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Summary

Agriwatch expects that maize would trade in the range bound zone with a steady bias for coming near term on an account of sluggish demand in domestic as well as international market. 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 month might 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, maize is being supplied to Kolkata for poultry purpose at the rate of Rs.1950 per quintal sourced from Dalkhola.

The cotton seed oilcake prices are expected to rise to Rs. 800 - Rs. 1000 per quintal in the coming month of September 2021. The demand is expected to rise with the coming of the new season. The cottonseed oil prices have increased by 2 percent from the previous week in all the major markets. The cottonseed oilcake prices have increased slightly around 1 percent in Kadi and Akola market from the previous week. The average price of cottonseed oilcake in the Kadi market was Rs. 3088 per quintal from Rs. 3055 per quintal and in Akola was at Rs. 3113 per quintal from Rs. 3070 per quintal the previous week.

During the week of Aug 16 to 23, 2021, the wheat weekly average price in India rose by 1.13 percent to Rs. 1997.51 per quintal against Rs. 1963.69 per quintal in the previous week. Wheat average prices also increased by 0.71 percent from Rs. 1983.46 per quintal in last year during the same period of time. Prices are increasing due to less supplies ahead of improved demand in export markets. The government's procurement are completed in India now and the imposition of the PMGKAY program until November 2021 may curb any major rise in wheat markets in the near future.

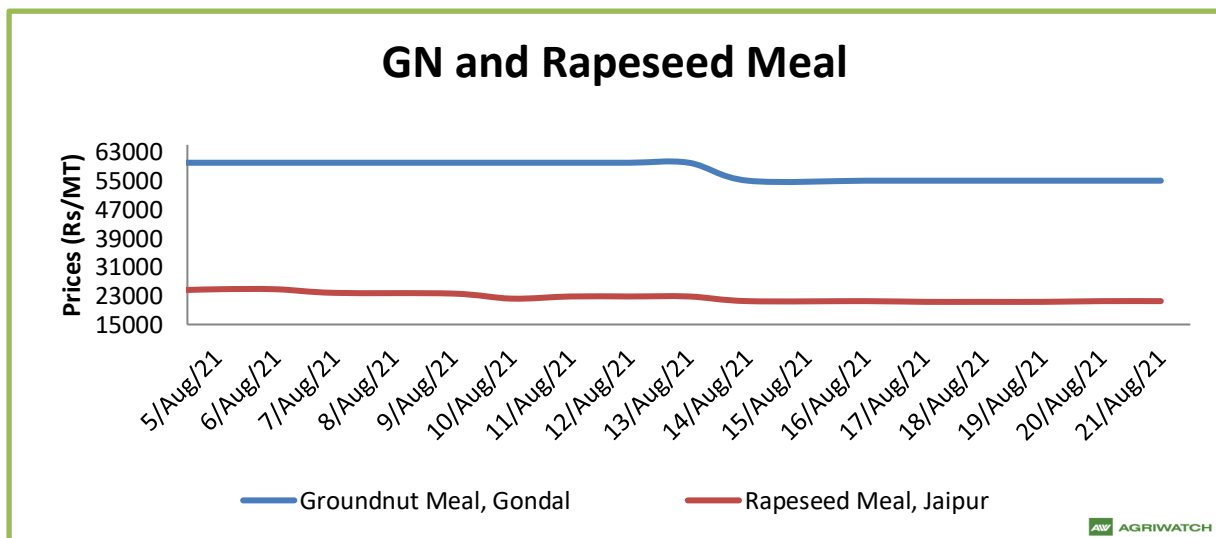
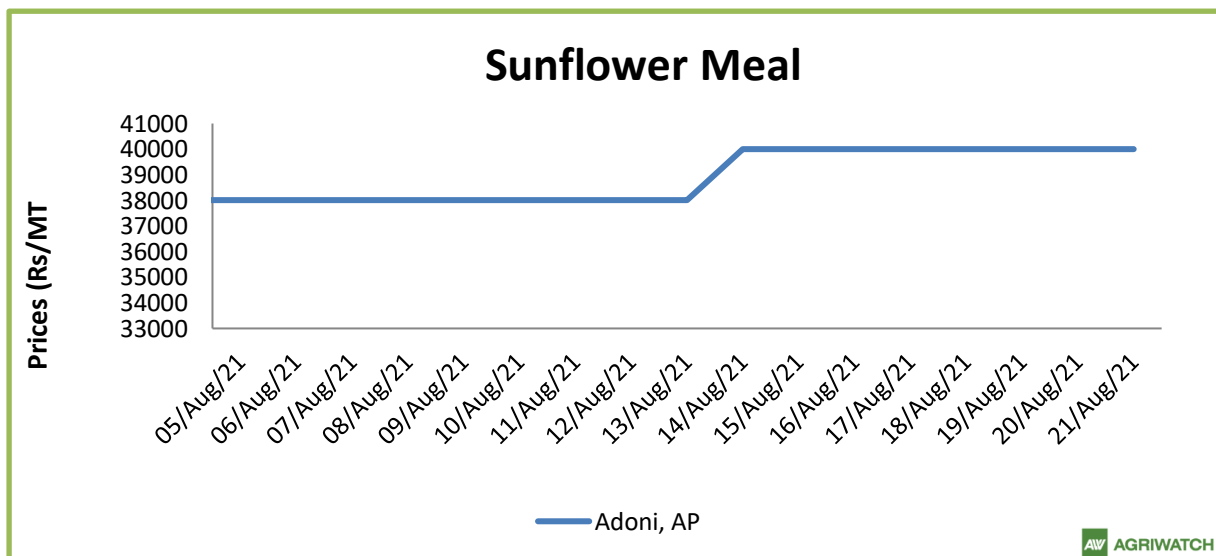
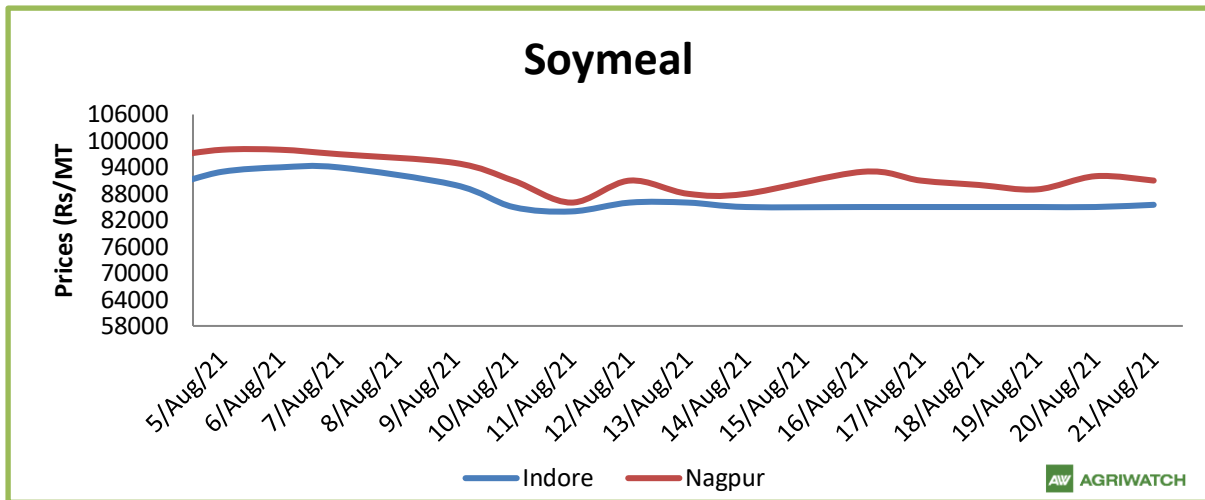
Wheat output is expected to reach a new high of 109.52 million tonnes in 2020-21, according to the agriculture ministry's fourth advance estimate. It is 9.10 million tonnes higher than the average production estimates of 100.42 million tonnes over the previous five years. It is also higher by 1.53% from 107.86 from last year record amid good monsoon rain last year. Due to higher output of rice, wheat, and pulses, India's foodgrain production is expected to rise by 3.74 percent to a new record of 308.65 million tonnes in the crop year 2020-21 compared to 297.5 million tonnes in 2019-20 due to good monsoon rains last year. From its third estimate of 305.43 million tonnes for the same year, the estimate has been revised higher by 3.22 million tonnes.

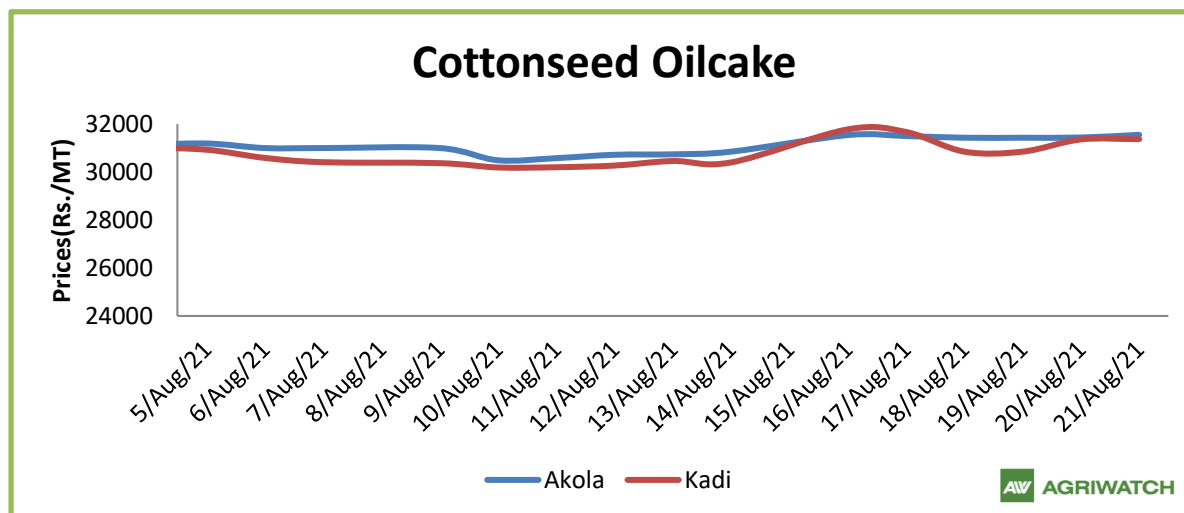
In the month of Jul'21, India exported 4.72 lakh tonnes of wheat higher against 4.10 lakh tonnes in June 2021. Indian wheat exports has increased amid global supplies concern. Indian wheat export volume has also increased in Jul month despite higher FOB price. In 2020-21 fiscal year, the country exported total 20.80 lakh tonnes.

The soymeal prices is expected to correct amid suspense on government decision to allow import of soymeal. 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. 75,000 – 90,000 /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 7,500 –8,200/Qtl. in short-run.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

The domestic weekly average soymeal prices at Indore quoted 4.3% down to Rs 85,166/MT compared to the weekly average of Rs 88,833/MT previous week. Soymeal prices continued to correct amid suspense on soymeal import talk by the government.

World 2021/22 soymeal production is estimated higher at 258.68 million tonnes vs 250.59 million tonnes against last year record, in USDA Aug report.

India's June 2021 soymeal exports declined by 54% to 25,918 metric tonnes compared to 56,938 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 9% to 118,057 metric tonnes in aggregate, during the months (April-June.) of financial year 2020-21 compared to 129,192 metric tonnes during the corresponding period last year.

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.

During Apr.- June '21, South Korea imported 252,063 tons of oilmeals (compared to 182,136 tons); consisting of 199,635 tons of rapeseed meal, 41,472 tons of castorseed meal and 10,956 tons of soybean meal. Vietnam imported 114,857 tons of oilmeals (compared to 120,943 tons); consisting of 88,306 tons of Rice Bran Extraction, 25,523 tons of rapeseed meal and 1,028 tons of soybean meal. Thailand imported 77,003 tons of oilmeals (compared to 65,188 tons); consisting of 65,479 tons of rapeseed meal, 9,816 tons of castorseed meal, 898 tons of soybean meal and 810 tons of Rice Bran Extraction. Bangladesh sourcing rapeseed meal and ricebran extraction from India and imported 90,589 tons of oilmeals (compared to 25,540 tons) ,consisting of 52,131 tons of ricebran extractions and 38,357 tons of rapeseed meal. Taiwan imported 23,944 tons of oilmeals (compared to 37,529 tons); consisting of 15,382 tons of castorseed meal, 6,381 tons of rapeseed meal and 2,181 tons of soybean meal.

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.

Rapeseed - Mustard Seed

Mustard remain elevated and was up 2.5% 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 60% 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. 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 declined by 2.5% to Rs.8,008/Qtl this week as compared to Rs 7,804/Qtl last week and arrival declined.

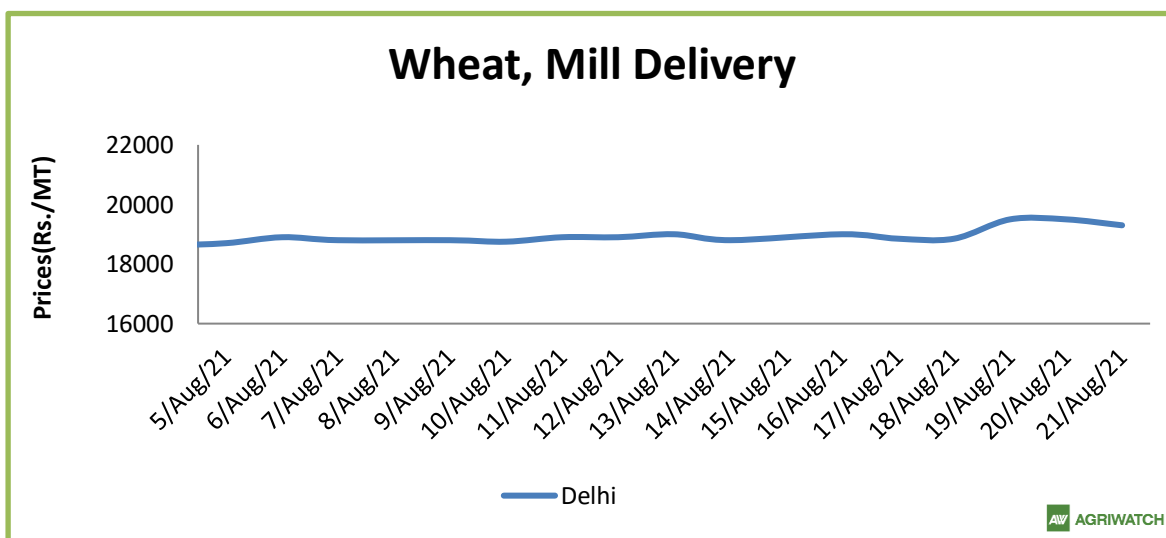
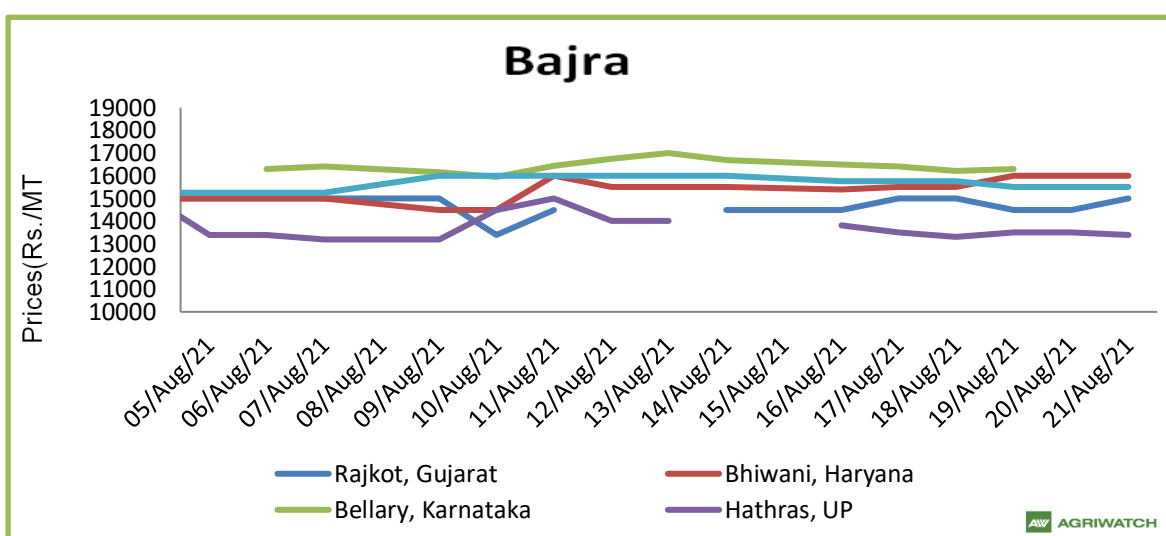
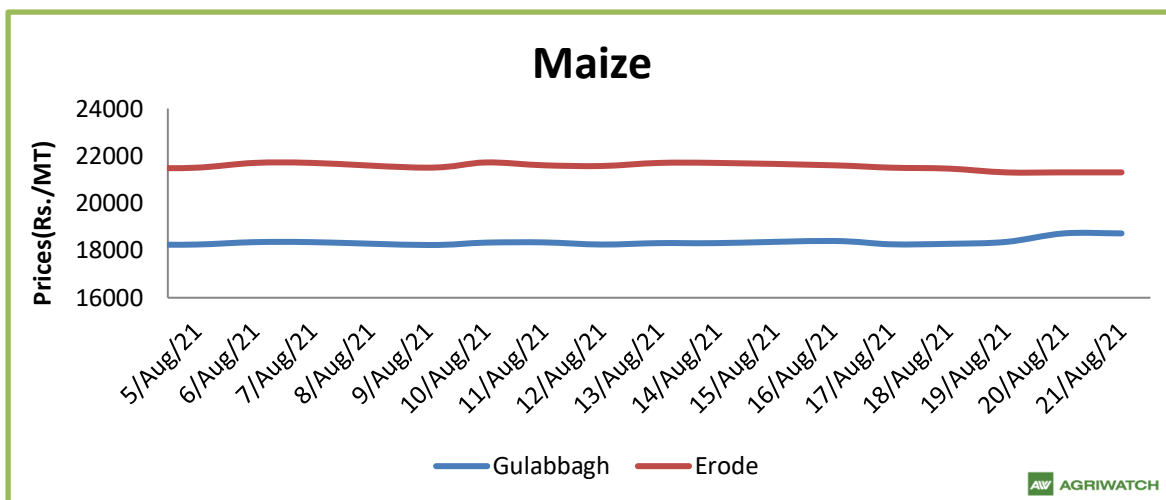
NAFED had procured the rapeseed-mustard at 0.03 MT of rapeseed-mustard valued Rs 0.014 Lakh from Madhya Pradesh at MSP (Rs4650/qtl) under PSS. However, the procurement couldn't pick-up the pace due to COVID lockdown restrictions and higher price.

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 0.33% down to Rs 3,006/Qtl from previous week at Rs. 3,016/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 May21.

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 April2020-March2021 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, steady to range bound 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. 1910 per quintal. Maize is being supplied to Hyderabad at Rs. 2000 per quintal for feed purpose sourced from Nizamabad. Arrivals in Nizamabad market are almost nil.

Corn on CBOT fell by 11.61 USD/MT to 11.61 USD/MT for September '21 contract compared to previous week. However, Agriwatch expects corn crop conditions related concerns in U.S will support Corn on CBOT.

Despite Indore market, Wheat prices extended its gain at various trading center sin this week between August 17th to 23rd August, 2021, on robust exports demand amid lower supplies . However, price in Indore market declined due to good supplies at the current market level. Wheat is projected totrade steady to firm tone in expectation of less supplies in mandies.

Outlook: Feed prices are expected to feature in a 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)		
	19-Aug-21	12-Aug-21	Parity To
Indore - 45%, Jute Bag	85000	86000	Gujarat, MP
Kota - 45%, PP Bag	86000	85000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	86000	89000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	89000	91000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	91000	93000	Andhra, AP, Kar ,TN
Latur	93000	87000	-
Sangli	82000	85000	Local and South
Solapur	84000	79000	Local and South
Akola – 45%, PP Bag	75000	75000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	63500	63500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	84000	83000	-

Soy DOC at Port

Centers	Port Price		
	18-Aug-21	11-Aug-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	18-Aug-21	11-Aug-21	Change
Soybean Pellets	398	396	2
Soybean Cake Flour	398	396	2
Soya Meal	NR	NR	Unch
Soy Expellers	NR	NR	Unch
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	19-Aug-21	12-Aug-21	Change
Adoni	40000	38000	2000
Khamgaon	NR	NR	Unch
Parli	NR	NR	Unch
Latur	39000	37500	1500

Groundnut Meal (Rs/MT)	19-Aug-21	12-Aug-21	Change
Basis 45%, Saurashtra	52000	58000	-6000
Basis 40%, Saurashtra	49000	54000	-5000
GN Cake, Gondal	55000	60000	-5000

Mustard DOC/Meal	19-Aug-21	12-Aug-21	Change
Jaipur (Plant delivery)	21300	22800	-1500
Kandla (FOR Rs/MT)	22800	24000	-1200

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	21-Aug-21	14-Aug-21	21-Jul-21	20-Aug-20	21-Aug-19
Delhi	Hybrid	1800	1850	1730	1225	2150
Davangere	Loose	1850	Closed	1900	1300	NA
Nizamabad	Bilty	Closed	Closed	Closed	1375	2425
Ahmedabad	Feed	2100	2050	2000	1340	2375
	Starch	2100	2050	2000	1360	2325

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

As on 18.08.2021	Argentina	Brazil	US	India
FOB	239.00	272.00	258.00	278.64
Cost and Freight	289.00	327.00	318.00	313.64

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	26725*
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	21-Aug-21	13-Aug-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	1700	-
		Hybrid	Bangalore	2250	2000	250
Jowar	Karnataka	White	Bangalore	2650	2600	50
		White	Bellary	NA	NA	-
Maize	Karnataka	Yellow	Davangere	2000	2150	-150
	Telangana	Yellow	Nizamabad	closed	1900	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2650	2650	Unch
Soy meal	Madhya Pradesh	DOC	Indore	8500	8600	-100
	Maharashtra	DOC	Sangli	8200	8000	200
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	5000	3800	1200
Mustard	Rajasthan	Plant delivery	Jaipur	2150	2280	-130
Groundnut Meal	Gujarat	GN Cake	Gondal	4900	5400	-500
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3136	3059	77
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3144	3046	98
Note: Prices Rs./Qtl						

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