Contents:

Summary

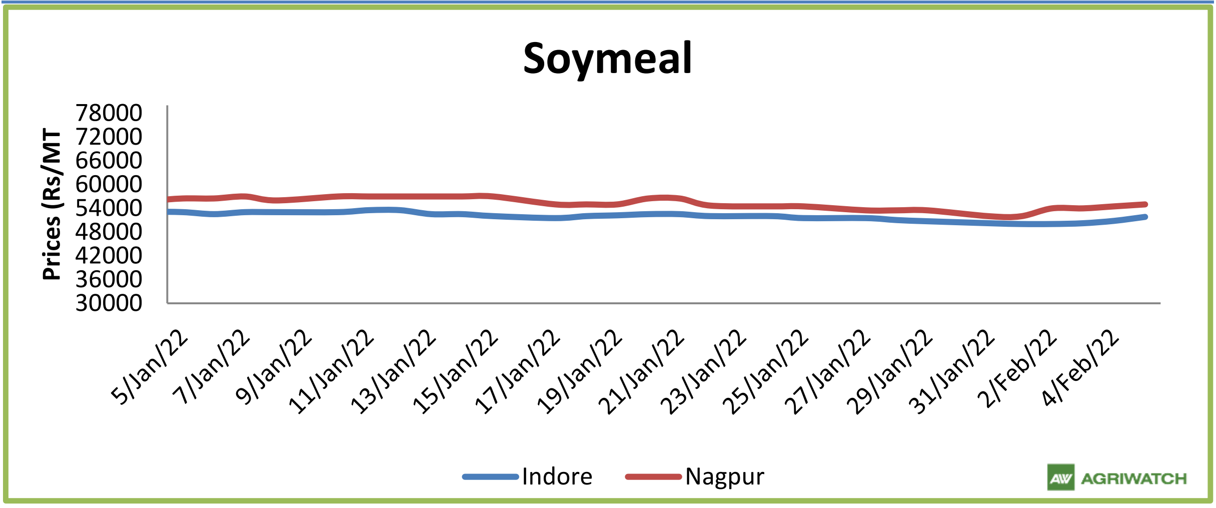
Maize would trade with steady to firm sentiment in coming week since almost ninety to ninety five percent of previous season's arrivals have already reached market, with arrivals being low in major spot markets and demand is steady as per the seasonality trend.

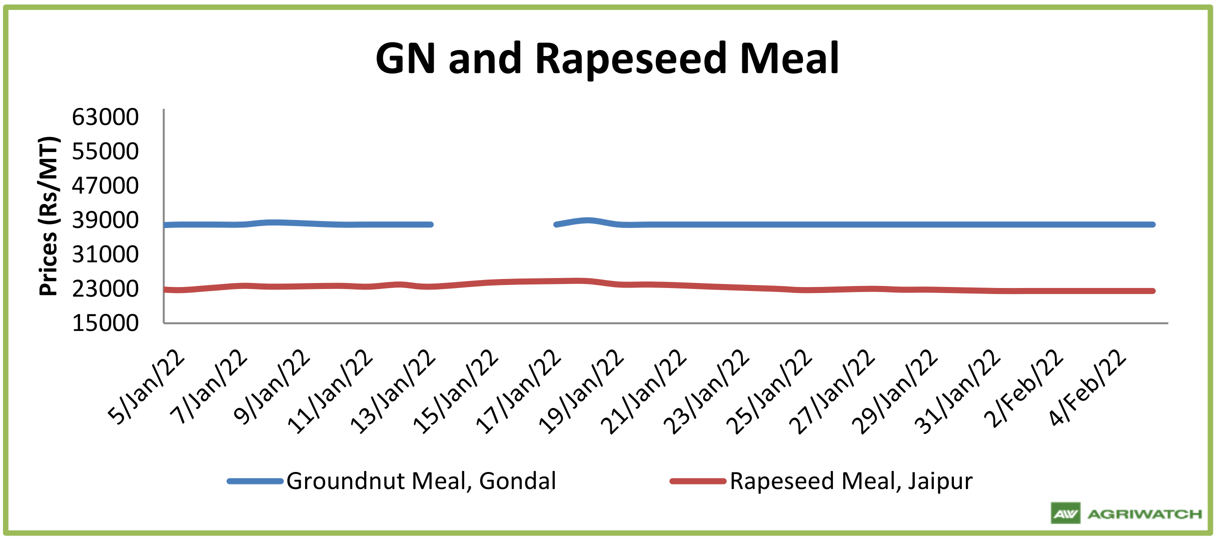
During the week of February 01 to 07, 2022, the weekly average price in India was up by 1.36 percent at Rs. 2162.36 per quintal against Rs. 2133.42 per quintal the previous week while the wheat average prices had increased by 7.11 percent from Rs. 2018.82 per quintal same time last year. On 05th February, the price of wheat in Kanpur market for mill delivery was Rs. 2120 per quintal which is 4.95% higher than Rs. 2020 per quintal the previous month. The arrivals in the market were very low these days which has supported the wheat market. In Kanpur, currently arrivals are as low as 100 quintals which used to be 5000 quintals. In coming days we expect the market to remain steady while after mid-February with new arrivals expected in Madhya Pradesh in small batches would weaken the market. The final acreage of wheat for 2021-22 was down 1.01 percent at 342.37 lakh hectare so far in the current rabi season from 345.86 lakh hectare the previous year during the corresponding period. The acreage was down mainly due to acreage shift from wheat to mustard in the states of Rajasthan, Punjab, Uttar Pradesh. The crop condition is good in most parts of the country. Though the acreage is a little down, we can expect good yields from the area sown as of now. Himachal is producing an average foodgrain production of 16.75 LMT and is heading towards self sufficiency ending mainly the import dependence. About 4,500 hectares are covered under seed production and the expected production of wheat seed is about 75,000 MT in 2021-22, which is 20,000 MT more than the previous year. Currently, the state imports 25,000 MT to 30,000 MT seeds from neighboring states and if the efforts to increase the self-sufficiency ratio (SSR) succeed, the state will become self-reliant in seed production. Rain in lower areas, particularly in rain-fed places, is beneficial for wheat and other rabi crops. There was scanty rain after the sowing of wheat but rain in January has ended the dry spell, bringing cheer to farmers. The average yield of wheat grown over 3.40 lakh hectares is 20 quintals per hectare and it is expecting that timely rain will help achieve the production target of 6.72 LMT. We can expect the market to remain steady as the prices are already on firm side. It will continue to stay in the same range in the coming week as well till the third week of February when we are expecting new crops to arrive in major markets of Madhya Pradesh which can weaken the market to some extent.

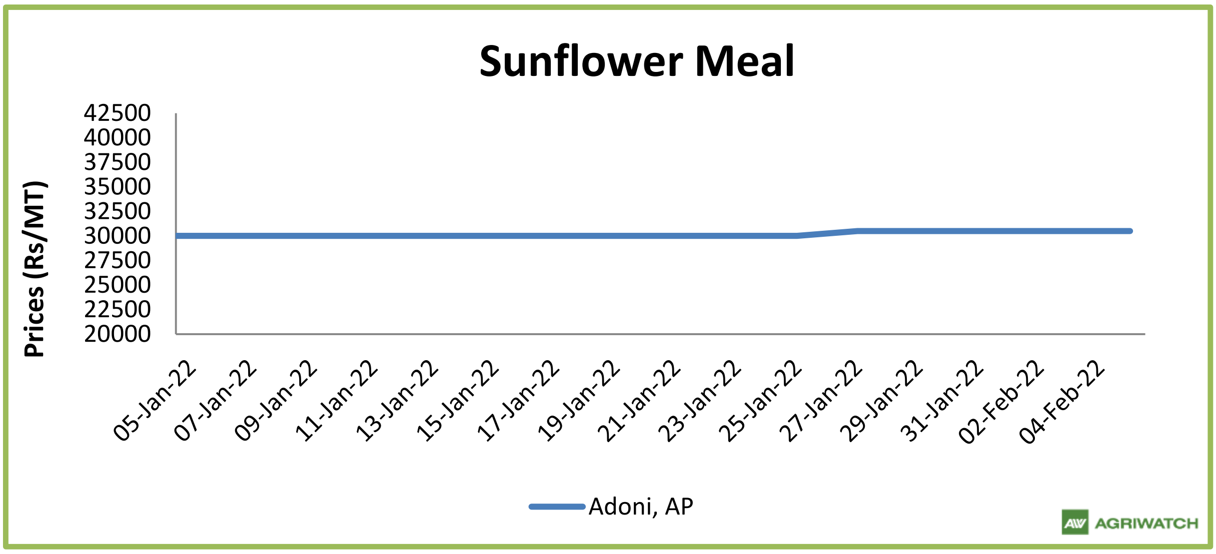
Soymeal prices are likely to trade range bound with weak bias amid subdued soymeal export demand due to incompetitive prices in global markets. The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 50,000 – 55,000 /MT.

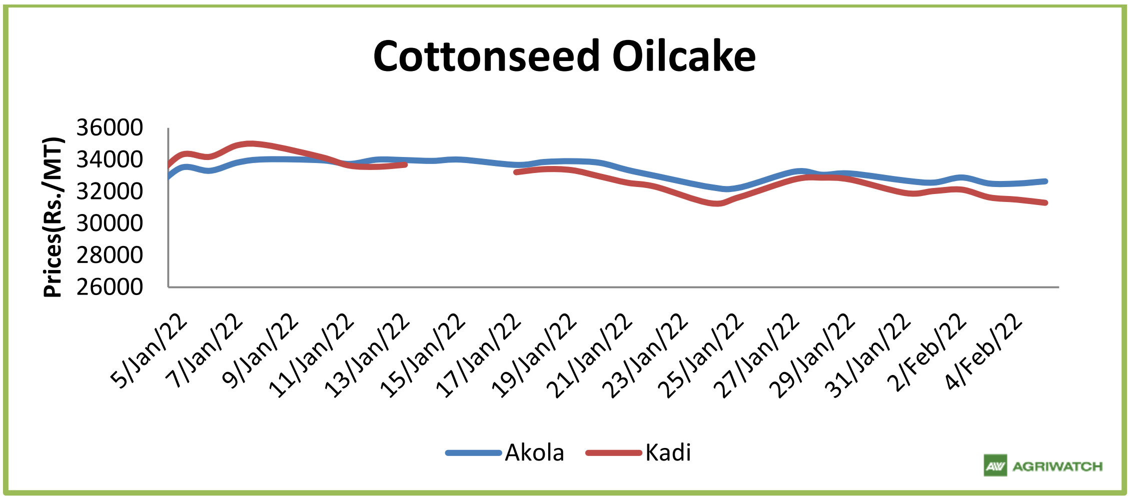
Rapeseed-mustard is expected trade range bound with weak bias amid new crop arrivals and conducive weather condition in the key growing areas. The seed prices are likely to trade in the range between 7200 – 7,600/Qtl. in the short-run.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

This week Indore weekly average soymeal prices went down as compared to previous week followed by sideways movement in soybean prices, weak soymeal export demand has kept prices sluggish.

The weekly average prices of soymeal at Indore decreased by 2.5% to Rs 50,316 /MT and was quoted between Rs 50,000 – 50,800/MT throughout the week. This compares with previous week's average of Rs 51,600/MT and range of Rs 51,500– 52,000/MT. Bearish market continued this week too amid low soymeal demand and steady soybean prices amid sluggish soymeal export demand due to incompetitive prices in global markets.

At Latur, the weekly average went down to Rs. 54,166/MT compared to Rs.55,300/MT a week ago, in Nanded too it traded sideways going down to Rs. 53,500/MT compared to Rs. 54,440 /MT a week ago. In Kota the meal prices were down to Rs. 53,600/MT compared to Rs. 53,780/MT previous week.

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 crushers store soymeal generally for 10-15 days.

As per Agriwatch estimates, total production of soymeal in the country for MY 2021-22 is likely to be 84.8 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.

Currently India is outpriced for soybean meal export as Ex. Kandla is quoted at US$ 745/MT against Brazil origin US$ 480/MT and Argentina US$ 468/MT, USA US$ 487/MT. India's Soymeal export is unlikely to pick up over the next few months due to higher prices. Usually FAS Kandla trade slightly higher than other GM soymeal but disparity between Indian soymeal and Argentina soymeal soared to $743 in Aug'21 which is currently $290.

Rapeseed - Mustard Seed

This week RM seed Jaipur average prices remained sideways amid record acreage in the country.

Rapeseed Mustard weekly average price at Rs.7,971/Qtl, was almost same as the Rs 7,998 /Qtl last week. The market made a low of 7,688 and high of 8,263 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake too remained sideways and went down by 0.86% to Rs 2,879/Qtl from previous week at Rs. 2,904/qtl. In tadem with weakness in RM seed prices.

This week in Rajasthan, total mustard arrivals stood at 2.60 lakh bags as compared to previous week at 2.95 lakh bags. New mustard crop arrivals have begun in small quantities and moisture quantity ranging from 10-20%

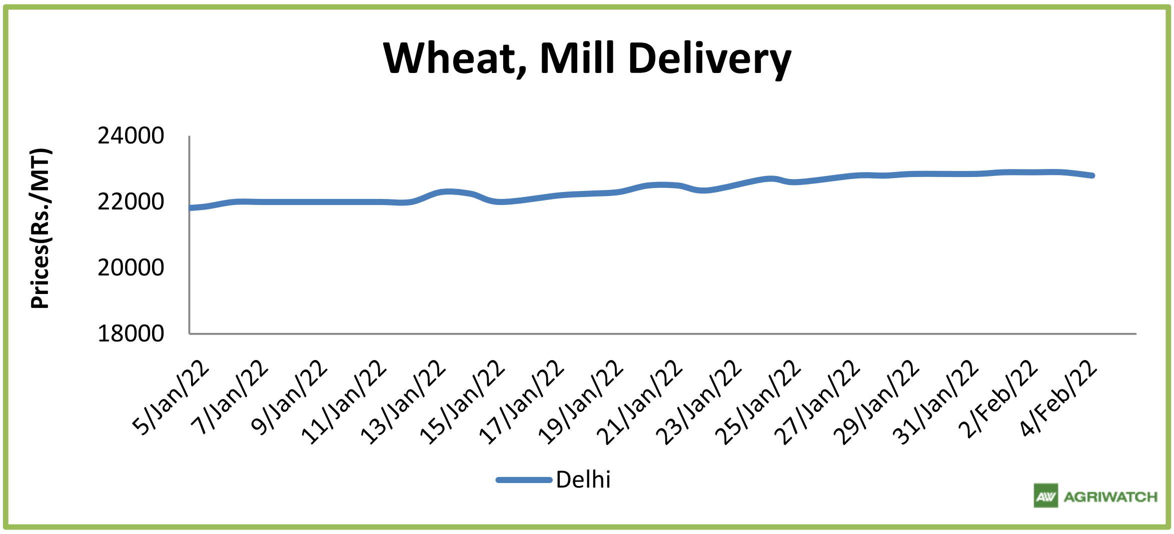
As per Agriwatch estimates, in 2022-2023 all India RM seed production at 107 lakh tonnes.

Minor crop loss reported in few pockets of Rajasthan, MP and Haryana, overall crop condition seems good.

According to GOI, as on 28th Jan'22, All India Mustard sowing is up by 25.1% at 91.44 Lakh Ha compared with 73.12 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.
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.

Lower canola production in Canada has disrupted exports and major importers are likely to turn to Australia. RM Seed is expected to trade range bound in the range of 7200-7600 with weak bias on conducive weather condition for maturing crop. However, RM seed prices likely to correct from second week of feb'21 as new crop arrival picks up.


Wheat, Mill Delivery
Prices(Rs./MT)
24000
22000
20000
18000
5/Jan/22
7/Jan/22
9/Jan/22
11/Jan/22
13/Jan/22
15/Jan/22
17/Jan/22
19/Jan/22
21/Jan/22
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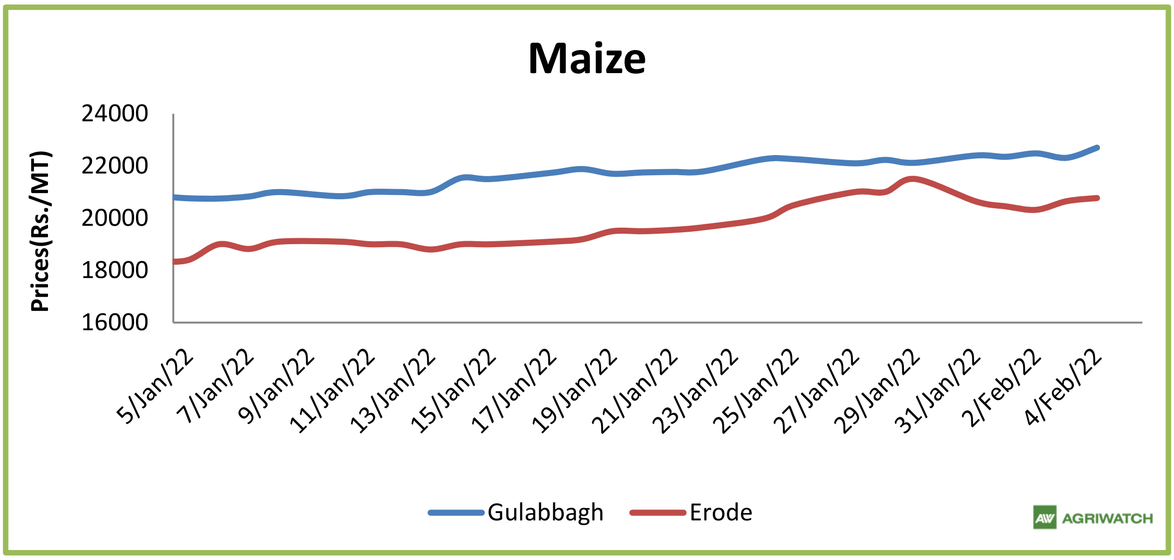
2/Feb/22
4/Feb/22
Delhi
AGRIWATCH


Maize
Prices(Rs./MT)
24000
22000
20000
18000
16000
5/Jan/22
7/Jan/22
9/Jan/22
11/Jan/22
13/Jan/22
15/Jan/22
17/Jan/22
19/Jan/22
21/Jan/22
23/Jan/22
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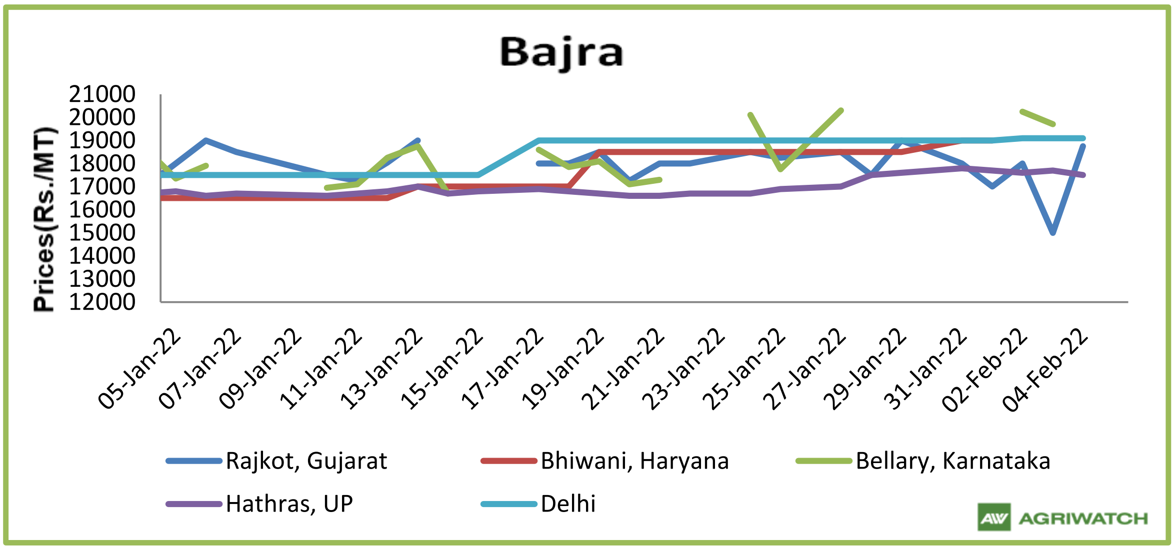
4/Feb/22
Gulabbagh
Erode
AGRIWATCH


Bajra
Prices(Rs./MT)
21000
20000
19000
18000
17000
16000
15000
14000
13000
12000
05-Jan-22
07-Jan-22
09-Jan-22
11-Jan-22
13-Jan-22
15-Jan-22
17-Jan-22
19-Jan-22
21-Jan-22
23-Jan-22
25-Jan-22
27-Jan-22
29-Jan-22
31-Jan-22
02-Feb-22
04-Feb-22
Rajkot, Gujarat
Bhiwani, Haryana
Bellary, Karnataka
Hathras, UP
Delhi
AGRIWATCH

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

Sources revealed that maize in Nizamabad market is being traded at Rs. 2,000 per quintal. Loose maize in market of Davangere, Karnataka is being traded at Rs. 1,950 per quintal.

Corn on CBOT decreased by 6.50 USD/MT to 242.80 USD/MT for March '22 contract as compared to previous week, after the round of strong technical selling. However, Agriwatch expects that Corn on CBOT would be supported in near future by the dry weather conditions prevailing in South America. U.S. Maize exports have reached to 19.56 million metric tonnes (MMT) for the 2021-22 Marketing Year, with the exports of 1.66 MMT for the period of 21st Jan 2022– 27th Jan 2022, these exports were down by 19 percent from the previous week but up by 1 percentage from the prior 4-week average, to the destinations like Mexico (346,200 MT), Japan (246,800 MT), China (205,900 MT), Colombia (124,400 MT), and Canada (122,900 MT). As per the reports there were some cancelations of export for china in the past week. Agriwatch expects that due to pressure on freight prices in U.S due to cool weather U.S corn exports should remain stable.

In all the markets, the prices were showing firm trend except in Ahmedabad. In Delhi, the prices were up by 0.48 percent. In Indore, the prices were up 0.68 percent. In Ahmedabad the prices went down by 2 percent while in Kota the prices were up by 1.02 percent. The increase in mill delivery prices is mainly due to increase in the loose price which is supported by low arrivals in the major markets.

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)		
	04-Feb-22	29-Jan-22	Parity To
Indore - 45%, Jute Bag	50800	50700	Gujarat, MP
Kota - 45%, PP Bag	54000	53700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	55000	55000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	54500	53500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	54500	53000	Andhra, AP, Kar ,TN
Latur	55500	53500	-
Sangli	53500	52000	Local and South
Solapur	53400	51500	Local and South
Akola – 45%, PP Bag	51000	51000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	54000	54000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	53800	53500	-

International Soy DOC			
Argentina FOB USD/MT	**03-Feb-22**	**28-Jan-22**	**Change**
Soybean Pellets	492	474	18
Soybean Cake Flour	492	474	18
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**04-Feb-22**	**29-Jan-22**	**Change**
Adoni	30500	30500	Unch
Khamgaon	-	-	-
Parli	-	-	-
Latur	30000	30000	Unch

Groundnut Meal (Rs/MT)	04-Feb-22	29-Jan-22	Change
Basis 45%, Saurashtra	37000	37000	Unch
Basis 40%, Saurashtra	32000	32000	Unch
GN Cake, Gondal	38000	38000	Unch

Mustard DOC/Meal	28-Jan-22	22-Jan-22	Change
Jaipur (Plant delivery)	22800	23500	-700
Kandla (FOR Rs/MT)	22800	22500	300

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	04-Feb-22	28-Jan-22	04-Jan-22	03-Feb-21	04-Feb-20
Delhi	Hybrid	2200	2100	1900	1480	2000
Davangere	Loose	1950	2030	1600	1300	1800
Nizamabad	Bilty	2000	2000	1850	1550	2050
Ahmedabad	Feed	2150	2150	1900	1500	1900
	Starch	2090	2150	1900	1500	1900

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

As on 2.02.2022	Argentina	Brazil	US	India
FOB	278.00	301.00	290.00	296.83
Cost and Freight	328.00	356.00	350.00	331.83

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	42951
Dec	241250	168865	170588	72233	251221	43260*
Total	**455374.1**	**1408042**	**1143244**	**982022**	**1011736**	**838264**

Feed Ingredient Prices at a Glance						
Commodity	**State**	**Variety**	**Centre**	**04-Feb-22**	**28-Jan-22**	**Change**
Bajra	Karnataka	Hybrid	Bellary	NA	NA	-
		Hybrid	Bangalore	2150	2150	Unch
Jowar	Karnataka	White	Bangalore	2200	2200	Unch
		White	Bellary	2800	2800	Unch
Maize	Karnataka	Yellow	Davangere	2050	1940	110
	Telangana	Yellow	Nizamabad	2000	1900	100
Rice	Haryana	IR8	Karnal	3100	3100	Unch
		Parmal Raw	Karnal	2750	2750	Unch
Soy meal	Madhya Pradesh	DOC	Indore	5080	5100	-20
	Maharashtra	DOC	Sangli	5300	5200	100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3050	3050	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2250	2280	-30
Groundnut Meal	Gujarat	GN Cake	Gondal	3800	3800	Unch
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3150	3288	-138
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3250	3305	-55
Note: Prices Rs./Qtl						