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## Summary

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Maize would trade with firm to slightly steady sentiment in coming term due to decreased arrivals since almost seventy percent of previous season's arrivals have already reached market, also possible late Rabi arrivals, along with the increase in demand as per seasonality trend would lead to rise in prices, till new Rabi arrivals start.

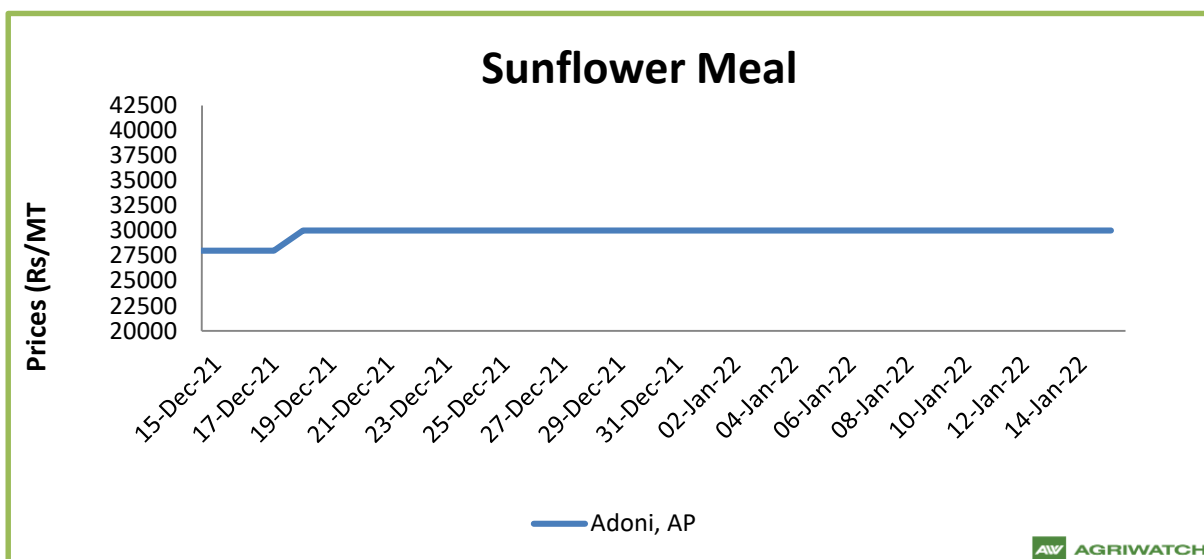
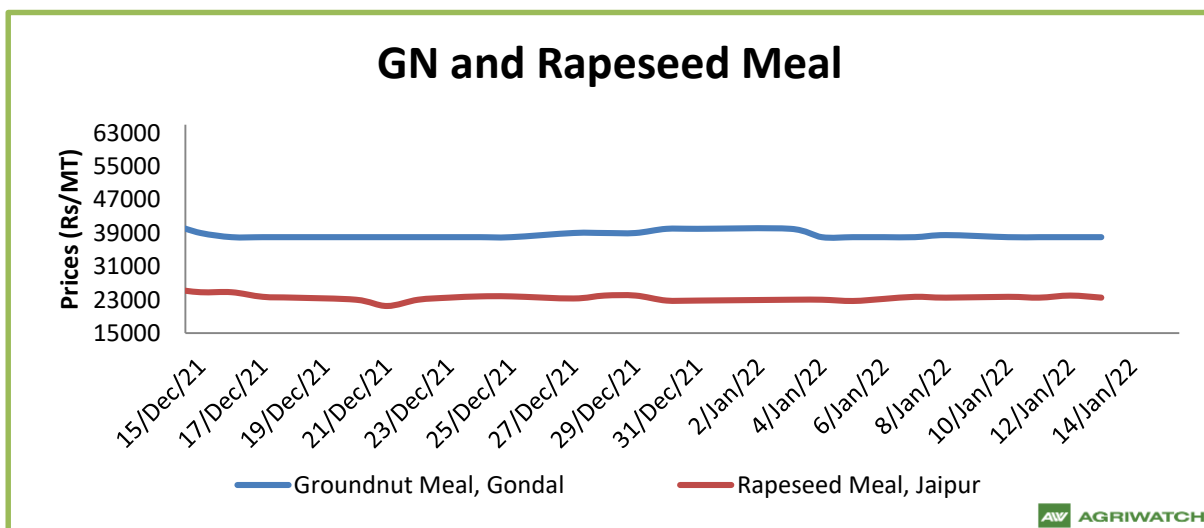
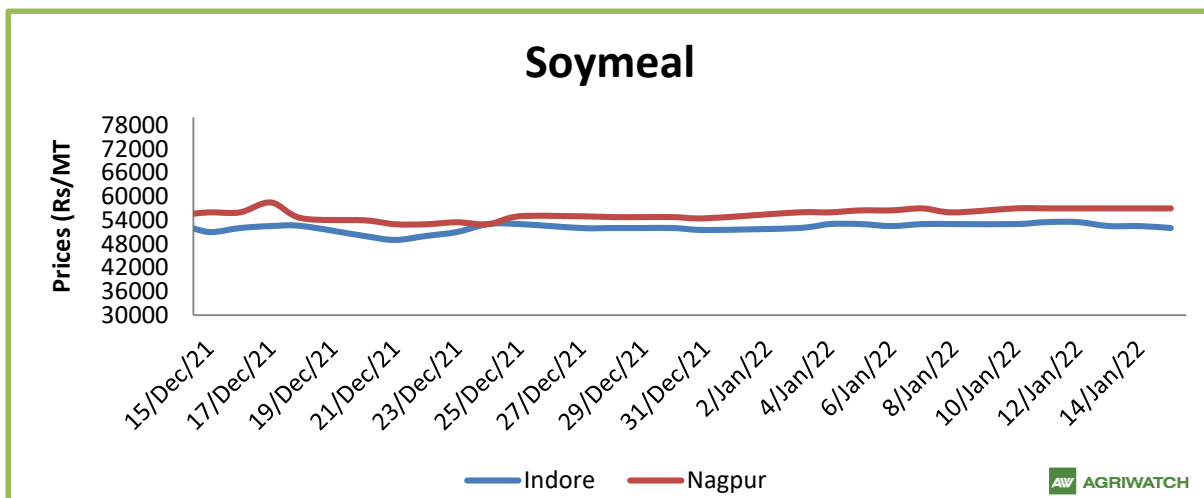
The Cottonseed Oil Cake prices have increased around 5-8 percent in Akola and Kadi market. Prices were Rs. 3424 and Rs. 3381 per quintal respectively. Cottonseed oil prices this week were 1-2 percent higher at Rs. 1209 per quintal in Rajkot and Rs. 1209 per quintal in Hyderabad market. The cotton arrivals have also improved last week in the local market. Prices of raw cotton have crossed Rs. 10,000 per quintal mark in the major markets.

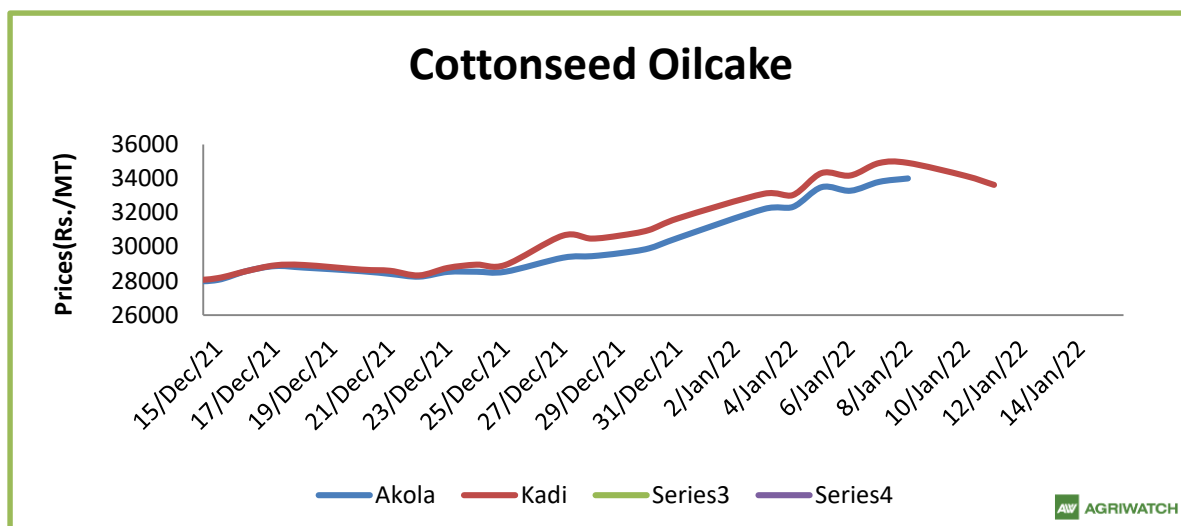
During the week of January 09 to 15, 2021, the weekly average price in India was up by 1.49 percent at Rs. 2349.05 per quintal against Rs. 2314.48 per quintal the previous week. Also, wheat average prices increased by 17.83 percent from Rs. 1993.49 per quintal same time last year. On the 15th January the price of wheat in Kanpur market for mill delivery was Rs. 2030 per quintal which is 1.00% higher than Rs. 2010 per quintal the previous week. High transportation cost and shortage of labour for loading and unloading is pressurizing the supply market which is supporting the wheat market. As on 14th January 2022, area sown to wheat was lower by 1.25 per cent at 336.48 lakh hectare so far in the current rabi season from 340.74 lakh hectare the previous year during the corresponding period. Wheat has been sown in 90.54 lakh hectare in Madhya Pradesh down by 1.14 lakh hectares, 94.55 lakh hectare in Uttar Pradesh down by 1.89 lakh hectare, 35.02 lakh hectare in Punjab down by 0.20 lakh hectares, 23.87 lakh hectare in Haryana down by 1.34 lakh hectares and 31.00 lakh hectare in Rajasthan up by 1.96 lakh hectares so far in the ongoing season. The acreage is down mainly due to shift from wheat to mustard. Wheat stock in government warehouses as of January 1, 2022 was 330.12 lakh tonnes, lower by 12.79 percent from December 1, 2021. During this season, stock in the central pool as on January 1, 2022 is lower by 3.7 percent compared to same month last year. We expect the stocks to reduce further until February the arrivals of the new crop. As this is the end of the season, lower arrivals are expected in the coming days which along with good export demand expected in coming days can support the market. But shortage of containers can hinder the export pace but nevertheless overall impact is expected to be positive for the wheat market. Though free ration scheme till March 2022 can limit domestic consumption which can prevent a major rise in the prices.

Soymeal prices are likely to trade range bound amid subdued soymeal export demand due to uncompetitive prices in global markets. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 50,000 – 55,000 /MT.

Rapeseed-mustard is expected to rebound from lower level on weather concerns and as arrivals are very low in mandis. The seed prices are likely to trade in the range between 7400 –7,800/Qtl. in the short-run.

**Trend – Raw Material, Feed**





**Source: AgriWatch**

#### Soy meal

This week Indore weekly average soymeal prices remained sideways as compared to previous week followed by sideways movement in soybean prices. The weekly average prices of soymeal at Indore remained sideways and went up by 0.6% to Rs 53,000 /MT and was quoted between Rs 52,500 – 53,500/MT throughout the week. This compares with previous week's average of Rs 52,700/MT and range of Rs 52,000– 53,000/MT. This week market remained sluggish amid slacked soymeal demand and steady soybean prices. Weekly average prices at various centers also traded sideways compared to last week.

At Latur, the weekly average went up by 1.9% to Rs. 56,750/MT compared to Rs.57,900/MT a week ago, in Nanded too it traded sideways going down by just 0.2% to Rs. 55,916/MT compared to Rs. 56,000 /MT a week ago. In Kota the meal prices were up by 0.6% to Rs. 55,416/MT compared to Rs. 55,100/MT previous week. According to Solvent Extractor Association of India, India's November'2021 soymeal exports declined by 78% to 42,951 metric tonnes compared to 1,98,776 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 66% to 2,19,077 metric tonnes in aggregate, during the months (April-Nov.) of financial year 2020-21 compared to 6,36,981 metric tonnes during the corresponding period last year. We expect lower soymeal export in December and January too as Indian soymeal prices are much higher as compared to Argentina and Brazil FOB prices. Additionally, Export of oilmeals for the month of November'2021 was provisionally reported at 1,62,442 tons compared to 3,32,336 tons last year same period i.e., down by 51%. The overall export of oilmeals during April – Nov'2021 is reported at 15,96,131 tons compared to 19,51,558 tons i.e., down by 18%. Currently India is outpriced for soybean meal export as Ex. Kandla is quoted at US\$ 760/MT against Brazil origin US\$ 462/MT and Argentina US\$ 456/MT, USA US\$ 498/MT. India's Soymeal export is likely to remain slacked in next few months due to higher prices.

Department of Consumer Affairs, Food and Public Distribution has imposed stock limit on soymeal till June 30, 2022. Soymeal millers, processors or plants are allowed to hold stocks only up to 90 days of production, the limits were imposed after amending the Essential Commodities Act of 1955 to include soymeal in the category. We think the stock limit on soymeal will have minimal impact as soymeal has a low shelf life at 10-15 days. As per Agriwatch estimates, total production of soymeal in the country for MY 2021-22 is likely to be 88.80 lakh tonnes. Annual soymeal consumption stands between 60-65 lakh tonnes while 15-18 lakh tonnes soymeal is exported annually. So, demand and supply of soymeal in the country seems balanced.

## Rapeseed - Mustard Seed

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This week RM seed prices continued rebound from the lower levels and traded steady amid low arrivals and weather concerns in a few pockets of Rajasthan, Madhya Pradesh and Uttar Pradesh. Additionally ICE Canola too underpinned the domestic RM seed prices. Rapeseed Mustard weekly average price continued rebounded by 0.6% to Rs.7,598/Qtl, as compared to Rs 7,633/Qtl last week. The market made a low of 7,538 and high of 7,813 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake traded rangebound and went down by 0.48% to Rs 2,879/Qtl from previous week at Rs. 2,893/qtl.

This week in Rajasthan, total mustard arrivals stood at 2.25 lakh bags as compared to previous week at 2.95 lakh bags. As per Agriwatch estimates, till 31st Dec'21 78.3 lakh tonne crushing has been completed. Ending stock is estimated at 3.2 lakh tonne. There was no procurement by NAFED and HAFED. According to Solvent Extractors Association of India, India's exports for rapeseed meal during April-Nov'2021 was down 10% at 7,00,613 metric tonnes compared to 7,74,849 metric tonnes during the same period previous marketing season and export of rapeseed meal in November'21 is reported at 42,383 metric tonnes against last year 45,050 metric tonnes during the same period i.e. down by 6%.

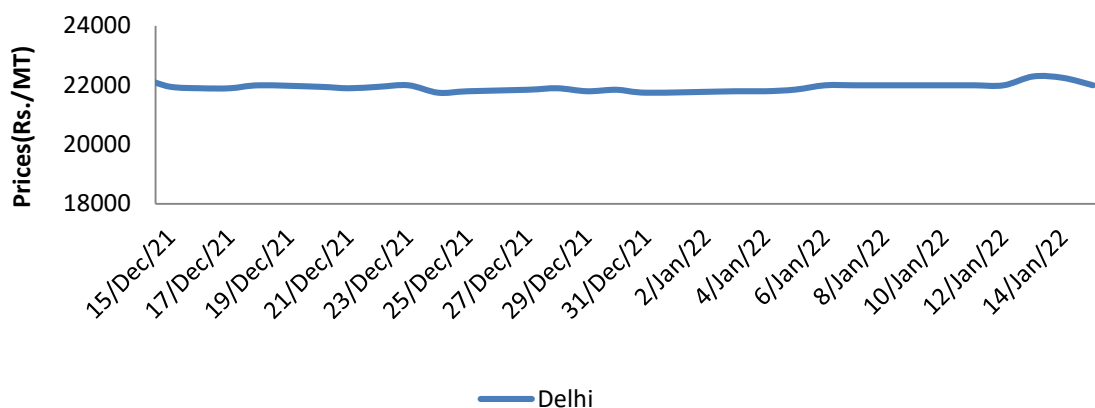
According to GOI, as on 07th Dec, All India Mustard sowing is up by 22.5% at 89.7 Lakh Ha compared with 72.80 Lakh Ha last year. According to Central Organization for Oil Industry and Trade (COOIT) production of the mustard to increase to a record 100-110 lakh tonnes this season.

As per sources, hailstorm in few pockets of Jhalawar, Kota and western Uttar Pradesh have caused mild damage to the mustard flower, In few pockets of Haryana especially in Kurukshetra, Yamunanagar, Ambala, Karnal, Kaithal and Sonapat districts, high wind velocity has flattened mustard plant and in few region 10-15% flowers have fallen.

Mustard sowing expected to end with 18-20% increase in acreage as farmers are opting mustard over other crops amid lucrative prices. Rajasthan govt. had imposed a stock limit on oil seeds and edible oils on 26th Nov'21 till 31st March 22. Stock limit for Mustard seed, Toria, Taramira and Rayda for whole sellers is 2000 Qtl and retail trader oilseed storage limit pegged at 100 Qtl. We expect there will be no impact on prices as there is less availability in the market.

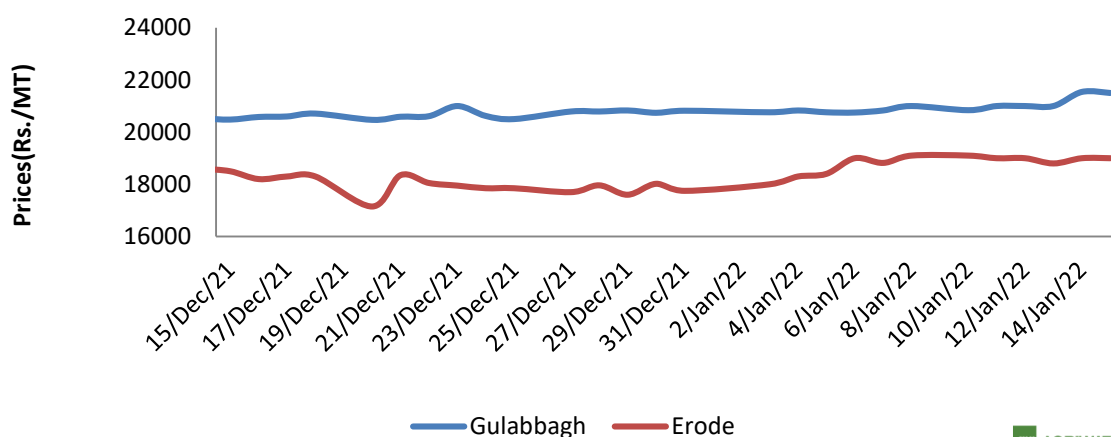
Canada canola production is down by 31% as compared to five-year average with yield down by 32% even as area was 1% up as compared to the five-year average. We estimate that there will be very little canola left for export in Canada. USDA in its January'21 report, estimates Canadian Canola at 12.6 MMT Vs 19.48 MMT in the previous year, China at 14 MMT ( same as the last year), EU at 17.25 MMT Vs 16.28 MMT in the previous year. It also estimated that Canada canola exports are down to 5.3 MMT from 10.51 MMT last year.

### Wheat, Mill Delivery



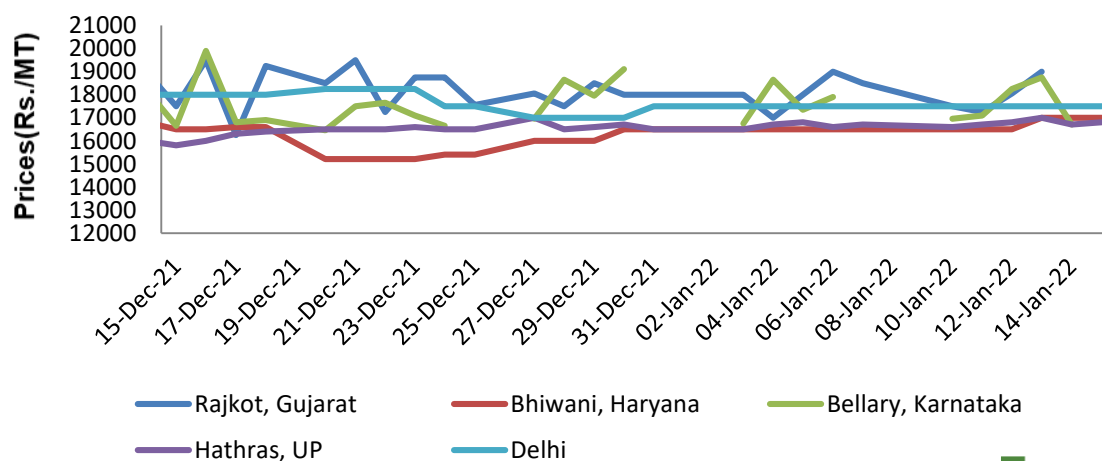
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### Maize



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### Bajra



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**Source: Agriwatch (Prices: Maize-Industrial/Feed Grade: Narela Market)**

Sources revealed that maize in Nizamabad market is being traded at Rs. 1,850 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,700 per quintal. Stockist demand seems to be active at approximate Rs. 1,850 per quintal of godown delivery rate in Davangere. Corn on CBOT decreased by 7.58 USD/MT to 231.29 USD/MT for March '22 contract as compared to previous week. U.S. Maize exports have reached to 156.64 MMT for the 2021-22 marketing year, with the exports of 10.11 MMT for the period of (31st Dec 2021 – 06th Jan 2022), these exports were up by 3 percent from the previous week but down by 1 percentage from the prior 4-week average, to the destinations like Mexico (347,800 MT), China (274,700 MT), Japan (131,700 MT), Saudi Arabia (73,300 MT), and Costa Rica (49,300 MT). Agriwatch expects that dry weather related conditions in Brazil and Argentina, along with increasing use of Corn in ethanol production is expected to provide support to U.S corn exports.

In all the four markets, the prices were mostly steady compared to previous week. In Delhi, the prices were up by 0.77 percent while in Indore the prices were up by 0.87 percent. In Ahmedabad, the price was up by 0.19 percent while in Kota the price was up by 0.14 percent. We expect the market to trade in range bound in coming week as good export demand and free ration scheme simultaneously impact the market condition.

**Outlook:** Feed prices are expected to feature in a range bound zone with steady bias in coming week.

**Annexure**
**Oil Meal Prices at Key Spot Markets:**
**Soy DOC Rates at Different Centers**

Centers	Ex-factory rates (Rs/ton)		
	14-Jan-22	08-Jan-22	Parity To
Indore - 45%, Jute Bag	52500	53000	Gujarat, MP
Kota - 45%, PP Bag	54700	55000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	57500	58000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	57000	56000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	55500	56000	Andhra, AP, Kar, TN
Latur	57000	56000	-
Sangli	53800	54500	Local and South
Solapur	56000	52700	Local and South
Akola – 45%, PP Bag	53000	53000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	56000	56500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	54500	54800	-

International Soy DOC			
Argentina FOB USD/MT	13-Jan-22	07-Jan-22	Change
Soybean Pellets	468	470	-2
Soybean Cake Flour	468	470	-2
Soya Meal	NR	NA	-
Soy Expellers	NR	NA	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	14-Jan-22	08-Jan-22	Change
Adoni	Closed	30000	-
Khamgaon	Closed	NA	-
Parli	Closed	NA	-
Latur	Closed	29500	-

Groundnut Meal (Rs/MT)	14-Jan-22	08-Jan-22	Change
Basis 45%, Saurashtra	Closed	37500	-
Basis 40%, Saurashtra	Closed	32000	-
GN Cake, Gondal	Closed	38500	-

Mustard DOC/Meal	14-Jan-22	08-Jan-22	Change
Jaipur (Plant delivery)	Closed	23500	-
Kandla (FOR Rs/MT)	Closed	24000	-

#### Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	14-Jan-22	07-Jan-22	14-Dec-21	13-Jan-21	14-Jan-20
Delhi	Hybrid	1900	1900	1900	1450	2200
Davangere	Loose	1700	1600	1650	1300	NA
Nizamabad	Bilty	Closed	1850	1830	Closed	NA
Ahmedabad	Feed	1900	1850	1850	1380	NA
	Starch	1950	1870	1860	1380	NA



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

As on 12.01.2022	Argentina	Brazil	US	India
FOB	265.00	284.00	275.00	266.43
Cost and Freight	315.00	339.00	335.00	300.57

**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	14538*
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>838264</b>

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	15-Jan-22	10-Jan-22	Change
Bajra	Karnataka	Hybrid	Bellary	NA	NA	-
		Hybrid	Bangalore	2500	2500	Unch
Jowar	Karnataka	White	Bangalore	2500	2500	Unch
		White	Bellary	2800	NA	-
Maize	Karnataka	Yellow	Davangere	1750	1700	50
	Telangana	Yellow	Nizamabad	1900	1850	50
Rice	Haryana	IR8	Karnal	3100	3100	Unch
		Parmal Raw	Karnal	2750	2750	Unch
Soy meal	Madhya Pradesh	DOC	Indore	5200	5300	-100
	Maharashtra	DOC	Sangli	5380	5600	-220
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3000	3000	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2450	2350	100
Groundnut Meal	Gujarat	GN Cake	Gondal	closed	3850	-
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	closed	3493	-
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3400	3402	-2
Note: Prices Rs./Qtl						

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