

Contents:

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

Summary

Agriwatch expects that maize would trade in a range bound zone with a firm bias for coming term. Also, maize crop has been destroyed in various parts of U.P and M.P due to unfavorable weather conditions, and production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks, with new arrivals to start soon from October.

Sources revealed that good quality maize is being traded in Bihar between Rs.1,850 to Rs. 1,900 per quintal. On the other hand poor quality maize is being exported to Bangladesh at Rs.1,600 per quintal. Whereas, maize is being supplied to Bangladesh between Rs. 1,950-Rs. 2000 per quintal for poultry purpose sourced from West Bengal.

The cottonseed oil prices have slightly decreased from the previous week. The cottonseed oil prices were at Rs. 1425 and Rs. 1430 per 10 kgs in Hyderabad and Mumbai market respectively. Whereas in Rajkot market the prices have increased from Rs. 1420 to Rs. 1425 per 10 kgs. The cottonseed oilcake prices have also decreased around 2 percent from the previous week. The average price of cottonseed oilcake in the Kadi market was Rs. 2584 per quintal from Rs. 2642 per quintal and in Akola was at Rs. 2802 per quintal from Rs. 2840 per quintal the previous week.

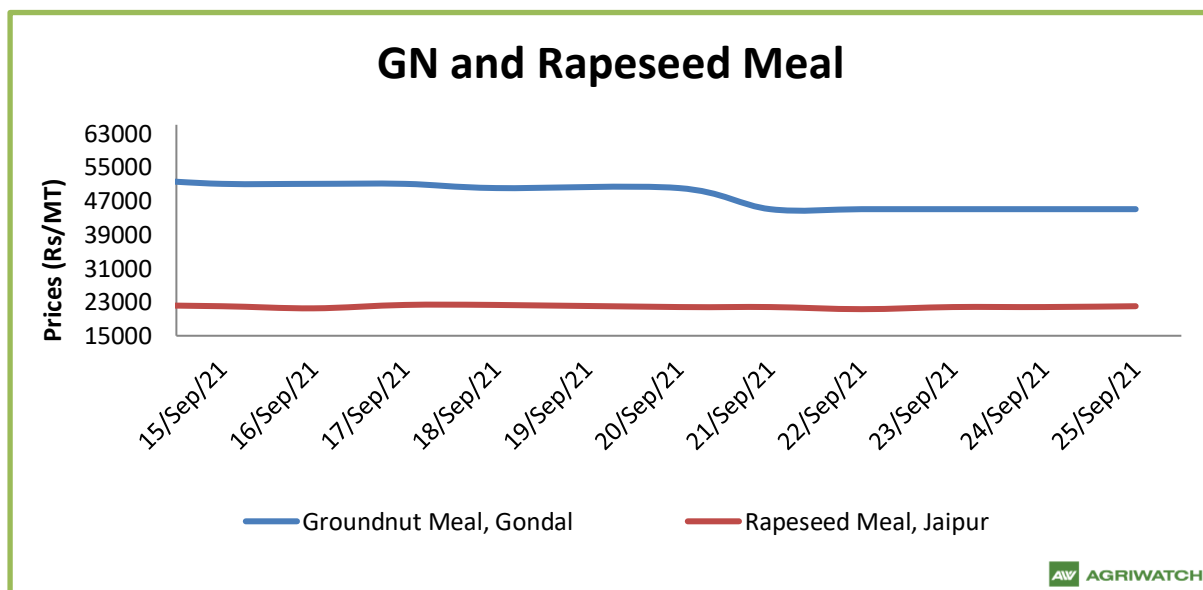
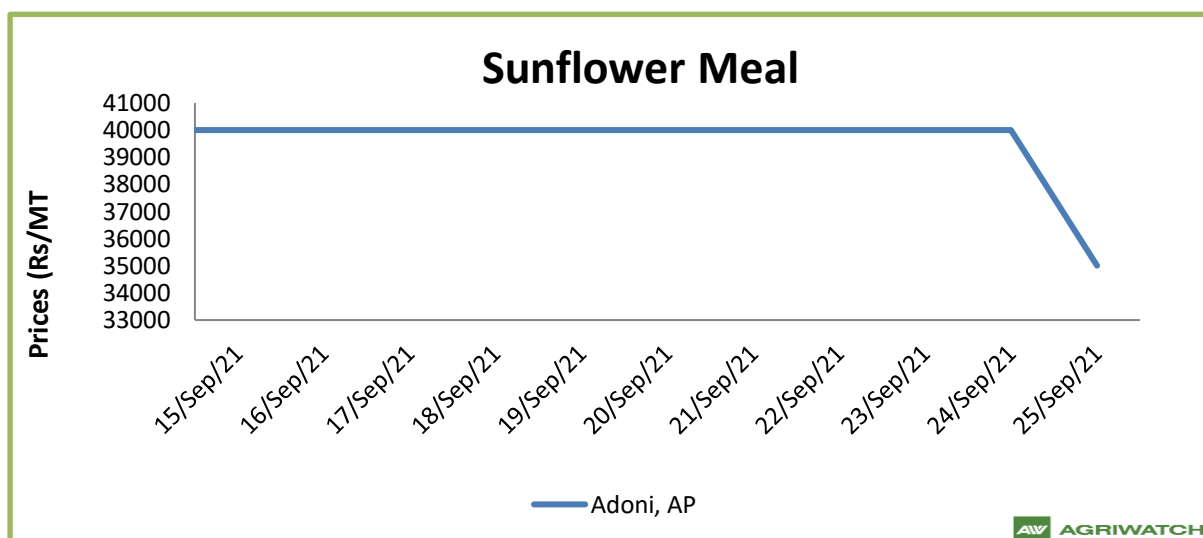
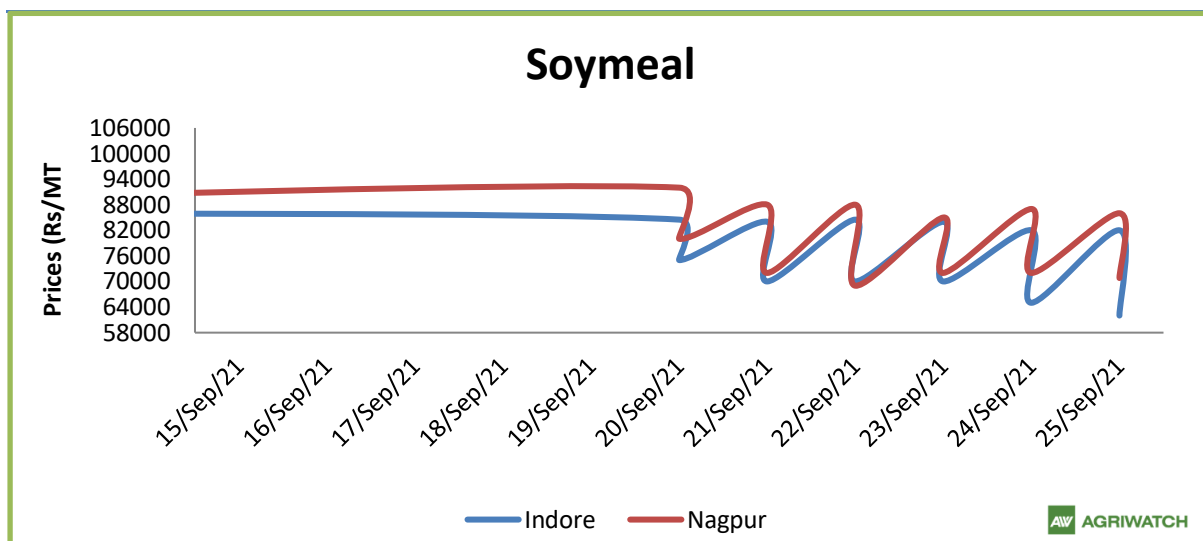
During the week of Sep 24 to Sep 30, 2021, the weekly average price in India reduced by 0.31 percent to Rs. 2020.08 per quintal against Rs. 2026.51 per quintal in the previous week. Wheat average prices also increased by 8.09 percent from Rs. 1868.90 per quintal in last year during the same period of time . The price remained almost steady compare to last week due to similar export demand compared to last week and no major fluctuation in supplies. 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.

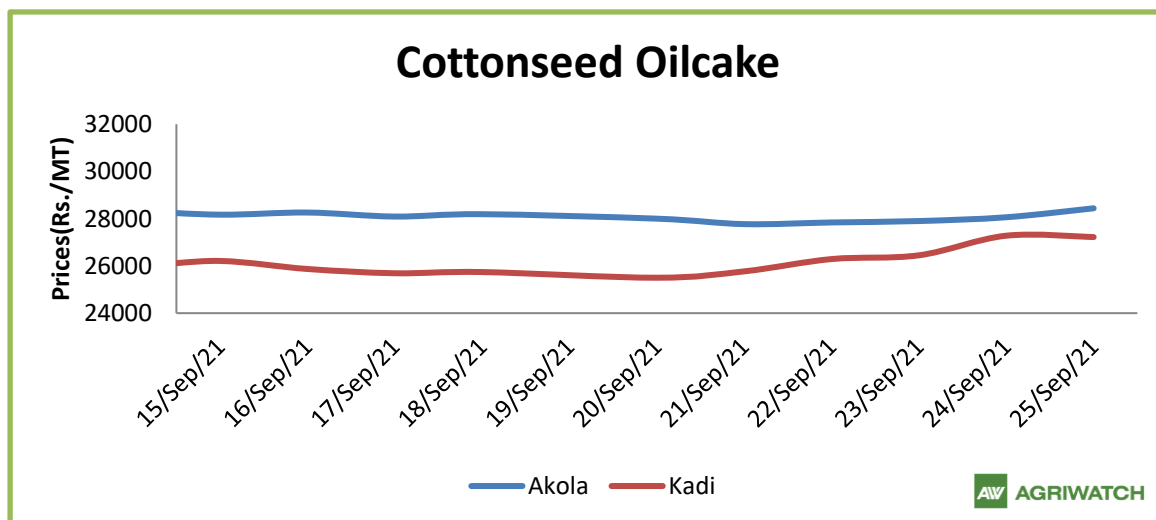
Wheat procurement for the Rabi marketing season 2021-22 is completed in India. Wheat was procured in excess of 433.32 LMT, a record high compared to 389.93 LMT in previous seasons. The current RMS procurement operations have already benefited over 49.20 lakh farmers with MSP value of Rs.85,603.57 crore. 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 continue correction on weakness in soybean and GM soymeal import. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 60,000 – 75,000 /MT.

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

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

The domestic weekly average soy meal price went down as compared to previous week on weakness in soybean price. Additionally, GOI decision to allow to import GM soy meal via five ports till 31st Oct'21 too dragged soy meal price. Arrival of new crop putting more pressure on soy meal price in near term.

In addition to existing two ports Nhava sheva and and LCS petrapole, GOI has allowed to import GM soy meal via three additional port - Mumbai sea port, Tuticorin sea port and Visakhapatnam sea port.

GOI has extended the GM soy meal import date to 31st January,2022, previously it was 31st Oct'21. India's 2020-21 soy meal export likely to remain weak, as india is now totally out priced in world market Indian soy meal. Export is expected to remain below 17 lakh metric tons. The high price of soybean meal has hit not only the export of soy meal but also the poultry farmers mainly small farmers and finding very difficult to survive in this difficult time.

According to USDA, US Aug'21 monthly average soy meal export price eased by \$3 to \$422/ton as compared to last month. Brazil Aug'21 monthly average soy meal export price eased by \$8 at \$418/ton as compared to previous month. Argentina Aug'21 monthly average soy meal export price too eased by \$3 at \$393/ton as compared to previous month. India's August soy meal export price surged to over \$1100/ton due to short supply, However, prices has declined in last few trading session.

According to USDA September report, world 2021/22 soy meal production is estimated higher at 258.45 million tonnes vs 249.75million tonnes against last year record.

According to Solvent extractor association of india, India's Aug'2021 soy meal exports declined by 81% to 10,975 metric tonnes compared to 58,190 metric tonnes in the same period last year. Further, the soy meal shipments too declined by 38% to 155,757 metric tonnes in aggregate, during the months (April-Aug.) of financial year 2020-21 compared to 249,339 metric tonnes during the corresponding period last year.

Additionally, Export of oil meals for the month of Aug'2021 provisionally reported at 164,831 tons compared to 171,515 tons in Aug 2020 i.e. down by 4%. The overall export of oil meals during April – Aug 2021 is reported at 1,091,664 tons compared to 1,013,178 tons i.e. up by 8%.

Rapeseed - Mustard Seed

This week Rapeseed-mustard seed prices witnessed mild loss and likely to remain elevated on tight supply in the country and bullish global cues.

There is significant 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 likely to underpinned by, firm demand, declining stock and arrival, strength in oilseed complex, and strength in CME canola futures due to lower production due to prolonged 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 witnessed mild loss by 0.5% to Rs.8,733/Qtl this week as compared to Rs 8,779/Qtl last week and arrival remains tight. In Sri Ganganagar, the weekly average prices of rapeseed oilcake too went down by 0.83% to Rs 3,235/Qtl from previous week at Rs. 3,262/qtl.

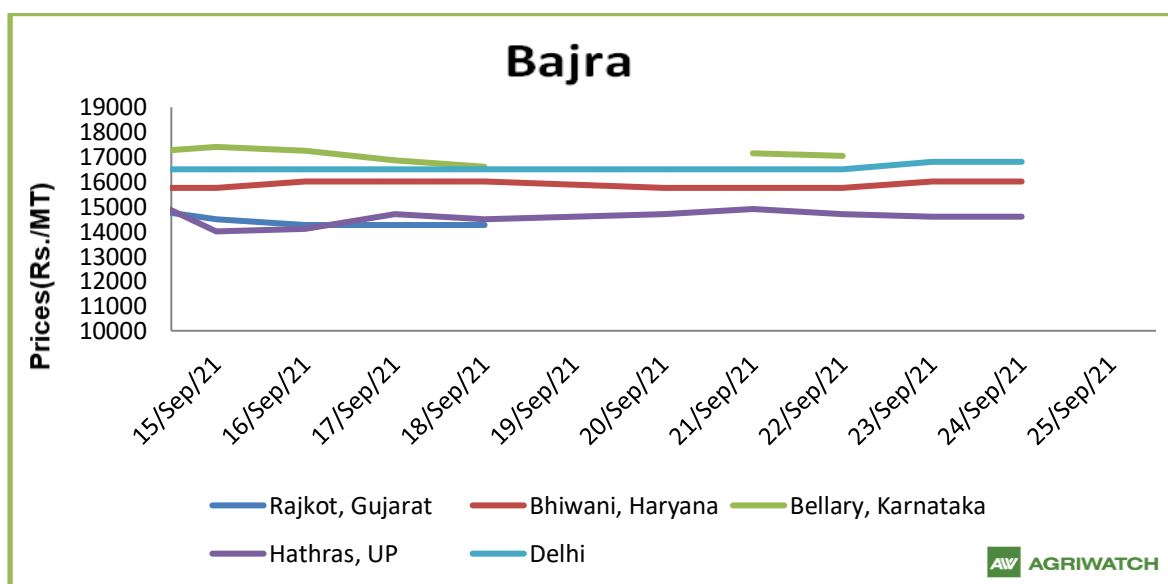
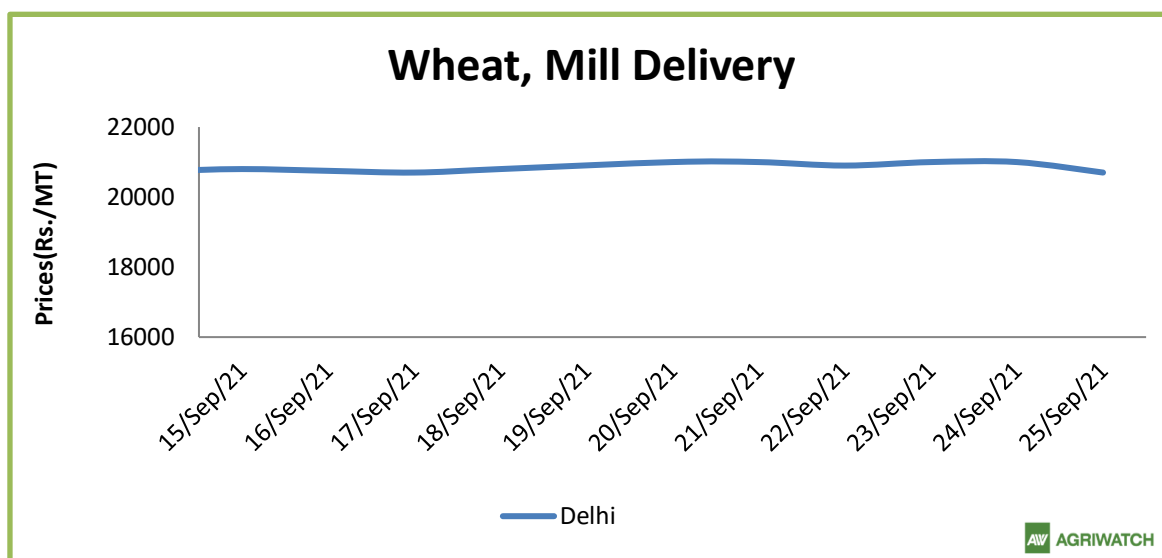
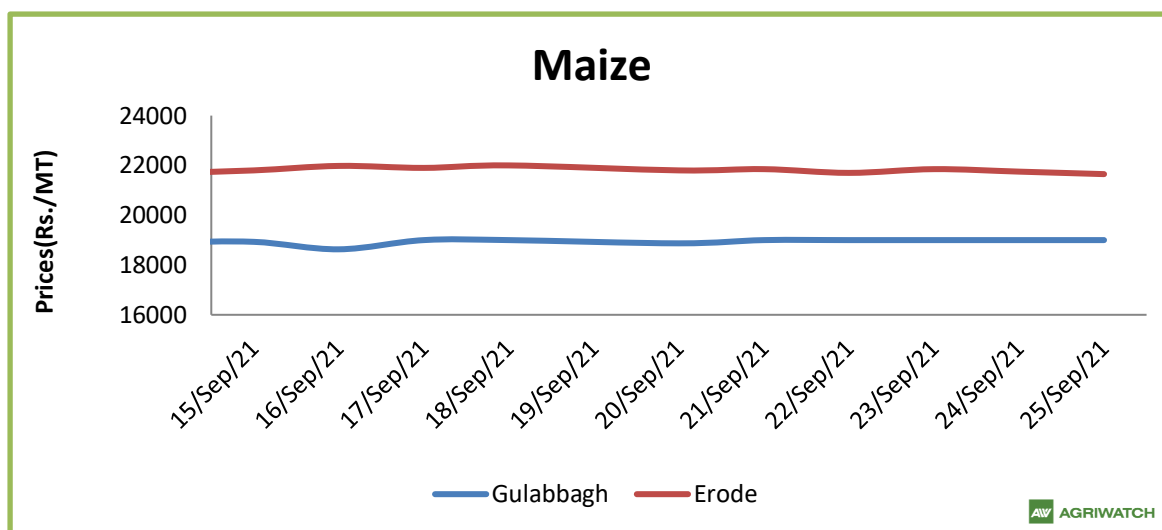
This week all India mustard arrival witnessed mild gains to 11.80 lakh as compared to previous week at 11.20 lakh bags. AW has revised India's 2021/22 rapeseed-mustard production up to 8.54 million tonnes from 8.0 million tonnes estimated in its previous forecast and it is up 18% from 7.21 million tonnes 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-Aug'2021 was up 11% at 542,630 metric tonnes compared to 487,060 metric tonnes during the same period previous marketing season. The export of rapeseed meal in Aug'21 is reported at 63,058 metric tonnes against last year 50,580 metric tonnes during the same period i.e. up by 25%, However 14% down as compared to Aug'20.

Improved rapeseed-oilcake shipments to the traditional destinations will continue to lend support to the oilcake prices at higher levels. South Korea, Vietnam, Thailand, Bangladesh and few other south-east Asian countries were the major buyers of mustard meal of Indian origin.

According to Solvent Extractor Association of India, Rapeseed (canola) oil import stood at 12,437 lakh tons imports in Aug compared to 20,801 lakh tons in last year for same period.

Canada canola production is down by 31% as compared to five-year average, yield down by 32%. However, area stood 1% up as compared to five-year average. Canola importers may switch to other countries such as Ukraine, Australia, for substitutes amid lower production. There will be very little canola left for export in Canada.



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

Sources revealed that maize in Nizamabad market is being traded at Rs. 1,950 per quintal. Maize is being supplied to Hyderabad between Rs. 2,000-Rs.2,150 per quintal for feed purpose sourced from Nizamabad. Demand from poultry has improved in Southern India in passed one week.

Corn on CBOT fell by 0.20 USD/MT to 207.37USD/MT for December '21 contract as compared to previous week. There is expectation that Corn on CBOT will remain strong for coming near term, it is trying to reach the resistance of 570 US\$ per bushel.

U.S. Maize exports have reached to 8.45 MMT for the 2021-22 marketing year, with the exports of 4.85 MMT for the period of (9th Sep- 16th Sep) 2021, for the destinations like Mexico (254,500 MT), China (140,200 MT), Japan (32,300 MT), Jamaica (19,900 MT), and Guatemala (17,100 MT).

Wheat prices were almost steady at various trading center since this week between September 21st to 27th September, 2021. In Indore market, the prices were down by 1.71% compared to last week while in Kota, the prices were down by 1.17%. In Delhi market, the prices were slightly firm by 0.53% and the prices were steady in Ahmedabad market. The price is expected to trade steady to very slightly firm in the coming week due to regular supply from the Government and equally balanced export demand.

Outlook: Feed prices are expected to feature overall 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) | | |
|----------------------------|---------------------------|-----------|---|
| | 23-Sep-21 | 16-Sep-21 | Parity To |
| Indore - 45%, Jute Bag | 70000 | 84000 | Gujarat, MP |
| Kota - 45%, PP Bag | 80000 | 91000 | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 79500 | 87000 | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 72000 | 85000 | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 75000 | 88000 | Andhra, AP, Kar, TN |
| Latur | 75000 | 84000 | - |
| Sangli | 67000 | 82000 | Local and South |
| Solapur | 82000 | 82000 | Local and South |
| Akola – 45%, PP Bag | 75000 | 75000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | 63500 | 63500 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Bundi | 78000 | 89000 | - |

Soy DOC at Port

| Centers | Port Price | | |
|-------------------------------------|------------|-----------|--------|
| | 22-Sep-21 | 15-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 | 22-Sep-21 | 15-Sep-21 | Change |
| Soybean Pellets | 413 | 410 | 3 |
| Soybean Cake Flour | 413 | 410 | 3 |
| Soya Meal | - | - | Unch |
| Soy Expellers | - | - | Unch |
| | | | |
| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) | | |
| Centers | 23-Sep-21 | 16-Sep-21 | Change |
| Adoni | 40000 | 40000 | Unch |
| Khamgaon | - | - | Unch |
| Parli | - | - | Unch |
| Latur | 39000 | 39000 | Unch |

| Groundnut Meal (Rs/MT) | 23-Sep-21 | 16-Sep-21 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | 44000 | 47000 | -3000 |
| Basis 40%, Saurashtra | 42000 | 43000 | -1000 |
| GN Cake, Gondal | 45000 | 51000 | -6000 |

| Mustard DOC/Meal | 23-Sep-21 | 16-Sep-21 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 21800 | 21500 | 300 |
| Kandla (FOR Rs/MT) | 22900 | 21800 | 1100 |

Maize Spot Market Prices (Rs. /Quintal)

| Market | Grade | 24-Sep-21 | 17-Sep-21 | 24-Aug-21 | 23-Sep-20 | 24-Sep-19 |
|-----------|--------|-----------|-----------|-----------|-----------|-----------|
| Delhi | Hybrid | 1850 | 1850 | 1800 | 1300 | 2100 |
| Davangere | Loose | 1900 | 1950 | 1800 | 1350 | NA |
| Nizamabad | Bilty | 1900 | 1900 | 1850 | 1375 | 2300 |
| Ahmedabad | Feed | 2000 | 2000 | 2050 | 1320 | 2350 |
| | Starch | 2000 | 2000 | 2100 | 1350 | 2300 |

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

| As on 22.09.2021 | Argentina | Brazil | US | India |
|------------------|-----------|--------|--------|--------|
| FOB | 236.00 | 262.00 | 270.00 | 287.77 |
| Cost and Freight | 286.00 | 317.00 | 330.00 | 322.77 |

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 | 10975* |
| 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 | 832433 |

| Feed Ingredient Prices at a Glance | | | | | | |
|------------------------------------|----------------|----------------|-----------|-----------|-----------|--------|
| Commodity | State | Variety | Centre | 24-Sep-21 | 17-Sep-21 | Change |
| Bajra | Karnataka | Hybrid | Bellary | NA | 1685 | - |
| | | Hybrid | Bangalore | 2150 | 2150 | Unch |
| Jowar | Karnataka | White | Bangalore | 2300 | 2300 | Unch |
| | | White | Bellary | NA | 1540 | - |
| Maize | Karnataka | Yellow | Davangere | 2050 | 2050 | Unch |
| | Telangana | Yellow | Nizamabad | 1900 | 1900 | Unch |
| Rice | Haryana | IR8 | Karnal | 2950 | 2900 | 50 |
| | | Parmal Raw | Karnal | 2700 | 2550 | 150 |
| Soy meal | Madhya Pradesh | DOC | Indore | 6500 | 8200 | -1700 |
| | Maharashtra | DOC | Sangli | 6500 | 8100 | -1600 |
| Sunflower Meal | Andhra Pradesh | Ex-factory | Adoni | 4000 | 4000 | Unch |
| Mustard | Rajasthan | Plant delivery | Jaipur | 2180 | 2300 | -120 |
| Groundnut Meal | Gujarat | GN Cake | Gondal | 4500 | 4300 | 200 |
| Cottonseed Oil Cake | Gujarat | Ex- Mandi | Kadi | 2728 | 2569 | 159 |
| Cottonseed Oil Cake | Maharashtra | Ex- Mandi | Akola | 2806 | 2809 | -3 |
| Note: Prices Rs./Qtl | | | | | | |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.

