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Summary

Agriwatch expects that Maize would trade in a narrow range with a firm bias in near term, on the expectation that domestic demand from medium and small poultry feed makers would remain steady till July end week. However declined exports of Maize, due to substitution of export Maize by Wheat might slow down the Maize market.

Sources revealed that good quality Maize is being traded in Bihar and West Bengal Markets at Rs. 1800 per quintal. Maize at Rs.1800-Rs.1900 per quintal is being exported to Bangladesh sourced from West Bengal. Maize in Punjab and Haryana sourced from U.P. , is being traded in Punjab and Haryana at Rs.1850-Rs.1875 per quintal.

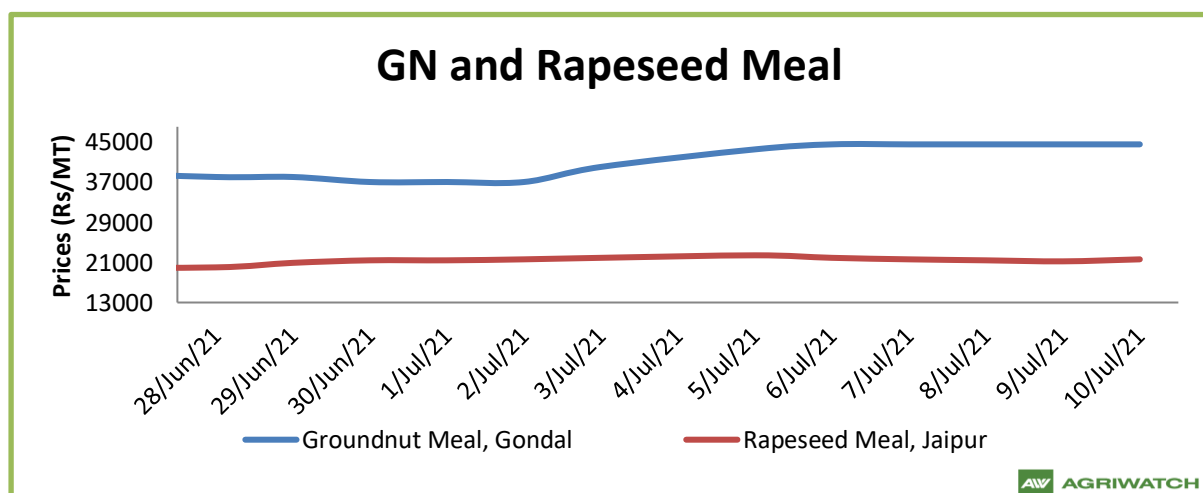
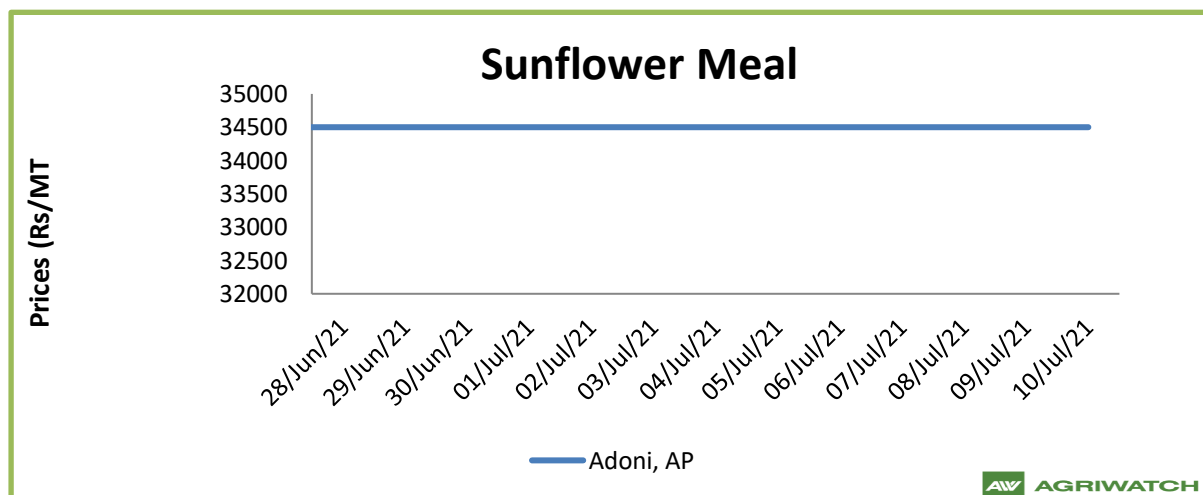
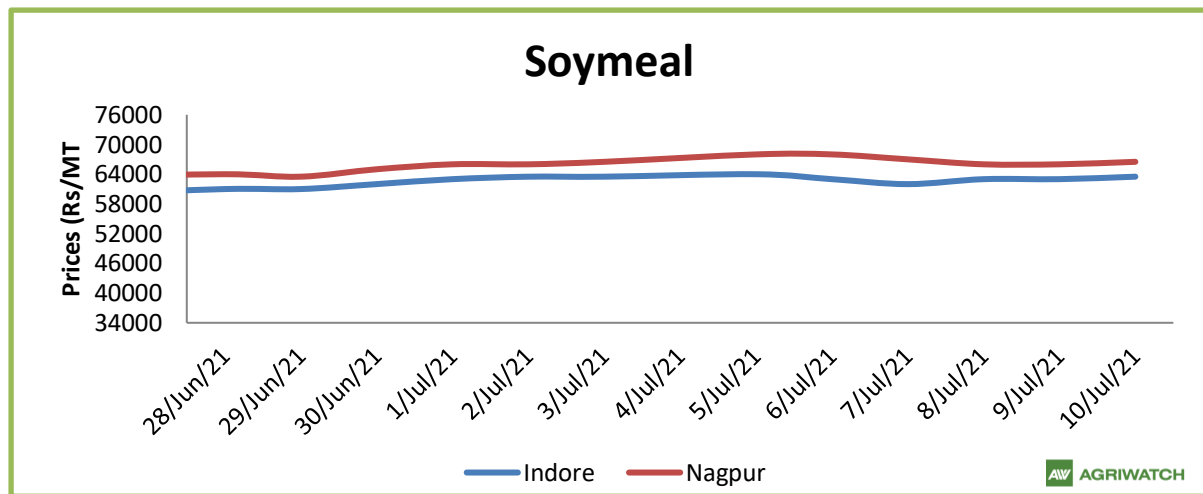
The cottonseed oil prices have increased from the previous week by 1-2 percent in Hyderabad and Mumbai market, whereas in Rajkot market the prices have decreased by 1 percent. The cottonseed oilcake prices have slightly increased from the previous week. The average price of cottonseed oilcake in the Kadi market has increased and was at Rs. 2909 per quintal from Rs. 2907 per quintal, whereas, in Akola prices were at Rs. 2927 per quintal from Rs. 2922 per quintal the previous week.

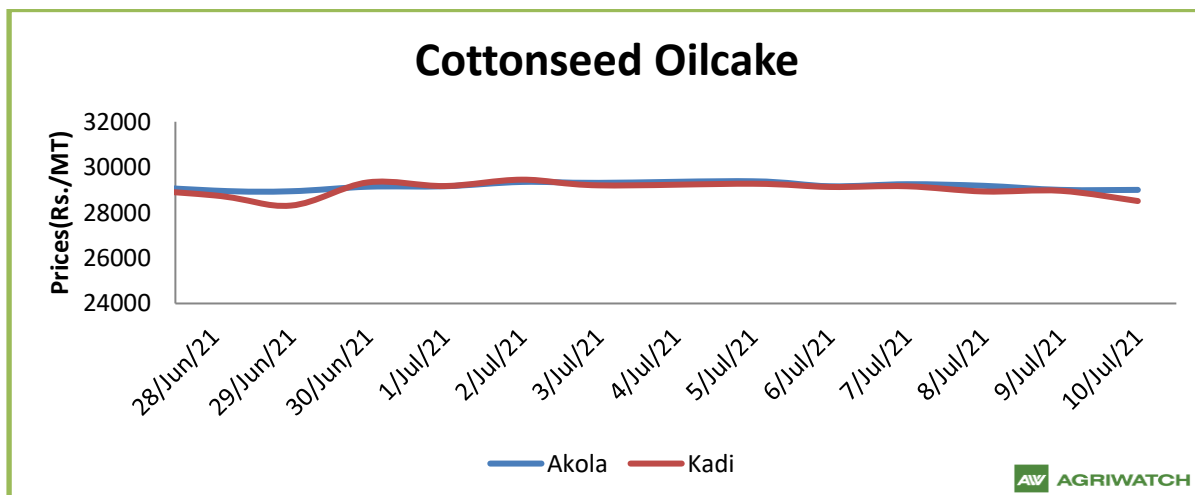
During the week of July 1 to 8, 2021, the weekly average price in India grew by 2.43 percent to Rs. 2335.11 per quintal, up from Rs. 2091.45 per quintal the previous week. Between July 1st and July 8th, 2020, wheat average prices increased by 12.94 percent to Rs. 2067.56 per quintal. Prices are rising due to a lack of stock availability. While the government's procurement procedures are nearly complete in various Indian states and the imposition of the PMGKAY program until November 2021 will put downward pressures in wheat markets in the near future. Wheat procurement in the ongoing RMS 2021-22 is almost complete in the procuring states of Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Delhi, and Jammu & Kashmir, while it continues at MSP in Rajasthan, Bihar, and Gujarat, as in previous seasons, and a total of over 433.32 LMT of Wheat has been procured all time higher against 387.4 LMT in previous seasons. The present RMS procurement operations have already benefited almost 49.16 lakh farmers with MSPs worth Rs.85,581,02 crore. During the current 2021-22 rabi marketing season, there were approximately 19,036 wheat procurement centers, according to FCI. Total stock of wheat in the central pool is around 587.68 LMT which is higher than buffer stock norms. This Rabi season, government procured 132.10 LMT of wheat from Punjab, higher from MP's procurement record of 128.08 LMT in 2021-22. However, it was procured lower at 127.14 LMT from Punjab compared to 129.42 LMT in MP during 2020-21.

The soymeal demand in poultry is expected to witness firm tone. However strength in soybean and other oilseed complex may draw support to soymeal as well. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 62,000 – 65,000 /MT on good local and export demand, for medium-term.

Arrival of mustard seed in mandis has declined at all places in the country which may support the prices. However, Rapeseed-mustard is expected to feature firm tone in near term due to domestic and international factors. The seed prices are likely to witness the price levels between 6,700 – 7,200/Qtl. in short-run.

Trend – Raw Material, Fee





Source: AgriWatch

Soy meal

The domestic weekly average soymeal prices at Indore was 2% up to Rs 61,333 /MT compared to the weekly average of Rs 60,083 /MT previous week. Strength in soybean prices and other oilseed complex supported the prices. Soymeal expected to trade rangebound. However, good demand in local and global market may support prices.

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

World 2021/22 soymeal production is estimated higher at 260.32 million tonnes vs 253.12 million tonnes against last year record, in USDA 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 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 declined to US \$ 210/MT in May'21 vs US \$ 215/MT in April'21, leading incompetiveness for Indian soymeal exports.

Rapeseed - Mustard Seed

There is a huge decline in the arrival of mustard in the spot market but the demand is strong by millers and crushers. Traders are ready to purchase mustard at higher prices but farmers are still not reaching the market with their produce. There is a demand for mustard oil especially from the states of North India like Bihar, Uttar Pradesh and West Bengal. Subsequently the ban on blending in mustard after June 8, the demand for mustard has increased. Further, Mustard prices may draw support from, firm demand, declining stock and arrival, strength in oilseed complex, delay in monsoon and strength in CME canola futures.

Rapeseed Mustard inclined by 2.1% to Rs.7,230 /Qtl this week as compared to Rs 7,079/Qtl last week and arrival declined.

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 2.7% up Rs 2,857/ Qtl as compared to last week Rs 2,780/Qtl, strength in Rapeseed prices put additional support on the upside.

As per market sources, approximately 78% of the current mustard crop has been crushed, while farmers and traders hold the remaining 22% of the production.

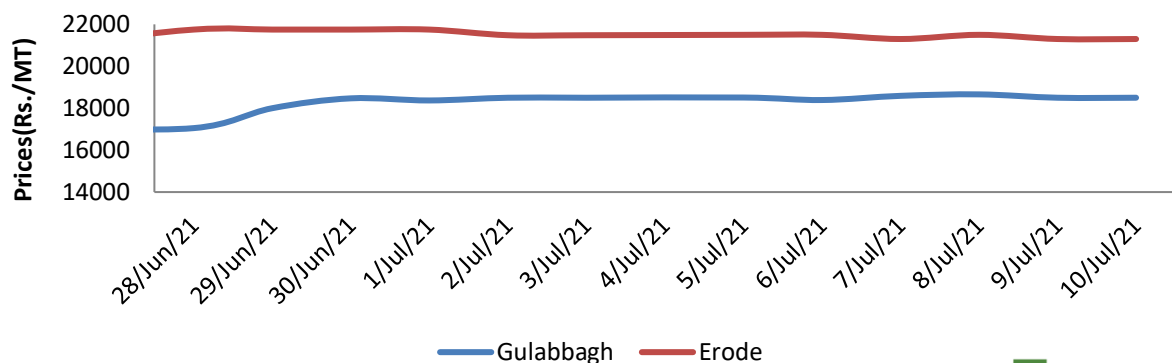
India has not imported any rape oil (canola) in March too as in last several months. India is unlikely to import the rape oil in coming months too. Lower imports in rape oil (canola) will lend support to the local rapeseed-mustard prices at the higher levels.

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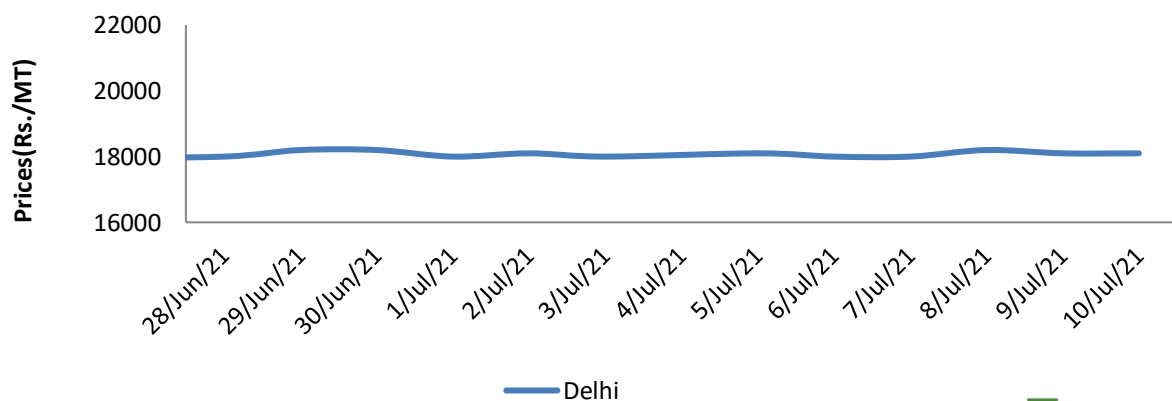
At NCDEX futures, the August contract of rapeseed-mustard fell at 6,766/Qtl compared to 7,013/Qtl in last week.

Maize



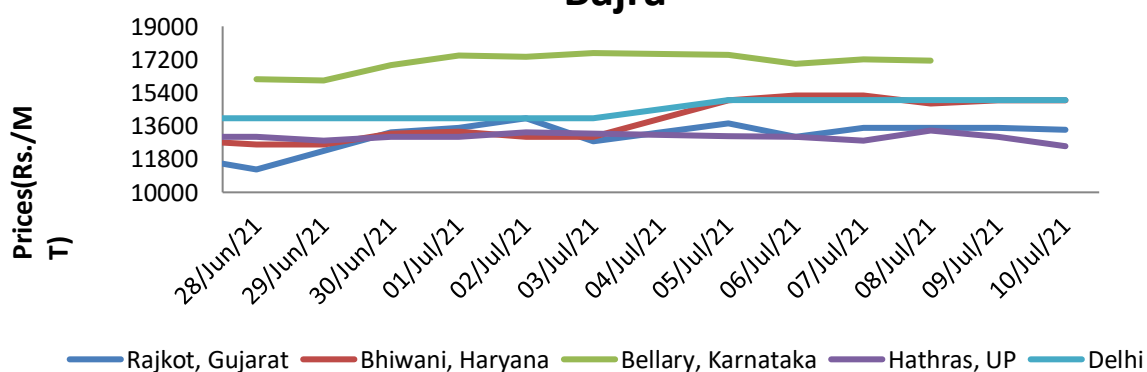
AW AGRIWATCH

Wheat, Mill Delivery



AW AGRIWATCH

Bajra



AW AGRIWATCH

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

During the week under review, range bound to firm price sentiments were reported in most of the major cash markets of Maize.

Sources revealed that Maize in Nizamabad Market is being traded at Rs. 1750 per quintal, with little to no arrivals in the APMC Market. Maize sourced from Nizamabad is being supplied to poultry feed makers in Hyderabad at Rs. 1850 per quintal. Maize in Davangere, Karnataka is being traded at Rs. 2000 per quintal.

Corn on CBOT fell by 26.58 USD/MT to 247.92 USD/MT for July'21 contract compared to previous week due to rains and improved weather conditions of Corn crop in U.S. . Agriwatch expects that release of USDA monthly report would further determine the movement of Corn CBOT.

U.S. Maize exports have reached 58.65 MMT in the 2020-21 marketing year. At 1.28 MMT (for the period June24-1July, 2021). U.S. Maize exports were up by 13 percent from the previous week but down by 16 percent from the prior 4-week average; primarily to destinations like China (405,100 MT), Mexico (329,900 MT), Japan (294,700 MT), Saudi Arabia (72,400 MT), and Colombia (58,800 MT).

Wheat prices fell across the wheat markets in the week between July 6th and 12th, 2021, due to weak demand. Market prices in Ahmedabad fell due to lackluster trade activity. Wheat is projected to trade in a range bound to weak tone in the short term due to less demand. Complete procurement activities, along with a negative worldwide market trend, have increased pricing pressures on wheat. We anticipate the same price in next week.

Outlook: Feed prices are expected to feature in range bound zone with a firm bias in coming week.

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

Centers	Ex-factory rates (Rs/ton)		
	08-Jul-21	01-Jul-21	Parity To
Indore - 45%, Jute Bag	63000	63000	Gujarat, MP
Kota - 45%, PP Bag	66000	63200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	69000	68500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	66000	66000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	68000	63000	Andhra, AP, Kar, TN
Latur	71000	69000	-
Sangli	66000	64500	Local and South
Solapur	64000	62000	Local and South
Akola – 45%, PP Bag	63000	63000	Andhra, Chattisgarh, Orissa, Jharkhand, WB

Hingoli	63500	63500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	65800	63000	-

Soy DOC at Port

Centers	Port Price		
	07-July-21	30-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	07-Jul-21	30-Jun-21	Change
Soybean Pellets	401	424	-23
Soybean Cake Flour	401	424	-23
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	08-Jul-21	01-Jul-21	Change
Adoni	34500	34500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	34000	34000	Unch

Groundnut Meal (Rs/MT)	08-Jul-21	01-Jul-21	Change
Basis 45%, Saurashtra	44000	41000	3000
Basis 40%, Saurashtra	41000	37000	4000
GN Cake, Gondal	44500	41500	3000

Mustard DOC/Meal	08-Jul-21	01-Jul-21	Change
Jaipur (Plant delivery)	21400	21400	Unch
Kandla (FOR Rs/MT)	22000	21800	200

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	09-Jul-21	02-Jul-21	08-Jun-21	09-Jul-20	09-Jul-19
Delhi	Hybrid	1750	1700	1625	1300	2050
Davangere	Loose	1900	1750	1650	1350	NA
Nizamabad	Bilty	Closed	1750	1650	1350	2300
Ahmedabad	Feed	2000	2000	1725	1360	2250
	Starch	2000	2000	1660	1420	2300

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

As on 07.07.2021	Argentina	Brazil	US	India
FOB	240.00	260.00	283.00	284.40
Cost and Freight	290.00	315.00	343.00	319.40

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	303458
May	10400	48900	76026	53272	46614	228242
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	09-Jul-21	02-Jul-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	1735	-
		Hybrid	Bangalore	1950	2050	-100
Jowar	Karnataka	White	Bangalore	2550	2650	-100
		White	Bellary	NA	1610	-
Maize	Karnataka	Yellow	Davangere	2100	1750	350
	Telangana	Yellow	Nizamabad	1750	1650	100
Rice	Haryana	IR8	Karnal	NA	2950	-
		Parmal Raw	Karnal	NA	2650	-
Soy meal	Madhya Pradesh	DOC	Indore	6300	6350	-50
	Maharashtra	DOC	Sangli	6600	6500	100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3450	3450	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2120	2160	-40
Groundnut Meal	Gujarat	GN Cake	Gondal	4100	4150	-50
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2900	2945	-45
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2896	2935	-39
Note: Prices Rs./Qtl						

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