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Summary

Agriwatch expects that maize would trade in a range bound zone with a steady bias for coming term. Also, reduced or no arrivals accompanied with no near future arrivals of any new maize crop in this month will provide support to maize market. Although current local as well as export demand from feed industry seems to be sluggish.

Sources revealed that good quality maize is being traded in Bihar between Rs. 1,800 to Rs. 1,850 per quintal. Whereas, maize is being supplied to southern India at Rs. 2,000 per quintal for poultry purpose at sourced from West Bengal. At present local demand for Maize in Northern India is sluggish.

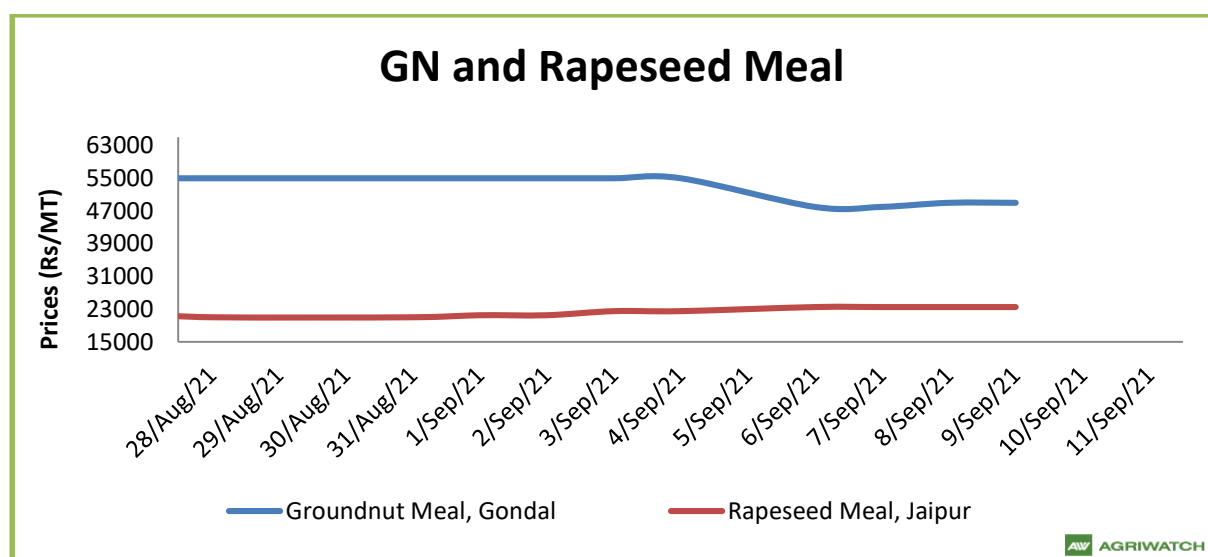
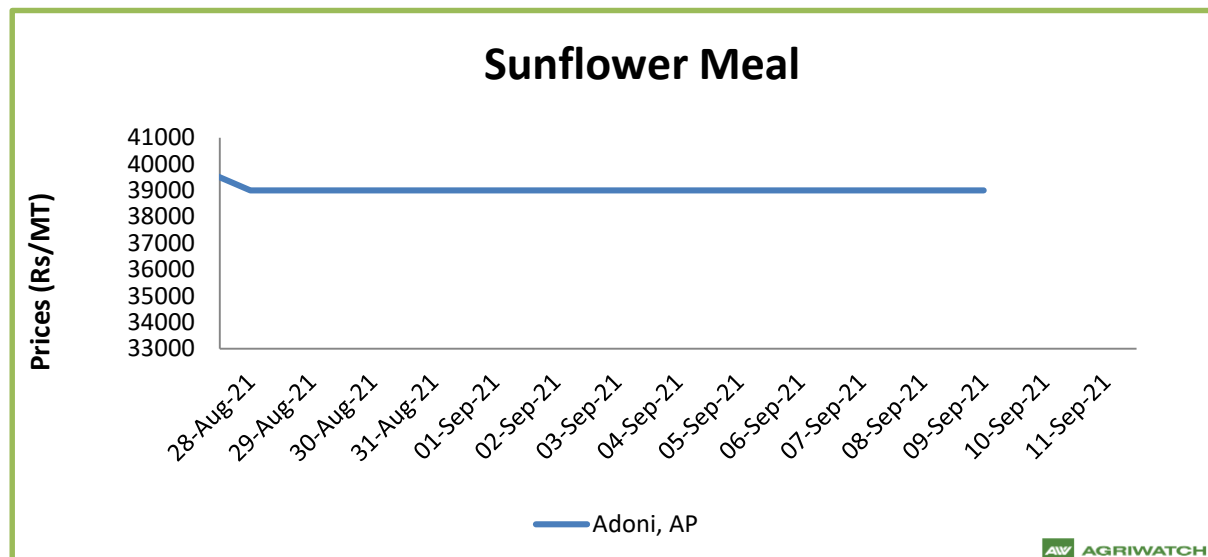
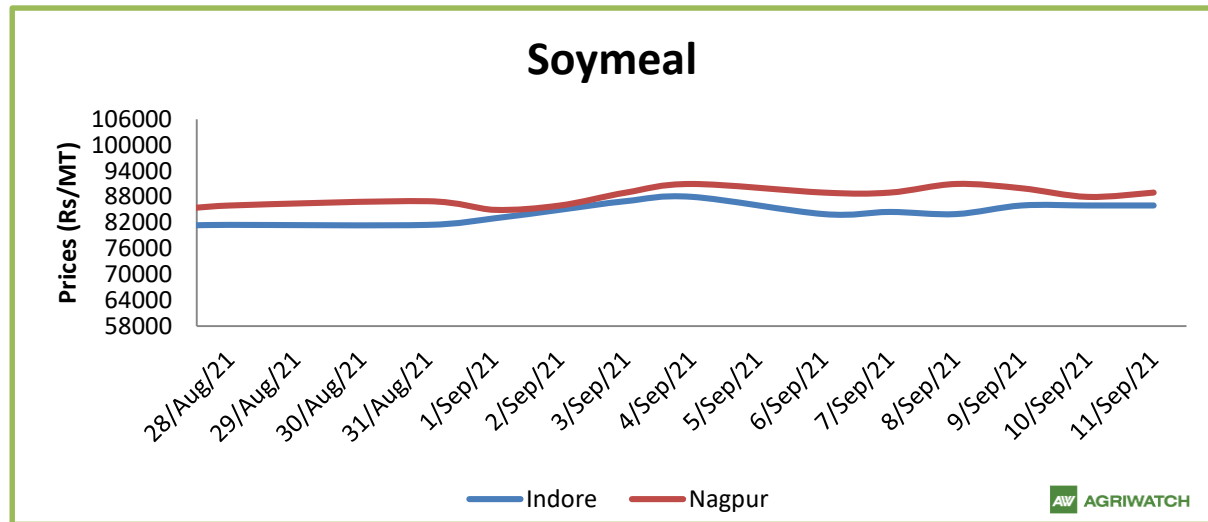
The cottonseed oil prices have slightly decreased from the previous week in Hyderabad and Rajkot markets. The cottonseed oil prices were at Rs. 1496 and Rs. 1467 per 10 kgs respectively. The average price of cottonseed oilcake has also decreased in the Kadi market and were at Rs. 2764 per quintal from Rs. 2995 per quintal and in Akola was at Rs. 2926 per quintal from Rs. 3047 per quintal the previous week.

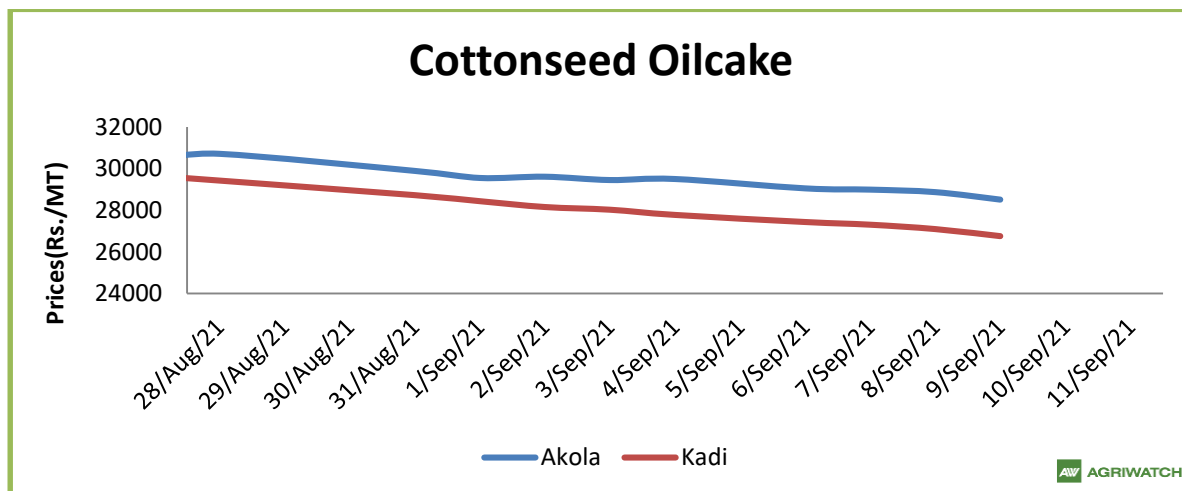
As per agriculture ministry's fourth advance estimate, Wheat output is expected to reach a new high of 109.52 million tonnes in 2020-21. It is 1.53% higher than 107.86 from last year record amid good monsoon rain last year. Wheat procurement for the Rabi marketing season 2021-22 is completed in India. Wheat was procured in excess of 433.32 LMT, a record high compared to 389.93 LMT in previous seasons. The current RMS procurement operations have already benefited over 49.20 lakh farmers with MSP value of Rs.85,603.57 crore. The government has hiked the minimum support price for wheat by Rs 40 from Rs 1975 to Rs 2015 per quintal. According to officials, CCEA has approved increase in MSP's of six rabi crops for 2021-22 crop year (July-June) and 2022-2023 marketing year. The cost of production of wheat is estimated at Rs 1008 per quintal. The expected returns to farmers over their cost of production are estimated to be highest for wheat and mustard.

Soymeal prices are likely to feature range bound movement amid weak export demand at higher price. Dull demand at higher prices from poultry sector will remain negative for the market. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 75,000 – 90,000 /MT.

Rapeseed-mustard is expected to feature firm tone in near term due to low domestic supply and bullish global cues. The seed prices are likely to witness the price levels between 8,000 –9,000/Qtl. in short-run.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

The domestic soymeal edged-up on tight supply and GOI decision to allow to import GM soymeal via five ports till 31st oct'21. However logistical bottlenecks could limit volumes.

India's soymeal export likely to remain weak, as india is now totally outpriced in world market and export is expected to remain below 17 lakh metric tons. 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. According to USDA Aug report world 2021/22 soymeal production is estimated higher at 258.68 million tonnes vs 250.59 million tonnes against last year record.

India's July 2021 soymeal exports declined by 57% to 26,725 metric tonnes compared to 61,957 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 24% to 144,782 metric tonnes in aggregate, during the months (April-July.) of financial year 2020-21 compared to 191,149 metric tonnes during the corresponding period last year. Export of oilmeals for the month of July 2021 provisionally reported at 191,188 tons compared to 262,275 tons in July 2020 i.e. down by 27%. The overall export of oilmeals during April – July 2021 is reported at 926,833 tons compared to 841,663 tons i.e. up by 10%.

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. The domestic weekly average soymeal prices at Indore was 3.6% up to Rs 85,583 /MT and was quoted between Rs 84,000 – 88,000/MT compared to the weekly average of Rs 82,500 /MT and was traded between the price ranges of Rs 81,500 – 85,000/MT previous week.

Weekly average prices at various centers also closed lower side compared to last week prices. At Latur, the weekly average soymeal prices declined by 5.1% to Rs. 86,000 /MT compared to Rs. 90,400 /MT a week ago however in Nanded it was quoted 4.3% up at Rs. 92,000/MT compared to Rs. 88,000/MT a week ago. In Kota the meal prices down by 5.4% to Rs. 90,500/MT compared to Rs. 85,600/MT previous week.

The soy meal prices (Indore) are likely to correct from higher level and feature downside movement between Rs. 75,000 – 90,000 /MT amid weak soymeal export demand.

Rapeseed - Mustard Seed

Rapeseed-mustard continued rally and likely to remain elevated on tight supply in the country and bullish global cues.

There is firm demand for RM seed oil especially from the states of North India like Bihar, Uttar Pradesh and West Bengal and likely to rise 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, 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 increased by 5.4% to Rs.8,738 /Qtl this week as compared to Rs 8,263/Qtl last week and arrival declined. In Sri Ganganagar, the weekly average prices of rapeseed oilcake was 5.33% up to Rs 3,266/Qtl from previous week at Rs. 3,092/qtl.

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.

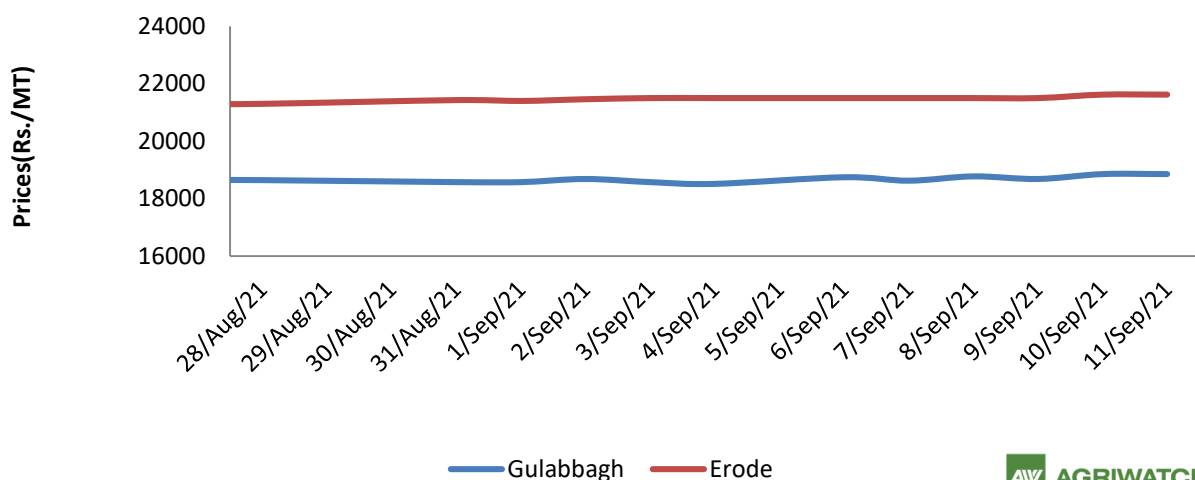
India's exports for rapeseed meal during April-July 2021 was up 10% at 479,572 metric tonnes compared to 436,480 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in July'21 is reported at 94,765 metric tonnes against last year 148,170 metric tonnes during the same period i.e. lower by 36%, However 14% down as compared to June21.

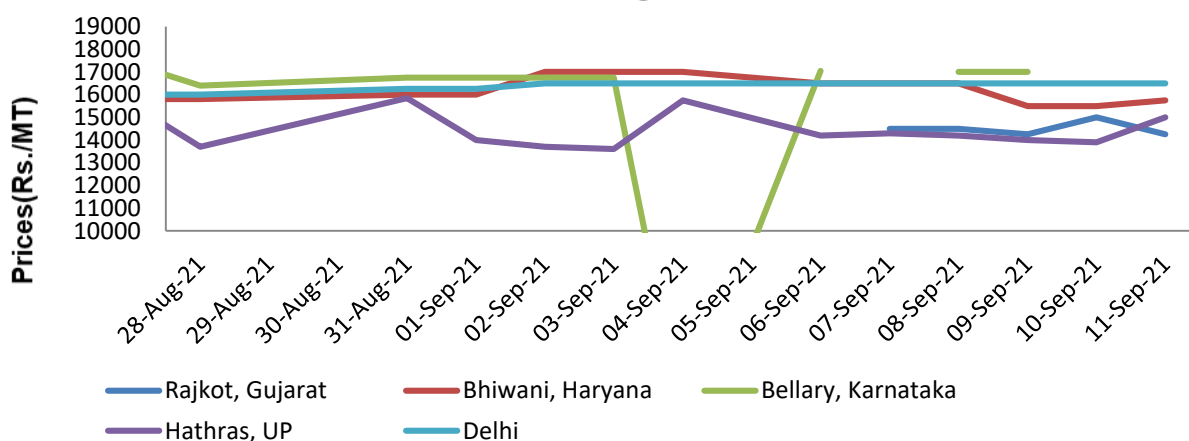
India imported 1033.06 tons rapeseed (Canola) oil in Apr 2021 v/s 506.00 tons imports in Apr 2020. While, for the period of April2020-March2021 imports rose to 42,720.05 tons compared to 54,426.39 tons in last oil year

Canada has received showers in key growing areas of canola after record temperature rise in Canadian province, as per market sources canola production is set to reach below 15 MMT, down more than 20% from last year. Additionally, canola importers may switch to other countries such as Ukraine, Australia, for substitutes.

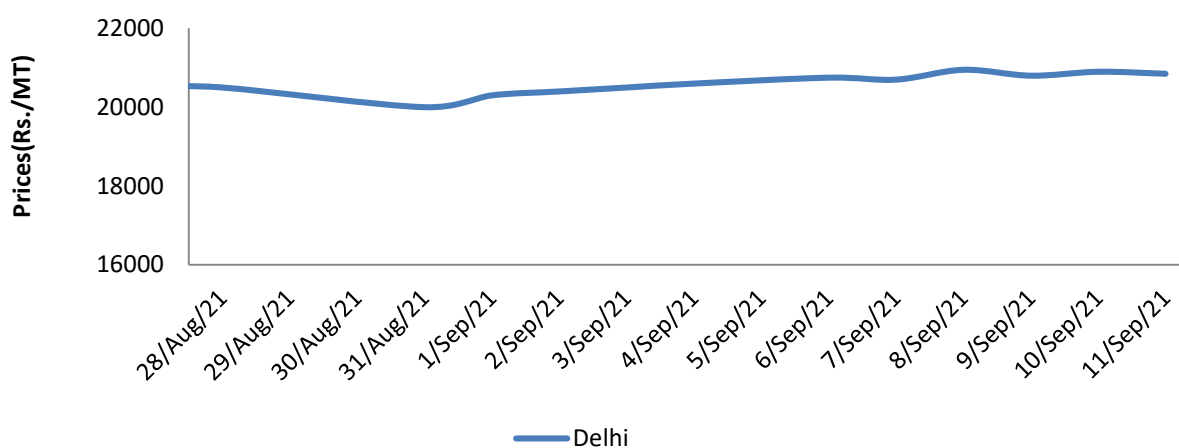
Maize



Bajra



Wheat, Mill Delivery



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

Sources revealed that maize in Nizamabad market is being traded at Rs. 1,850 per quintal. Maize is being supplied to Tamil Nadu between Rs. 2,150- Rs.2,200 per quintal for feed purpose sourced from Davangere.

Corn on CBOT fell by 2.07 USD/MT to 197.92 USD/MT for September '21 contract compared to previous week. Also, increased U.S. Corn Production estimates in USDA, September-21 report seems to be weighing on Corn market on CBOT.

U.S. Maize exports started with exports of 1.67 MMT for the 2021-22 marketing year, for the destinations like Mexico (140,100 MT), Canada (27,500 MT), and Hong Kong (200 MT).

Wheat prices extended its gain at various trading centers in this week between September 07th to 13th September, 2021, on huge exports demand along with lower supplies compared to previous weeks. Price in all the market increased due to low supplies at the current market level. Wheat is projected to trade steady to firm tone in expectation of low supplies in mandies and higher export pace.

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)		
	09-Sep-21	03-Sep-21	Parity To
Indore - 45%, Jute Bag	86000	87000	Gujarat, MP
Kota - 45%, PP Bag	90000	91000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	93000	88000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	90000	89000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	92000	92000	Andhra, AP, Kar ,TN
Latur	84000	85000	-
Sangli	82000	83000	Local and South
Solapur	87000	87000	Local and South
Akola – 45%, PP Bag	75000	75000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	63500	63500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	88000	89000	-

Soy DOC at Port

Centers	Port Price		
	08-Sep-21	02-Sep-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	08-Sep-21	02-Sep-21	Change
Soybean Pellets	393	384	9
Soybean Cake Flour	393	384	9
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	09-Sep-21	03-Sep-21	Change
Adoni	39000	39000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	38000	38000	Unch

Groundnut Meal (Rs/MT)	09-Sep-21	03-Sep-21	Change
Basis 45%, Saurashtra	48000	54000	-6000
Basis 40%, Saurashtra	44000	50000	-6000
GN Cake, Gondal	49000	55000	-6000

Mustard DOC/Meal	09-Sep-21	03-Sep-21	Change
Jaipur (Plant delivery)	23500	22500	1000
Kandla (FOR Rs/MT)	25500	24500	1000

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	10-Sep-21	03-Sep-21	10-Aug-21	09-Sep-20	10-Sep-19
Delhi	Hybrid	1850	1900	1850	1300	2150
Davangere	Loose	1830	1850	1900	1300	NA
Nizamabad	Bilty	Closed	1850	1900	1375	NA
Ahmedabad	Feed	2050	2050	2100	1300	NA
	Starch	2000	2000	2100	1325	NA

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

As on 08.09.2021	Argentina	Brazil	US	India
FOB	236.00	262.00	270.00	281.79
Cost and Freight	286.00	317.00	330.00	316.79

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	10-Sep-21	03-Sep-21	Change
Bajra	Karnataka	Hybrid	Bellary	NA	1675	-
		Hybrid	Bangalore	2150	2150	Unch
Jowar	Karnataka	White	Bangalore	2300	2300	Unch
		White	Bellary	NA	1640	-
Maize	Karnataka	Yellow	Davangere	1950	1950	Unch
	Telangana	Yellow	Nizamabad	NA	1850	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2650	2650	Unch
Soy meal	Madhya Pradesh	DOC	Indore	8600	8700	-100
	Maharashtra	DOC	Sangli	8300	8300	Unch
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3900	3900	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2350	2250	100
Groundnut Meal	Gujarat	GN Cake	Gondal	NA	5000	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	NA	5000	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	NA	2969	-
Note: Prices Rs./Qtl						

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