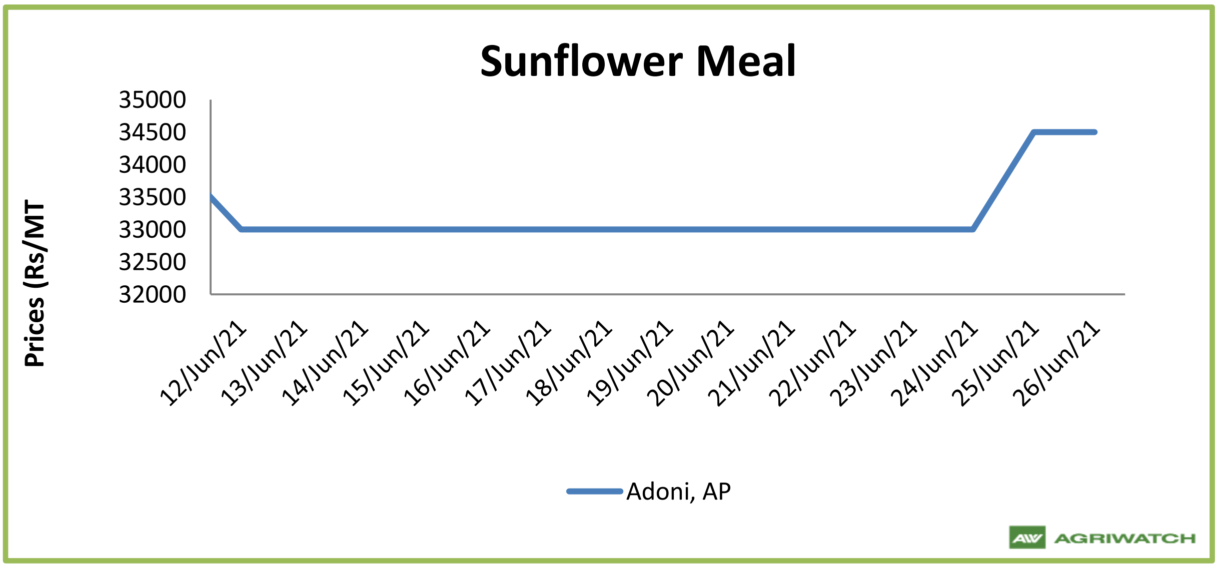
All India's weekly average prices sharply decreased by -0.88 percent to Rs. 1967.94 per quintal during the week24th June to 30th June 2021 compared to Rs.2040.44 per quintal in last week. Wheat average prices quoted lower by 4.93% against Rs. 2070.03 per quintal during 24th–30th June 2020. Due to imposed of PMGKAY scheme till November 2021 wheat is likely to trade steady to weak tone in coming weeks. Slow procurement activity of government will also not support prices much. 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 24.06.2021) a quantity of over 432.58 LMT of Wheat has been procured higher against 395.34 LMT in last year in the corresponding period of time. About 49 lakh farmers have already been benefitted with MSP value of Rs.85,357 crore from the ongoing RMS procurement operations. According to FCI, there were about 19,036 wheat procurement centres during the ongoing 2021-22 rabi marketing season. Total stock of wheat in the central pool is around 587.68 LMT which is higher than buffer stock norms.

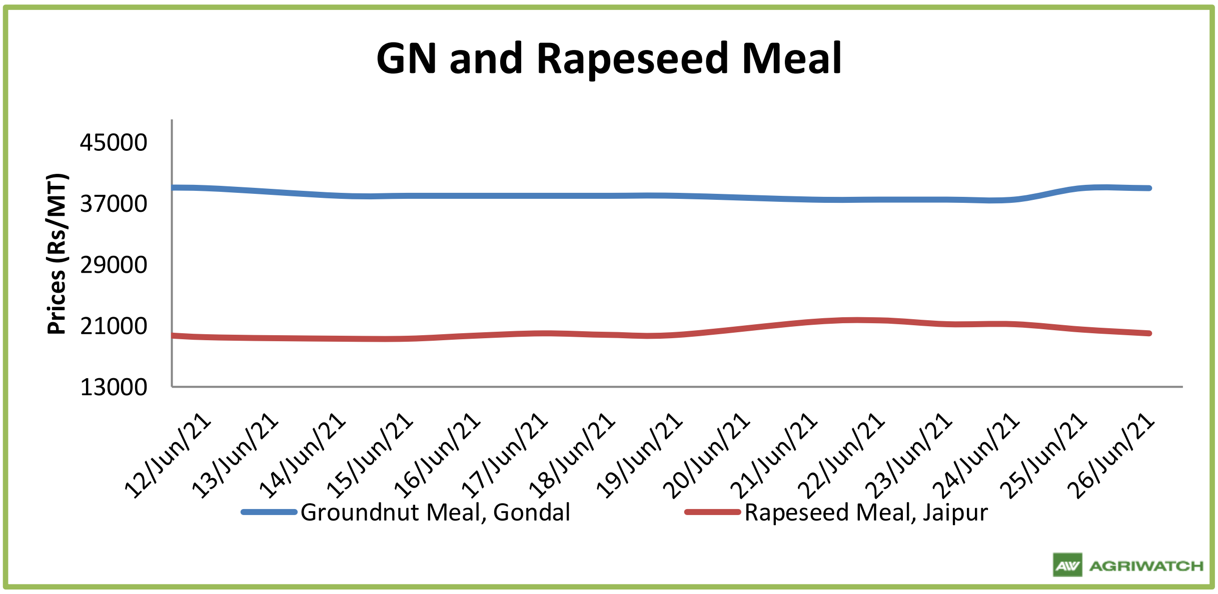
The soymeal exports numbes in may witnessed weakness which was discounted in prices. However weakness in soybean may countinue in near term. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 57,000 – 61,000 /MT on good local and export demand, for medium-term.

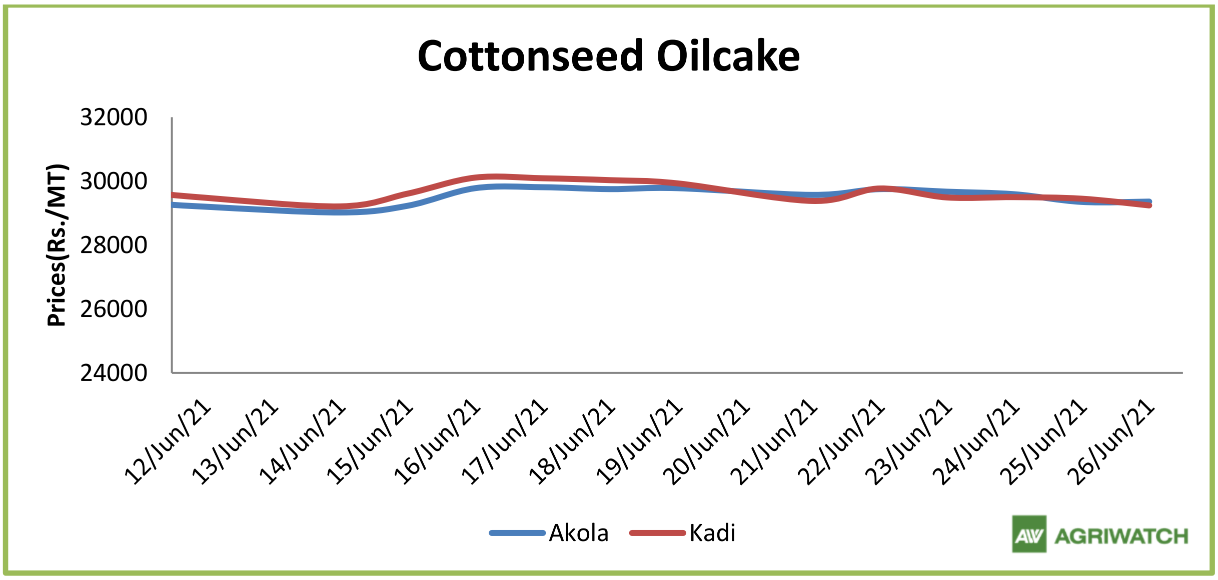
Arrival of mustard seed in mandis has decreased at all places in the country which may support the prices However, Rapeseed-mustard is expected to feature range-bound movement on weak demand at the higher price level. The seed prices are likely to witness the price levels between 6,800 –7,100/Qtl. in short-run.

Trend – Raw Material, Fee









Source: AgriWatch

Soy meal

The domestic weekly average soymeal prices at Indore was 4.2% up to Rs 60,083 /MT compared to the weekly average of Rs 57,550/MT previous week strength in soybean prices and other oilseed complex supported the prices. Soymeal expected to trade rangebound . However, good demand in global market may support prices.

The soymeal along with other oilmeal exports continued remain strong in June2021, as in the recent months.

World 2021/22 soymeal production is estimated higher at 260.31 million tonnes vs 253.12 million tonnes against last year record, in its June report. Higher 2021/22 US soybean planting estimates in the prospective planting report on June 20, 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.

India's May 2021 soymeal exports increased by 12% to 52,434 metric tonnes compared to 46,614 metric tonnes in the same period last year. Further, the soymeal shipments improved by +27% to 92,193 metric tonnes in aggregate, during the last ten months (April-may.) of financial year 2020-21 compared to 72,554 metric tonnes during the corresponding period last year. India's export of oilmeals for the month of May 2021 is reported at 228,242 metric tonnes compared to 248,007 metric tonnes in April 2020 i.e. down by -8%.

The overall export of oilmeals during April -May 2021 is also reported up by +52% at 531,700 metric tonnes compared to 350,157 metric tonnes during the same period last year.

In current year financial year 2021-22, export of oilmeals in first two months showing improvement. Export of Soybean meal slightly improved, thanks to buying by U.S.A., while Rapeseed meal substantially increased, due to higher shipment to South Korea and Thailand. Ricebran Extraction is performing better due to larger demand from Vietnam and Bangladesh.

India's exports for rapeseed meal during April-May 2021 was up +66% at 274,692 metric tonnes compared to 165,737 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in May'21 is reported at 96,870 metric tonnes against last year 14,4244 metric tonnes during the same period i.e. lower by -33%.

The domestic soymeal demand has considerably recovered in prevous 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 declined to US $ 210/MT in May'21 vs US $ 215/MT in April'21, leading incompetitiveness for Indian soymeal exports.

Rapeseed - Mustard Seed

Rapeseed-mustard witnessed gainamid tight supply and strength in other oilseed complex, However, expected weak trend in other oilseeds complex may weigh on mustard prices in coming week but buying at lower level and short covering may support price gains.

Rapeseed Mustard inclined by2% to Rs.6984 /Qtl this week as compared to Rs 6842/Qtl last week.

NAFED had procured the rapeseed-mustard at 0.03 MT of rapeseed-mustard valued Rs 0.014 Lakh from Madhya Pradesh at MSP (Rs4650/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.

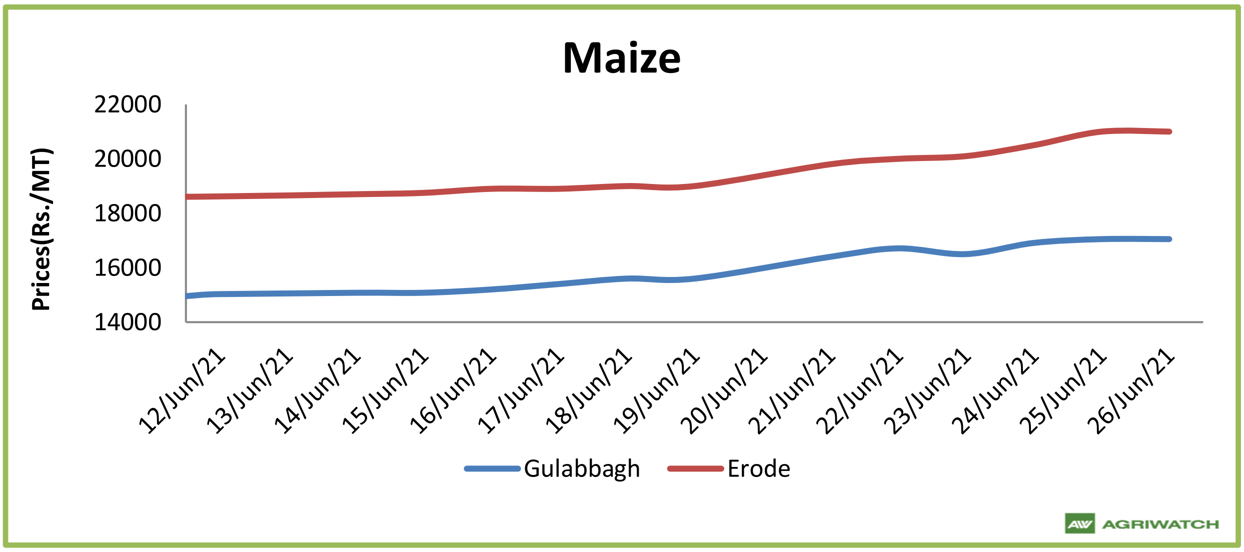
Rapeseed oilcake traded 2.3% up Rs 2758/ Qtl as compared to last week Rs 2695/Qtl, strength in Rapeseed prices put additional support on the upside.

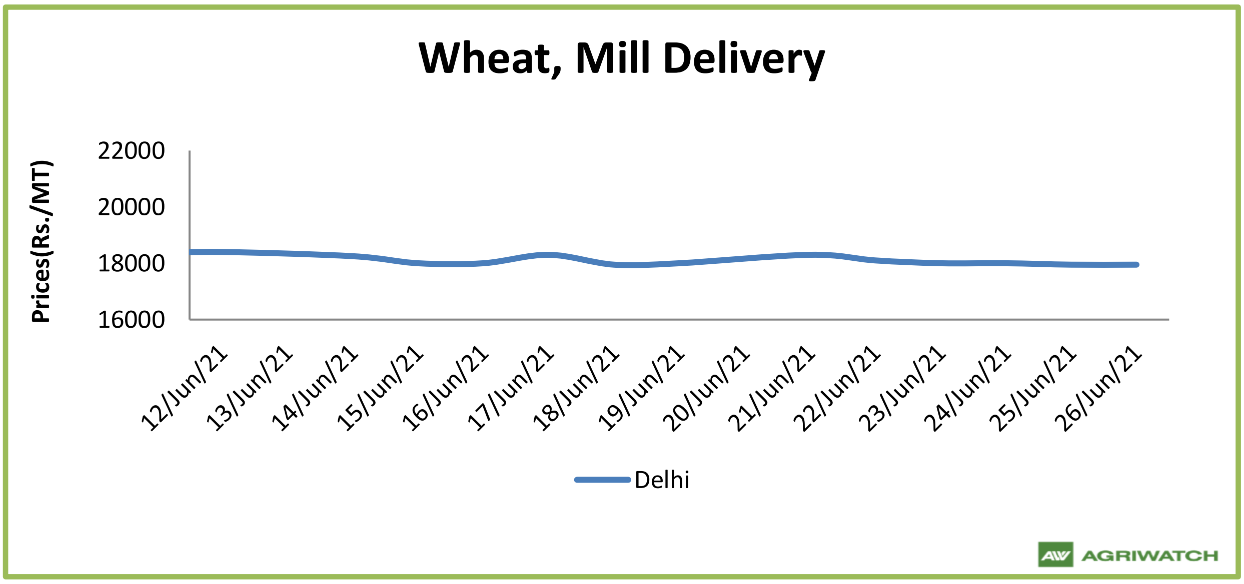
India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

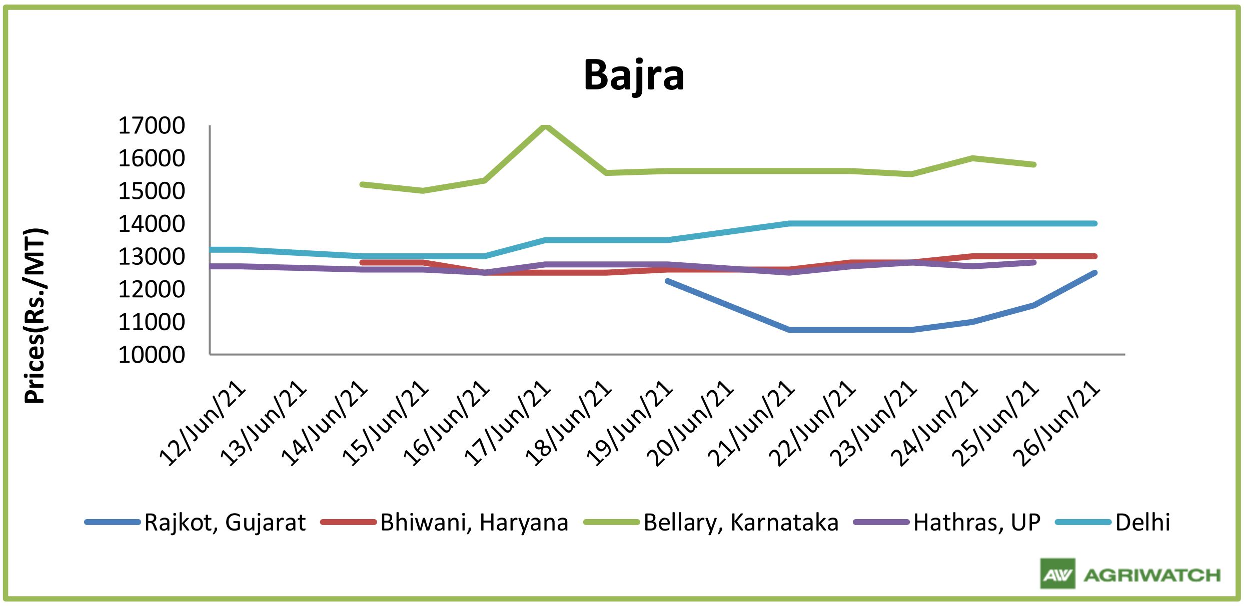
India's exports for rapeseed meal during April-May 2021 was up +66% at 274,692 metric tonnes compared to 165,737 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in May'21 is reported at 96,870 metric tonnes against last year 14,4244 metric tonnes during the same period i.e. lower by -33%.

At NCDEX futures, the July contract of rapeseed-mustard fell at 6,902/Qtl compared to 6,945/Qtl in last week.


Maize
Prices(Rs./MT)
22000
20000
18000
16000
14000
12/Jun/21
13/Jun/21
14/Jun/21
15/Jun/21
16/Jun/21
17/Jun/21
18/Jun/21
19/Jun/21
20/Jun/21
21/Jun/21
22/Jun/21
23/Jun/21
24/Jun/21
25/Jun/21
26/Jun/21
Gulabbagh
Erode
AGRIWATCH


Wheat, Mill Delivery
Prices(Rs./MT)
22000
20000
18000
16000
12/Jun/21
13/Jun/21
14/Jun/21
15/Jun/21
16/Jun/21
17/Jun/21
18/Jun/21
19/Jun/21
20/Jun/21
21/Jun/21
22/Jun/21
23/Jun/21
24/Jun/21
25/Jun/21
26/Jun/21
Delhi
AGRIWATCH


Bajra
Prices(Rs./MT)
17000
16000
15000
14000
13000
12000
11000
10000
12/Jun/21
13/Jun/21
14/Jun/21
15/Jun/21
16/Jun/21
17/Jun/21
18/Jun/21
19/Jun/21
20/Jun/21
21/Jun/21
22/Jun/21
23/Jun/21
24/Jun/21
25/Jun/21
26/Jun/21
Rajkot, Gujarat
Bhiwani, Haryana
Bellary, Karnataka
Hathras, UP
Delhi
AGRIWATCH

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

During the week under review, steady to strong sentiments were reported in most of the major cash markets of Maize.

Sources revealed that Maize in areas nearby Nizamabad is being traded between Rs. 1600- Rs. 1700 per quintal. Domestic trade in Davangere markets is still very sluggish due to Covid restrictions and arrivals in markets are little in quantity. Maize in M.P, Ratlam is being traded at an average of Rs. 1600 per quintal..

Corn on CBOT fell by 7.38 USD/MT to 250.58 USD/MT for July'21 contract compared to previous week over the improved weather in U.S. 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 56.26 MMT in the 2020-21 marketing year, at 1.68 MMT (for the period June 10 – June 17, 2021). U.S. Maize exports were up 2 percent from the previous week, but down 7 percent from the prior 4-week average. The destinations were primarily to China (1,068,100 MT), Mexico (332,500 MT), Japan (139,800 MT), Guatemala (45,300 MT), and El Salvador (29,200 MT).

Outlook: Feed prices are expected to feature in range bound zone in coming week.

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	24-Jun-21	17-Jun-21	Parity To
Indore - 45%, Jute Bag	61000	59300	Gujarat, MP
Kota - 45%, PP Bag	63000	60200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	67000	63500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	65000	62500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	65500	63000	Andhra, AP, Kar ,TN
Latur	69000	62500	-
Sangli	66000	62000	Local and South
Solapur	64500	60300	Local and South
Akola – 45%, PP Bag	63000	60000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	63500	63500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	62800	60000	-

Soy DOC at Port

Centers	Port Price		
	23-Jun-21	16-Jun-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	**23-Jun-21**	**16-Jun-21**	**Change**
Soybean Pellets	392	410	-18
Soybean Cake Flour	392	410	-18
Soya Meal	NA	NA	Unch
Soy Expellers	NA	NA	Unch
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**24-Jun-21**	**17-Jun-21**	**Change**
Adoni	33000	33000	Unch
Khamgaon	NA	NA	Unch
Parli	NA	NA	Unch
Latur	32500	32500	Unch

Groundnut Meal (Rs/MT)	24-Jun-21	17-Jun-21	Change
Basis 45%, Saurashtra	40500	40000	500
Basis 40%, Saurashtra	37500	38000	-500
GN Cake, Gondal	41000	41000	Unch

Mustard DOC/Meal	24-Jun-21	17-Jun-21	Change
Jaipur (Plant delivery)	21200	20000	1200
Kandla (FOR Rs/MT)	22000	20500	1500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	25-Jun-21	18-Jun-21	25-May-21	25-Jun-20	25-Jun-19
Delhi	Hybrid	1700	1630	1650	1340	1950
Davangere	Loose	1660	1660	1645	1450	NA
Nizamabad	Bilty	1700	1700	1600	1375	2200
Ahmedabad	Feed	1850	1800	1800	1400	2100
	Starch	1900	1700	1800	1460	2150

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

As on 24.06.2021	Argentina	Brazil	US	India
FOB	220.00	233.00	261.00	245.18
Cost and Freight	270.00	288.00	321.00	280.18

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
Mar	430.1	107059	39209	193920	61499	146379
Apr	12295	124374	68264	40829	25940	39750
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**	**25-Jun-21**	**18-Jun-21**	**Change**
Bajra	Karnataka	Hybrid	Bellary	1580	1555	25
		Hybrid	Bangalore	1950	1950	Unch
Jowar	Karnataka	White	Bangalore	2650	2650	Unch
		White	Bellary	1570	1435	135
Maize	Karnataka	Yellow	Davangere	NA	NA	-
	Telangana	Yellow	Nizamabad	1700	1700	Unch
Rice	Haryana	IR8	Karnal	3500	3500	Unch
		Parmal Raw	Karnal	3000	3000	Unch
Soy meal	Madhya Pradesh	DOC	Indore	6100	5800	300
	Maharashtra	DOC	Sangli	6600	6200	400
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3450	3300	150
Mustard	Rajasthan	Plant delivery	Jaipur	2050	1980	70
Groundnut Meal	Gujarat	GN Cake	Gondal	4300	4100	200
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2945	2975	-30
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2935	2993	-58
Note: Prices Rs./Qtl						