

***Contents:***

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

## Summary

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Agriwatch expects that maize would trade steady to range bound in a narrow zone in near term, and may attain firm bias later. Also, continuous ongoing buying in markets along with reduced or no arrivals accompanied with no near future arrivals of any new maize crop in coming months will provide support to maize market.

Sources revealed that good quality maize is being traded in Bihar at Rs. 1850 per quintal. Maize sourced from West Bengal is being exported to Bangladesh at Rs.1800 per quintal. Whereas, poor quality maize has been loaded for Bangladesh from Naugachia and Gulabghat.

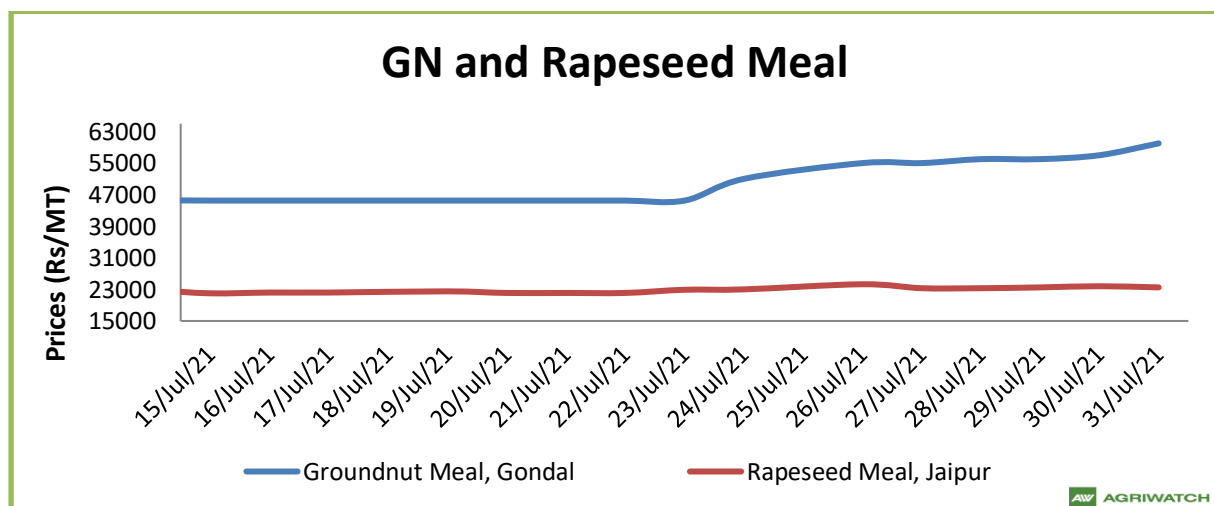
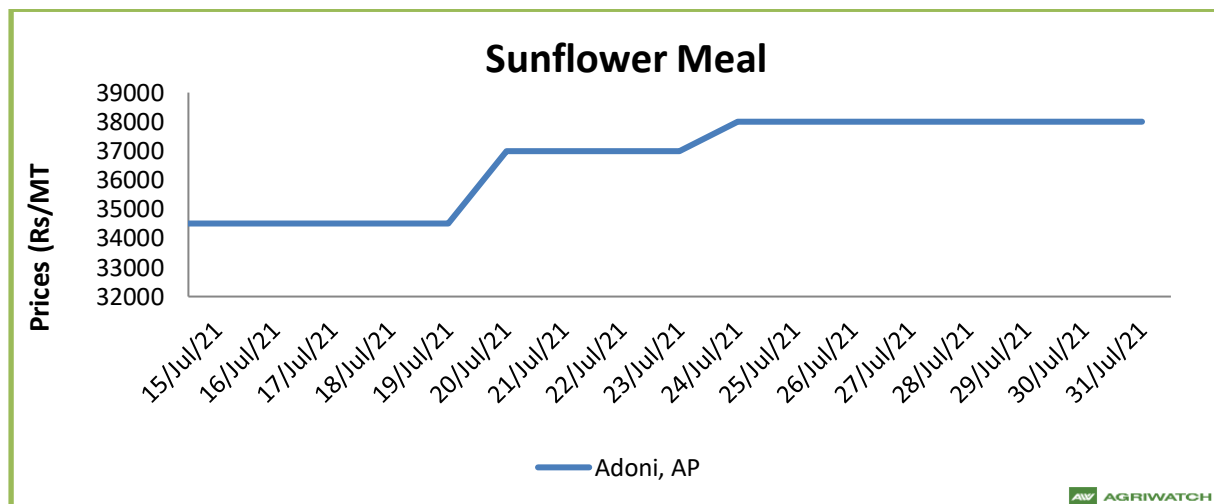
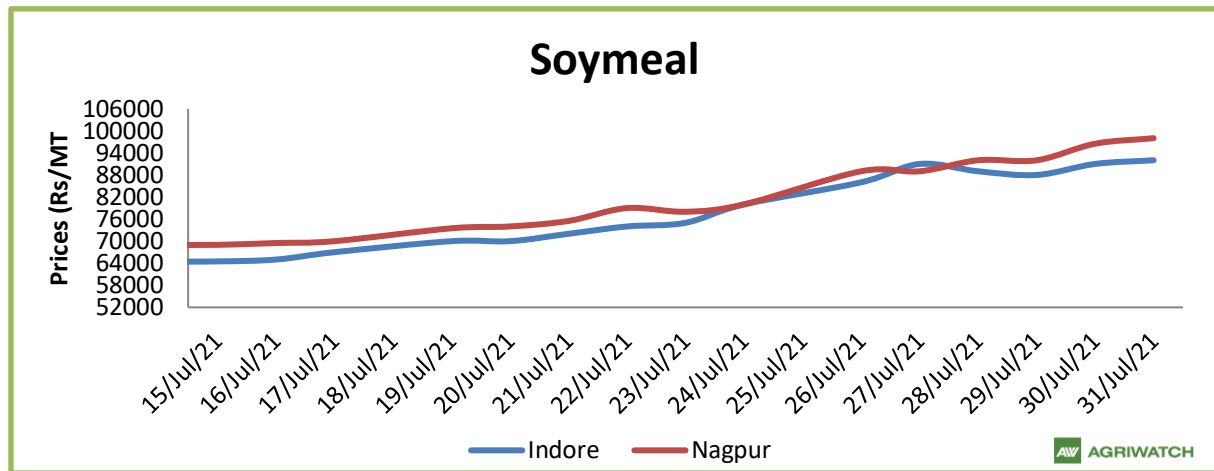
The cotton seed oil prices have increased by 3-4 percent from the previous week in all the major markets, whereas in case of cotton seed oilcake prices have slightly increased around 1 percent from last week as currently the demand is lower in the local market. The raw cotton prices also increased in July month and were at Rs. 8392 per quintal against MSP of 5825 per quintal. The average price of cotton seed oilcake in the Kadi market has increased in the last week and was at Rs. 2892 per quintal from Rs. 2867 per quintal and in Akola was at Rs. 2919 per quintal from Rs. 2914 per quintal the previous week.

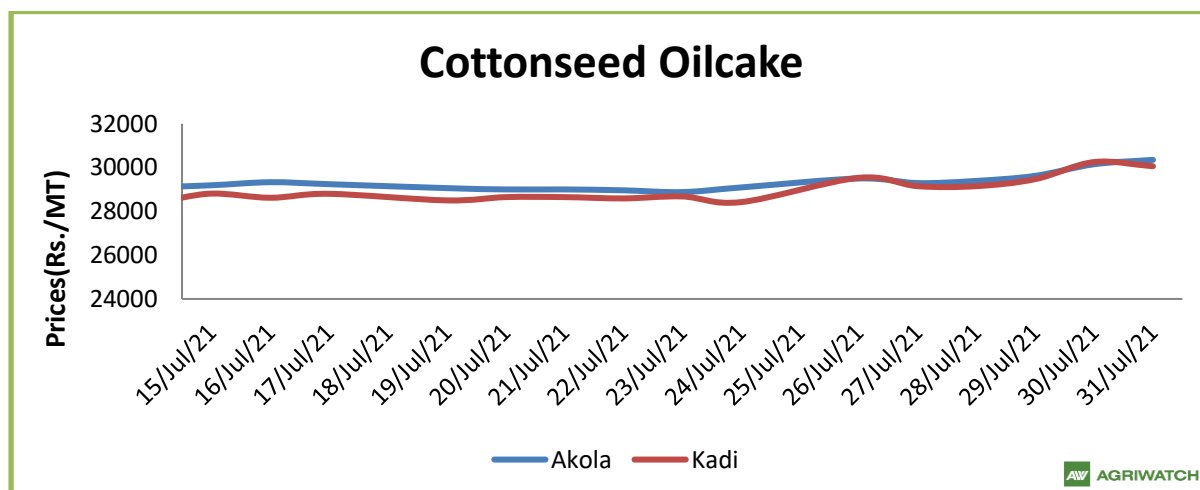
During the week of July 24 to 31, 2021, the weekly average price in India declined by 0.81 percent to Rs. 1939.5 per quintal against Rs. 1955.44 per quintal in the previous week. Wheat average prices also decreased by 17 percent from Rs. 2339.25 per quintal in last year during the same period of time. Prices are declining due to weak local demand and the end of the season's procurement activity. The government's procurement are completed in India now and the imposition of the PMGSY program until November 2021 will put downward pressures in wheat markets in the near future. Wheat procurement for the Rabi marketing season 2021-22 is completed now in India's various states. Wheat was procured in excess of 433.32 LMT, a record high compared to 387.4 LMT in previous seasons. With MSPs of Rs.85,581,02 crore, the current RMS procurement operations have already benefited over 49.16 lakh farmers. This season's procurement volume is also bigger than the previous four years record. According to FCI, there were approx. 19,036 wheat procurement centers during the rabi marketing season of 2021-22. 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. In the month of June, India exported 4.10 lakh tonnes of wheat lower against 4.96 lakh tonnes in May 2021. Indian wheat has declined in June month due to higher FOB price. According to the DGCIIS data, India exported 2.28 Lakh tonnes in the current fiscal year as of April 2021. In 2020-21 fiscal year, the country exported total 20.80 lakh tonnes.

The soymeal prices is expected to remain elevated backed by soybean price. 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. 85,000 – 100,000 /MT.

Arrival of mustard seed in mandis has declined at all places in the country which may support the prices, there is huge shortage of mustard seed to crushers. 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 7,300 – 8,000/Qtl. in short-run.

**Trend – Raw Material, Feed**





**Source: AgriWatch**

### Soy meal

The domestic weekly average soymeal prices at Indore was 18.7% up to Rs 84,833 /MT compared to the weekly average of Rs 69,000/MT previous week. Strength in soybean prices and other oilseed complex supported the prices. Soymeal expected to remain elevated amid plunge in export numbers.

Export of oilmeals for the month of June 2021 provisionally reported at 203,612 tons compared to 229,230 tons in June 2020 i.e. down by 11%. The overall export of oilmeals during April – June 2021 is reported at 735,312 tons compared to 579,387 tons i.e. up by 27%.

Soya meal prices jumped in early July and touched record price of US\$ 890 during 2nd week of July compared to US\$ 400 (FOB) Argentina. Indian soybean meal export during first quarter was over 120,000 tons mainly shipped to Europe and U.S.A. due to preference for Non GM Soymeal. However, India is now totally outpriced in world market for the export of soyameal as soybean average price jumped from Rs. 43,100 per tons in Nov'20 touched to Rs.76,000 per tons in July and so soymeal price gone up from Rs.36,100 per tons in Nov'20 to Rs. 65,000 per tons at present. The high price of soybean meal has hit not only the export of soymeal but also the poultry farmers mainly small farmers and finding very difficult to survive in this difficult time. High input cost for eggs and chicken has also escalated the chicken prices which effecting consumer. 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. It's a high time that the Government may consider to allow import of soybean meal including GM varieties which does not pose quarantine issue for short period up to 30th Sept, 2021 to cool down prices of both soybean and soybean meal to support the poultry industry to face crisis time.

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 and higher prices led to low export 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

Mustard remain elevated and was up 3% as compared to last week amid tight inventory in the country. And witnessed a significant decline in the arrival of mustard in the spot market and has led to shut more than 50% of the rapeseed millers. Traders are ready to purchase mustard at higher prices but the availability remains limited. There is firm demand for mustard oil especially from the states of North India like Bihar, Uttar Pradesh and West Bengal and likely to increase significantly during the winter season, during the festival and pickle making season. Subsequent to the ban on blending in mustard oil 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 due to heat wave in Canada.

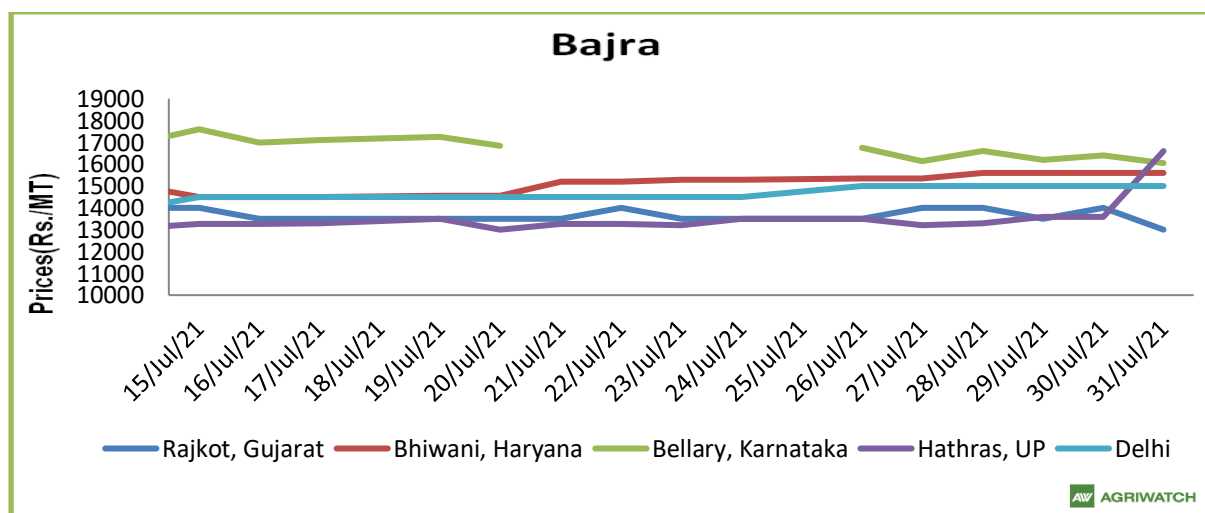
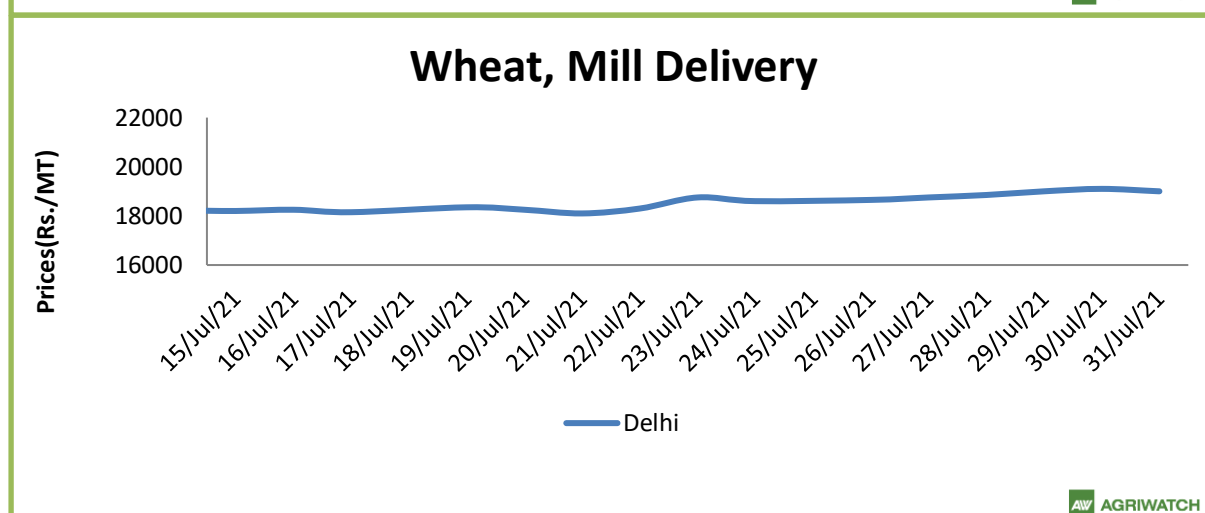
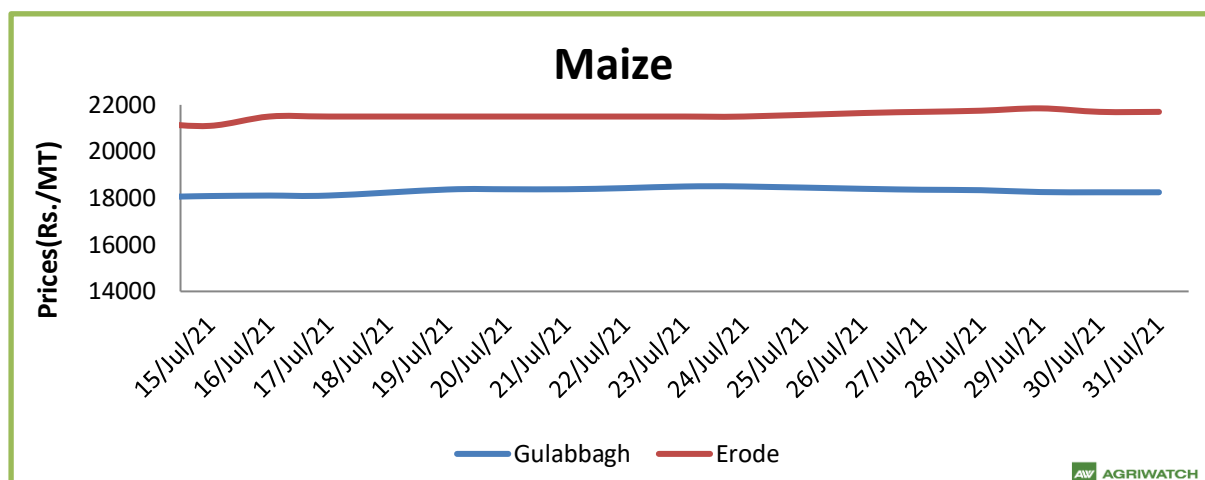
It is estimated that approximately 75-80% of the current mustard crop has been crushed, while 20-25% of the crushing is yet to be done. Rapeseed Mustard inclined by 3% to Rs. 7,742 /Qtl this week as compared to Rs 7,508/Qtl last week and arrival declined.

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

In Sri Ganganagar, the weekly average prices of rapeseed oilcake was 3% up to Rs 3012/ Qtl from previous week at Rs. 2,920/qtl. 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 June'21 is reported at 110,115 metric tonnes against last year 122,573 metric tonnes during the same period i.e. lower by -10%, However 14% up as compared to May 21.

India imported 1033.06 tons rapeseed (Canola) oil in Apr 2021 v/s 506.00 tons imports in Apr 2020. While, for the period of April 2020-March 2021 imports rose to 42,720.05 tons compared to 54,426.39 tons in last oil year.



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

During the week under review, narrow range bound to steady 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. 1900 per quintal, with little to no arrivals in the APMC. Maize in Davangere, Karnataka is being traded at Rs. 2050 per quintal. Feed maize is being supplied to Tamil Nadu at Rs. 2050 per quintal, sourced from Davangere.

Corn on CBOT fell by 2.55 USD/MT to 219.68 USD/MT for September '21 contract compared to previous week. Agriwatch expects that Corn on CBOT is likely to take support at 207 USD/MT for September contract in near term.

U.S. Maize exports have reached 62.11 MMT in the 2020-21 marketing year. At 1.36 MMT (for the period July 15 -22 July, 2021). U.S. Maize exports were up by 36 percent from the previous week and up by 21 percent from the prior 4-week average; primarily to destinations like China (698,700 MT), Japan (308,500 MT), Mexico (256,900 MT), Venezuela (30,000 MT), and Jamaica (19,000 MT).

Wheat prices extended gain across the wheat markets in the week between July 27th and 2nd August, 2021, on good demand against less in local markets against supplies. Market prices in Ahmedabad increased amid good demand of retailers and millers. Wheat is projected to trade in a range bound to firm trend in the near term amid firm global cues. Firmness in international market supported weighing domestic wheat prices. We anticipate range bound to firm trend for next week.

**Outlook: Feed prices are expected to feature in 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)		
	29-Jul-21	22-Jul-21	Parity To
Indore - 45%, Jute Bag	88000	74000	Gujarat, MP
Kota - 45%, PP Bag	90000	75200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	91000	75500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	92000	79000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	91000	76000	Andhra, AP, Kar, TN
Latur	95000	76500	-
Sangli	87000	73000	Local and South
Solapur	89000	70800	Local and South
Akola – 45%, PP Bag	75000	75000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	63500	63500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	88000	75000	-

### Soy DOC at Port

Centers	Port Price		
	28-Jul-21	21-Jul-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	28-Jul-21	21-Jul-21	Change
Soybean Pellets	382	397	-15
Soybean Cake Flour	382	397	-15
Soya Meal	NA	NA	Unch
Soy Expellers	NA	NA	Unch
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	29-Jul-21	22-Jul-21	Change
Adoni	38000	37000	1000
Khamgaon	NA	NA	Unch
Parli	NA	NA	Unch
Latur	37500	36500	1000

Groundnut Meal (Rs/MT)	29-Jul-21	22-Jul-21	Change
Basis 45%, Saurashtra	54000	45000	9000
Basis 40%, Saurashtra	50000	42500	7500
GN Cake, Gondal	56000	45500	10500

Mustard DOC/Meal	29-Jul-21	22-Jul-21	Change
Jaipur (Plant delivery)	23500	22100	1400
Kandla (FOR Rs/MT)	24400	22900	1500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	30-Jul-21	23-Jul-21	29-Jun-21	30-Jul-20	30-Jul-19
Delhi	Hybrid	1760	1740	1700	1250	NA
Davangere	Loose	1900	1900	1650	1300	NA
Nizamabad	Bilty	1900	1900	1700	1370	NA
Ahmedabad	Feed	2050	2000	2000	1350	2300
	Starch	2030	2000	2000	1300	2300

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

As on 28.07.2021	Argentina	Brazil	US	India
FOB	234.00	259.00	262.00	278.04
Cost and Freight	284.00	314.00	322.00	313.04

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	52434
Jun	17930	45975	104088	62524	56638	25918
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>1564833</b>

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	30-Jul-21	23-Jul-21	Change
Bajra	Karnataka	Hybrid	Bellary	1640	1770	-130
		Hybrid	Bangalore	1950	1950	Unch
Jowar	Karnataka	White	Bangalore	2500	2550	-50
		White	Bellary	1590	1510	80
Maize	Karnataka	Yellow	Davangere	2050	2050	Unch
	Telangana	Yellow	Nizamabad	1900	1900	Unch
Rice	Haryana	IR8	Karnal	2900	2950	-50
		Parmal Raw	Karnal	2700	2650	50
Soy meal	Madhya Pradesh	DOC	Indore	9100	7500	1600
	Maharashtra	DOC	Sangli	8700	7300	1400
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3800	3700	100
Mustard	Rajasthan	Plant delivery	Jaipur	2380	2290	90
Groundnut Meal	Gujarat	GN Cake	Gondal	5100	4250	850
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3025	2868	157
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3015	2888	127
Note: Prices Rs./Qtl						

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