AGRIWATCH

Feed Ingredients Weekly
16 November, 2021

Contents:

Summary

Agriwatch expects that maize would trade steady with mixed bias for coming near term. However crop arriving in market with high moisture content is being traded at lower rates. Also, production estimates happens to be lower than what is required, this will provide support to maize market in coming weeks.
Sources revealed that good quality maize is being traded in Bihar between Rs.1,800 to Rs. 1,900 per quintal. Whereas, domestic as well as international demand has improved as compared to past week. Good quality maize is being supplied to Bangladesh between Rs. 1900- Rs. 2000 per quintal sourced from West Bengal. Also, poultry demand seems to be revived in Kolkata and Siliguri.

Both cottonseed oil and cottonseed oilcake market have shown a decreasing trend in the market last week. The cottonseed oil prices were at Rs. 1315 and Rs. 1368 per 10 kgs in Hyderabad and Mumbai market respectively. Whereas in Rajkot market the prices have decreased from Rs. 1332 to Rs. 1365 per 10kgs. The average price of cottonseed oilcake in the Kadi market was at Rs. 2576 per quintal from Rs. 2715 per quintal and prices have fallen in Akola market and was at Rs. 2668 per quintal from Rs. 2773 per quintal the previous week.
During the week of November 09 to 15, 2021, the weekly average price in India was down by 1.58 percent at Rs. 2096.94 per quintal against Rs. 2130.61 per quintal the previous week. Also, wheat average prices increased by 11.26 percent from Rs. 1884.79 per quintal same time last year. On the 15th November the price of wheat in Kanpur market for mill delivery was Rs. 2000 per quintal which is 0.99% lower than Rs. 2020 per quintal the previous month. The prices were on downside compared to previous-to-previous week due to the fact that demand was higher on the week ending on Nov 8th as the markets were open only for few days. As per sources, the demand is expected to increase in the coming days which may support the market.

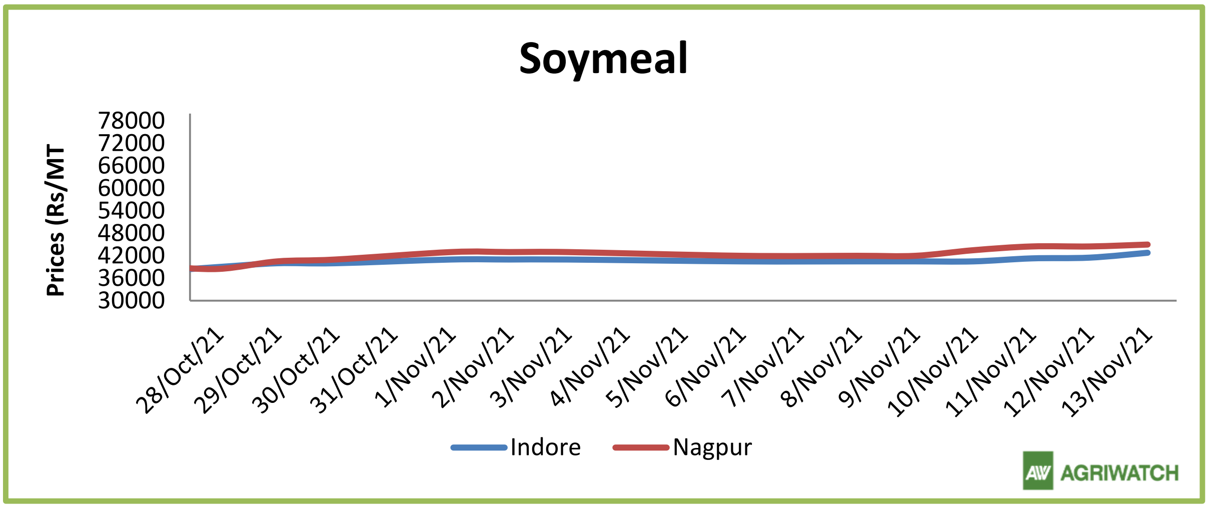
Due to shortage of DAP, farmers are moving to use NPK to prevent the delay of sowing. The NPK has increased the input cost of farmers as the price of NPK is Rs. 1450 per bag compared to Rs. 1200 per bag in case of DAP. DAP shortage created worry among farmers in Punjab. Wheat sowing is completed only in 27 percent of the expected 9.5 lakh hectares of total area to be sown. During last year, 60 percent of sowing was completed during the same period.

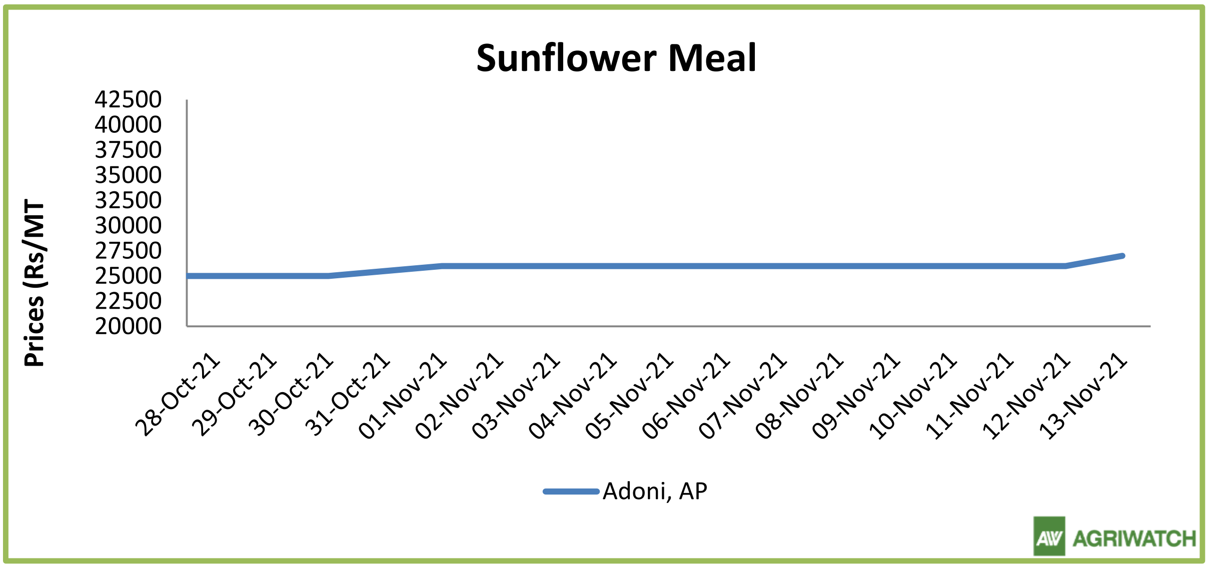
As per reports Indian wheat now accounts for 10 percent of the global stocks. Tightening global supplies and high prices from major exporters have made Indian wheat competitive for the first time in several years. While wheat stocks in China have declined for the first time over a decade.

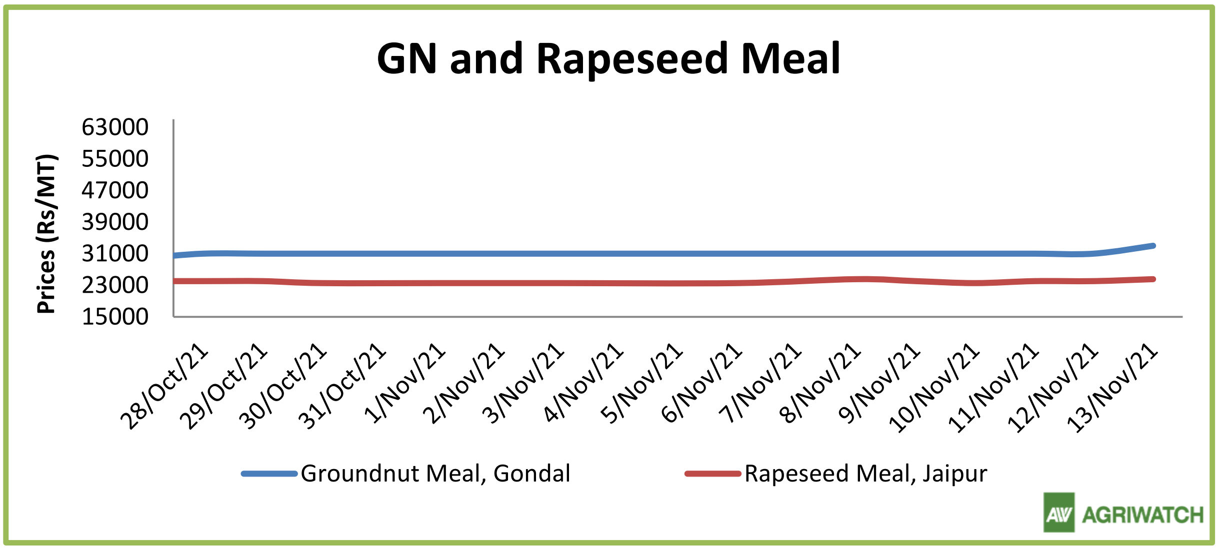
Soymeal prices are likely to trade range bound with firm bias followed by strength in soybean price and GM soymeal import. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 40,000 – 46,000 /MT.

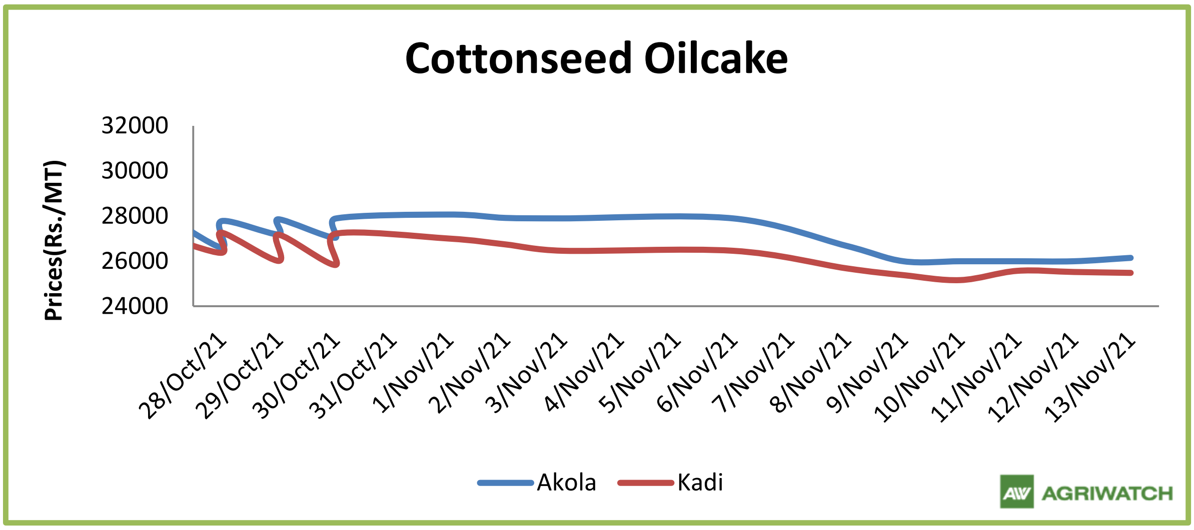
Rapeseed-mustard is expected to feature firm tone in near term due to low availability in mandis, firm demand and bullish global cues. The seed prices are likely to witness the price levels between 8,200 – 8,600/Qtl. in short-run.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

This week Indore weekly average soymeal price went up by 1.2% as compared to previous week followed by strength in soybean price. In addition to existing two ports Nhava sheva and and LCS petrapole, GOI has allowed to import GM soymeal via three additional port - Mumbai sea port, Tuticorin sea port and Visakhapatnam sea port. GOI has extended the GM soymeal import date to 31st January,2022, previously it was 31st Oct21.

According to USDA November'21 report, world 2021/22 soymeal production is estimated higher at 258.51 million tonnes vs 248.13 million tonnes against last year record. India's 2021-22 soymeal production pegged at 5.06 MMT vs 4.90 MMT in 2020-21.According to Solvent extractor association of india, India's September'2021 soymeal exports declined by 91% to 5,831 metric tonnes compared to 68,576 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 49% to 161,588 metric tonnes in aggregate, during the months (April-Sept.) of financial year 2020-21 compared to 317,915 metric tonnes during the corresponding period last year.

Additionally, Export of oilmeals for the month of September'2021 provisionally reported at 183,625 tons compared to 287,247 tons in 2020 i.e. down by 36%. The overall export of oilmeals during April – September 2021 is reported at 1,275,764 tons compared to 1,300,516 tons i.e. down by 2%.The domestic weekly average soymeal prices at Indore was 1.2% up to Rs 41,183 /MT and was quoted between Rs 40,500 – 42,800/MT compared to the weekly average of Rs 40,700/MT and was traded between the price ranges of Rs 40,000 – 41,000/MT previous week.

Weekly average prices at various centers also closed mixed side compared to last week prices. At Latur, the weekly average soymeal prices decreased by 0.2% to Rs. 43,500/MT compared to Rs. 43,600 /MT a week ago, in Nanded it was quoted 1.1% up at Rs. 42,183/MT compared to Rs. 41,700/MT a week ago. In Kota the meal prices went down by 1.1% to Rs. 42,750/MT compared to Rs. 43,220/MT previous week.

Rapeseed - Mustard Seed

This week RM seed prices witnessed loss of 3.6% However, supply still remains short on demand and global dynamics still remains bullish and underpinning the price in near term.

According to Department of agriculture, Rajasthan, as on 11th Nov, Rapeseed Mustard sowing is up by 34% and stood at 28.30 lakh hectare vs 21.07 lakh hectare last year same period.

According to GOI, As on 12 Nov, Mustard sowing is up by 24% at 56.28 Lakh Ha compared with 45.37 Lakh Ha last year.

Mustard prices likely to underpinned by, firm demand, declining stock and arrival, and strength in CME canola futures due to lower production due to prolonged heatwave in Canada which resulted in lower production.

Rapeseed Mustard weekly average price remained elevated and witnessed down by 3.6% to Rs.8,292/Qtl this week as compared to Rs 8,588/Qtl last week, In Sri Ganganagar, the weekly average prices of rapeseed oilcake too went down by 0.90% to Rs 3,233/Qtl from previous week at Rs. 3,262/qtl.

This week all india mustard arrival stood at 9.10 lakh bags as compared to previous week at 4.50 lakh bags, previous week arrival was low due to festival.

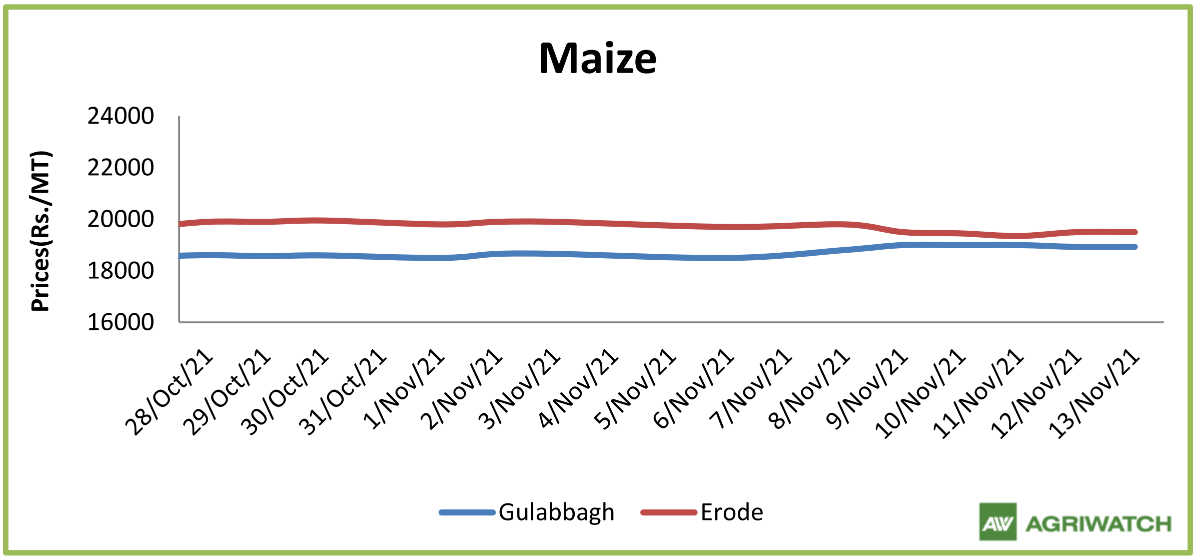
AW has revised India's 2021/22 rapeseed-mustard production up to 8.54 million tonnes from 8.0 million tonnes estimated in its previous forecast and it is up 18% from 7.21 million tonnes estimated last season. The Government estimation of mustard crop is high at 10.4 MT. The COOIT has estimated mustard production at 8.90 MT.

According to Solvent extractors association of india, India's exports for rapeseed meal during April-Sept'2021 was down 4% at 605,355 metric tonnes compared to 627,890 metric tonnes during the same period previous marketing season.

The export of rapeseed meal in September'21 is reported at 62,725 metric tonnes against last year 140,830 metric tonnes during the same period i.e. down by 55%,

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.

In the Oct'21 report, the USDA has kept India's 2021/22 rapeseed production estimates unchanged at 8.5 million tonnes compared to previous month. However, Canada rapeseed production estimate decreased for 2021/22 at 13.0 MMT vs 14 MMT and 19.48 MMT in 2020-21.


Maize
24000
22000
20000
18000
16000
Prices(Rs./MT)
28/Oct/21
29/Oct/21
30/Oct/21
31/Oct/21
1/Nov/21
2/Nov/21
3/Nov/21
4/Nov/21
5/Nov/21
6/Nov/21
7/Nov/21
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10/Nov/21
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12/Nov/21
13/Nov/21
Gulabbagh
Erode
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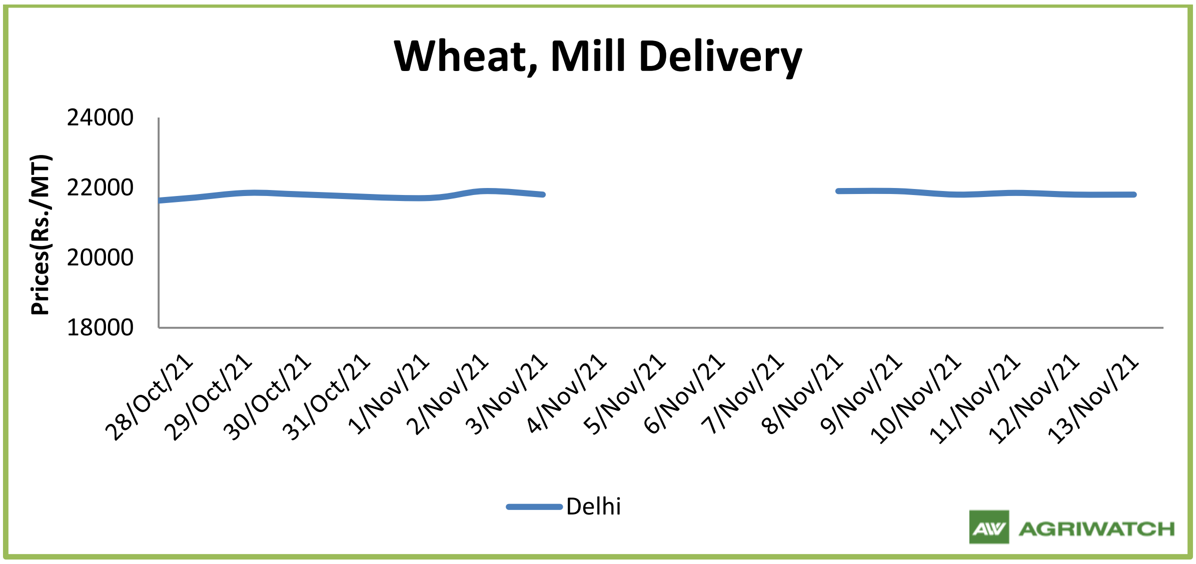
Wheat, Mill Delivery
24000
22000
20000
18000
Prices(Rs./MT)
28/Oct/21
29/Oct/21
30/Oct/21
31/Oct/21
1/Nov/21
2/Nov/21
3/Nov/21
4/Nov/21
5/Nov/21
6/Nov/21
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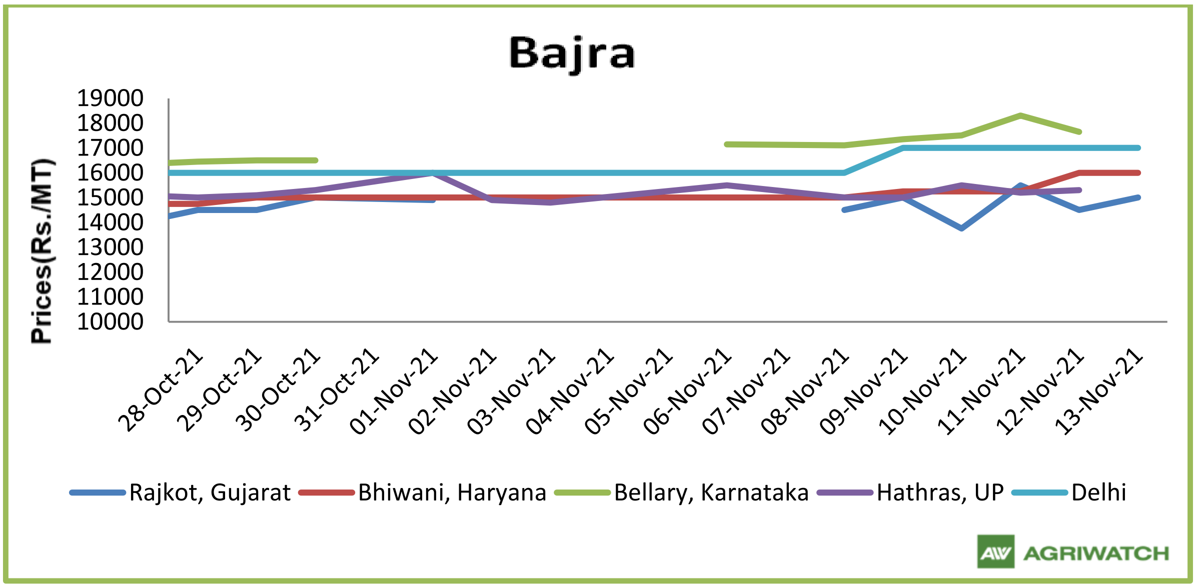
12/Nov/21
13/Nov/21
Delhi
AGRIWATCH


Bajra
19000
18000
17000
16000
15000
14000
13000
12000
11000
10000
Prices(Rs./MT)
28-Oct-21
29-Oct-21
30-Oct-21
31-Oct-21
01-Nov-21
02-Nov-21
03-Nov-21
04-Nov-21
05-Nov-21
06-Nov-21
07-Nov-21
08-Nov-21
09-Nov-21
10-Nov-21
11-Nov-21
12-Nov-21
13-Nov-21
Rajkot, Gujarat
Bhiwani, Haryana
Bellary, Karnataka
Hathras, UP
Delhi
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Source: Agriwatch (Prices: Maize-Industrial/Feed Grade: Narela Market, Wheat Mill Delivery)

Sources revealed that maize in Nizamabad market is being traded between Rs. 1,850 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,600 per quintal. Maize for poultry feed purpose is being supplied to Hyderabad at Rs. 1,950 per quintal.

Corn on CBOT rose by 9.54 USD/MT to 227.25 USD/MT for December '21 contract as compared to previous week, on the account of mixed demand maintained over last week and also there was a correction in Corn on CBOT. Agriwatch expects that Corn on CBOT would remain consolidated in current zone.

U.S. Maize exports have reached to 58.93 MMT for the 2021-22 marketing year, with the exports of 7.48 MMT for the period of (22nd Oct – 28th Oct) 2021, exports were up by 9 percent from the previous week but down by 17 percent from the prior 4-week average, to the destinations like Mexico (317,300 MT), Japan (162,900 MT), Colombia (136,200 MT), Venezuela (43,600 MT), and Nicaragua (26,300 MT).

Wheat prices were trading almost steady in these four markets since last four weeks. In Ahmedabad, the market was closed for the week ending on 08th November. Also, during that week most of the markets were closed on most of the days. The demand has been stable in the previous weeks which was stabilized with normal supplies. Since we are into the offseason of wheat, we can expect market to remain steady to slightly firm in the coming days.

Outlook: Feed prices are expected to feature in a range bound zone with 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)		
	13-Nov-21	08-Nov-21	Parity To
Indore - 45%, Jute Bag	42800	40500	Gujarat, MP
Kota - 45%, PP Bag	44200	42000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	46000	41000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	45000	42000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	43000	42000	Andhra, AP, Kar ,TN
Latur	44500	43000	-
Sangli	42000	40000	Local and South
Solapur	41500	41500	Local and South
Akola – 45%, PP Bag	42000	40000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	43500	42000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	44000	41800	-

Soy DOC at Port

Centers	Port Price		
	12-Nov-21	06-Nov-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	**12-Nov-21**	**06-Nov-21**	**Change**
Soybean Pellets	402	381	21
Soybean Cake Flour	402	381	21
Soya Meal	NR	0	-
Soy Expellers	NR	0	-
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**13-Nov-21**	**08-Nov-21**	**Change**
Adoni	27000	26000	1000
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	26500	25000	1500

Groundnut Meal (Rs/MT)	13-Nov-21	08-Nov-21	Change
Basis 45%, Saurashtra	33000	31000	2000
Basis 40%, Saurashtra	30000	27900	2100
GN Cake, Gondal	33000	31000	2000

Mustard DOC/Meal	13-Nov-21	08-Nov-21	Change
Jaipur (Plant delivery)	24500	24500	Unch
Kandla (FOR Rs/MT)	25000	25000	Unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	12-Nov-21	06-Nov-21	12-Oct-21	11-Nov-20	12-Nov-19
Delhi	Hybrid	1850	Closed	1800	1540	NA
Davangere	Loose	1660	1600	1600	1380	NA
Nizamabad	Bilty	1800	Closed	1850	Closed	NA
Ahmedabad	Feed	1828	1836	1851	1515	1905
	Starch	-	-	-	-	-

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

As on 11.11.2021	Argentina	Brazil	US	India
FOB	254.00	268.00	261.00	271.18
Cost and Freight	304.00	323.00	321.00	306.18

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	5831*
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**	**13-Nov-21**	**06-Nov-21**	**Change**
Bajra	Karnataka	Hybrid	Bellary	NA	1715	-
		Hybrid	Bangalore	2150	NA	-
Jowar	Karnataka	White	Bangalore	2200	2200	Unch
		White	Bellary	NA	1645	-
Maize	Karnataka	Yellow	Davangere	closed	1700	-
	Telangana	Yellow	Nizamabad	closed	closed	-
Rice	Haryana	IR8	Karnal	2900	2900	Unch
		Parmal Raw	Karnal	2550	2450	100
Soy meal	Madhya Pradesh	DOC	Indore	4280	4050	230
	Maharashtra	DOC	Sangli	4500	4100	400
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	2700	closed	-
Mustard	Rajasthan	Plant delivery	Jaipur	2450	closed	-
Groundnut Meal	Gujarat	GN Cake	Gondal	3000	closed	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2548	closed	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2615	closed	-
Note: Prices Rs./Qtl						