

Contents:

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

Summary

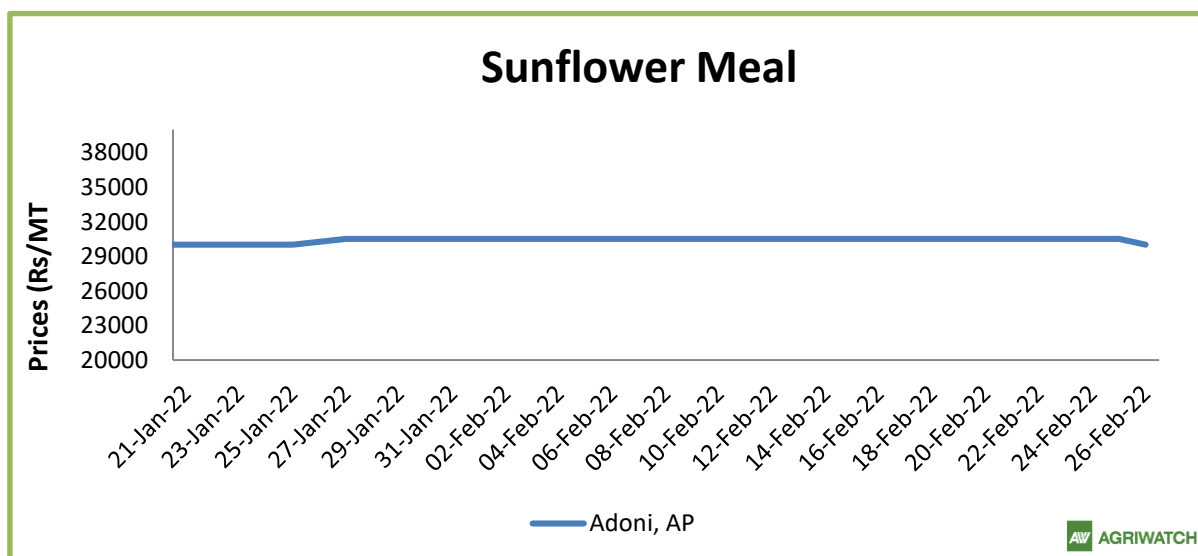
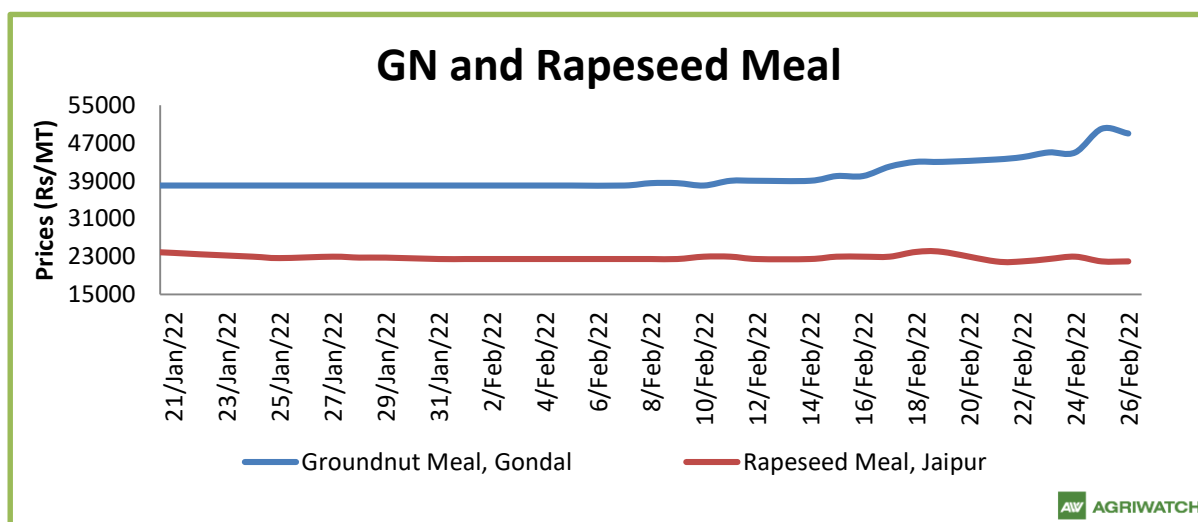
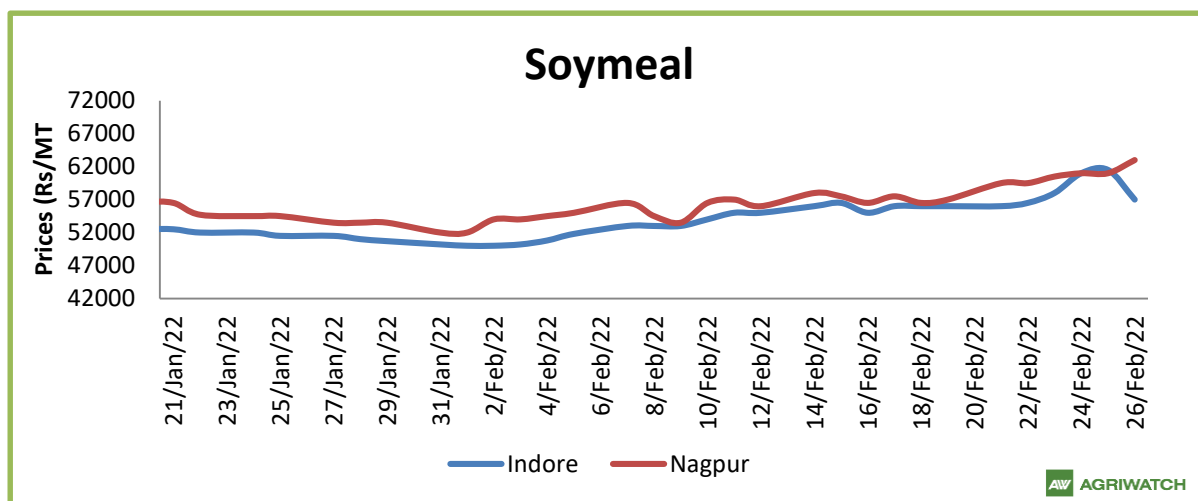
Maize would trade with steady to firm sentiment in coming week since demand seems to be steady and market awaits for the new crop, as previous season's arrivals have already reached market. It is also expected that the Rabi arrivals will be slightly delayed, as in major Rabi Maize producing states like Bihar sowing has been delayed in this season. Along with this hike in international Maize prices would also provide support to domestic Maize market.

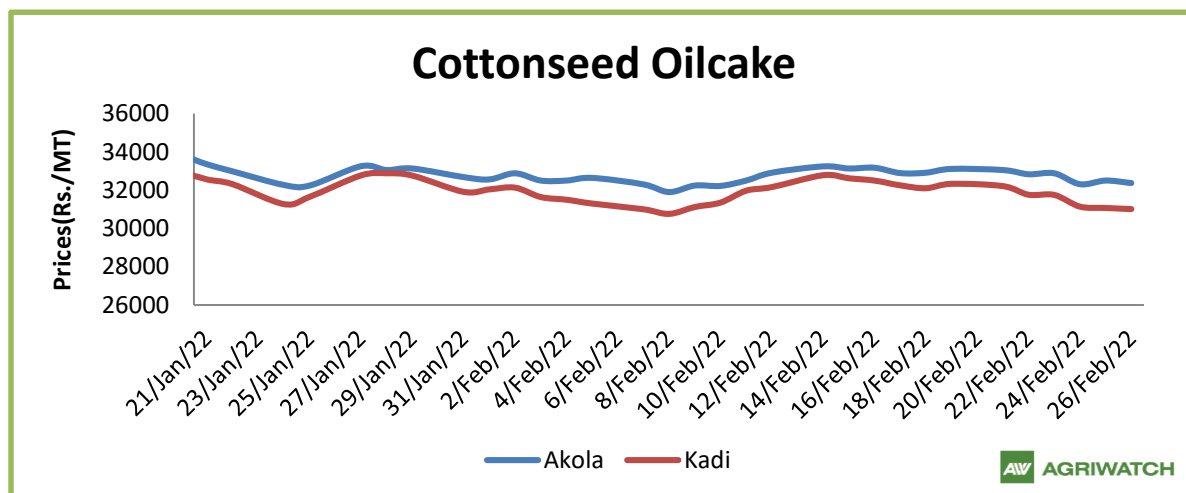
During the week of February 24 to 28, 2022, the weekly average price in India was down by 1.20 percent at Rs. 2079.35 per quintal against Rs. 2104.64 per quintal the previous week while the wheat average prices had increased by 11.96 percent from Rs. 1857.17 per quintal same time last year. On 26th February, the price of wheat in Kanpur market for mill delivery was at Rs. 2130 per quintal, up by 0.47 percent from Rs. 2110 per quintal the previous week. The prices are moving steady currently, and in coming days we can expect the market to trade firm as good export demand from international markets are taking place which would support the market. As per Ministry of Agriculture's Second Advance Estimate, wheat production for 2021-22 is estimated at 111.32 MMT. There are high chances that India's wheat exports would increase drastically in coming months as Ukraine and Russia would be unable to supply the wheat as per the global needs. Due to the ongoing issue, most of the purchasers were reluctant to purchase the wheat from black sea region with the fear that the trade would be halted anywhere in between. Turkey, Egypt and Bangladesh are a large importer of Russian and Ukrainian wheat and India can improvise its exports to these countries as India's stocks in the central pool is way ahead of the buffer and strategic reserve pools. Due to the cold wave that has occurred in the state of Punjab between December 15th and February 15th has helped improve the crop yield in the state. The yield has increased by 1-2 quintals per hectare in the state. The production in the state is expected to be higher this current season though reports of yellow rust in crops were reported in various places of the states. But the impact of yellow rust seems negligible and as of now the crop condition is very good in the state. During the week ending 25th February, wheat tender sales were done in four states. In Haryana, 0.41 LMT of wheat was sold against the bided quantity of 0.43 LMT. In Madhya Pradesh, 0.15 LMT of wheat was sold with the same quantity being bided. In Punjab, 0.25 LMT of wheat was sold against a bided quantity of 0.26 LMT. In West Bengal, around 0.50 LMT of wheat was sold against the same quantity being bided. Last week, no purchases were made by FCI. With the ongoing war between Russia and Ukraine, many countries are shifting to India for supply of wheat. There is high inflation of wheat in international market which could drive the domestic market as well in coming days. Though new crop arrivals have started in many states, the overall impact would be on firm side.

Soymeal prices are likely to trade range bound with firm bias despite 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. 57,000 – 62,000 /MT.

Rapeseed-mustard is expected trade range bound with weak bias amid new crop arrivals The seed prices are likely to trade in the range between 6,700 –7,200/Qtl. in the short-run.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

This week Indore weekly average soymeal prices continued gains as compared to previous week followed by bullish movement in soybean prices.

The weekly average prices of soymeal at Indore increased by 4.3% to Rs 58,166 /MT and was quoted between Rs 56,000 – 61,500/MT throughout the week. This compares with previous week's average of Rs 55,750/MT and range of Rs 55,000– 56,500/MT. At Latur, the weekly average went up to Rs. 61,333/MT compared to Rs. 56,833/MT a week ago, in Nanded too it went up to Rs. 60,350/MT compared to Rs. 57,250/MT a week ago. In Kota the meal prices were up to Rs. 61,016/MT compared to Rs. 59,033/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 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.

Currently India is outpriced for soybean meal export as of 16th Feb, FAS Kandla is quoted at USD 785/MT Argentina FOB soymeal USD 575/MT. SBM FAS kandla is still outpriced by USD 210. Usually FAS Kandla trades slightly higher than other GM soymeal but difference between Indian soymeal and Argentina soymeal soared to \$743 in Aug'21 and USD 670 in Sept'21. In last few weeks, price parity has decreased due to increase in south American soymeal prices. India's Soymeal export is likely to remain weak for the next few months too due to higher prices and tight crush margin. According to Solvent extractor association of India, India's January'2022 soymeal exports declined by 81% to 52,771 metric tonne compared to 2,83,167 metric tonne in the same period last year. Further, the soymeal shipments too declined by 73% to 3,15,108 metric tonne in aggregate, during the months (April-Jan.) of Financial Year 2021-22 compared to 11,71,369 metric tonne during the corresponding period last year. Export remained lower because of soybean crush margins in India are currently squeezed by pressure on meal prices. Additionally, lower crushing of soybean also pushing higher import of crude soybean oil in India. We expect lower soymeal export in January and February too as Indian soymeal prices are much higher as compared to Argentina and Brazil FOB prices.

Additionally, export of oilmeals for the month of Jan'2022 provisionally reported at 1,76,815 tonne compared to 5,01,552 tonne last year same period i.e. down by 65%. The overall export of oilmeals during April-Jan'2022 is reported at 19,43,888 tonne compared to 29,69,116 tonne i.e. down by 35%.

This week, Soybean meal prices are expected to continue trade range bound with firm bias in the range of 55,000-60,000/ MT despite tight crushing and weak export demand due to incommetitive prices in global markets. Soybean meal prices are expected to continue trade range bound with firm bias in the range of 57,000-62,000/ MT despite tight crushing and weak export demand due to incommetitive prices in global markets.

Rapeseed - Mustard Seed

This week RM seed Jaipur average prices went down amid new crop arrivals and record acreage in the country.

Rapeseed Mustard weekly average price went down by 7.9% to Rs.7,375/Qtl, as compared to Rs 8,004 /Qtl last week. The market made a low of 7,062 and high of 7,637 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake remained sideways and went barely down by 0.7% to Rs 2,990/Qtl from previous week at Rs. 2,902/qtl.

This week in Rajasthan, total mustard arrivals stood at 15.20 lakh bags as compared to previous week at 3.85 lakh bags. New mustard crop arrivals has begun. All india arrivals stood at 31.90 lakh bags vs 13.10 lakh bags previous week.

New crop arrivals have commenced in early sown regions. Eastern Rajasthan districts such as Alwar and Bharatpur are expected to witness new crop arrivals in first fortnight of March and peak arrivals is likely to be around mid-march. While western and north Rajasthan is likely to witness new crop arrivals from first week of March and peak arrivals is likely to be around last week of March. In Uttar Pradesh, arrivals likely to pickup from last week of February while in Madhya Pradesh, arrival is likely to pick up from first week of March.

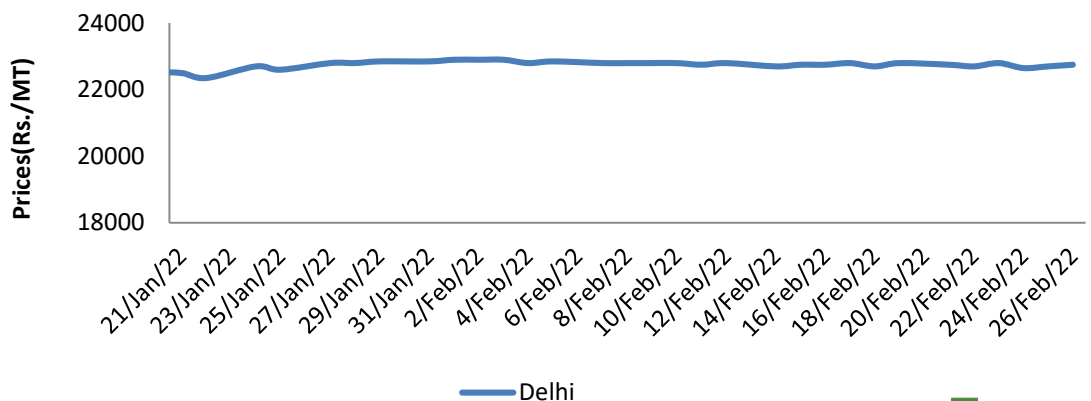
According to GOI, as on 04th Feb'22, All India Mustard sowing is up by 25.3% at 91.63 Lakh Ha compared with 73.12 Lakh Ha last year. According to Solvent extractor association of india, India's exports for rapeseed meal during April-Jan'2022 was down 26% at 7,29,757 metric tonne compared to 9,90,955 metric tonne during the same period previous marketing season.

Mustard acreage for MY 2022-23 is markedly higher compared to previous years, driven by high realized prices during the previous marketing year. The acreage under mustard seed is significantly higher compared to the previous year in all major states- Rajasthan, Uttar Pradesh, Madhya Pradesh, Haryana, West Bengal and Gujarat. As per Agriwatch estimates, the production is expected to be 10.71 million MT, which is all time high production. It is estimated that 102.5 lakh tonnes will be crushed, which would translate into 43.05 lakh tonnes oil and 59.45 lakh tonnes RM seed DOC production. As per Agriwatch estimates, in 2022-2023 all India RM seed production at 107 lakh tonnes. As per 2nd Advance Estimates, released by the Department of Agriculture and Farmers Welfare, the estimated production of RM seed during 2021-22 is 114.59 lakh tonne vs 102.1 lakh tonne last year. According to GOI, as on 04th Feb'22, All India Mustard sowing is up by 25.3% at 91.63 Lakh Ha compared with 73.12 Lakh Ha last year.

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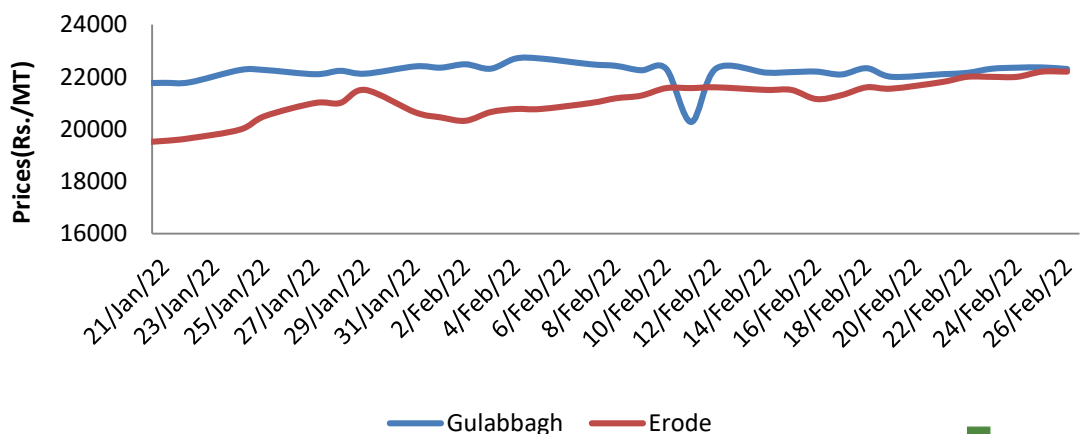
The export of rapeseed meal in Jan'22 is reported at 16,164 metric tonne against 74,240 metric tonne during the last year same period i.e. down by 78%. Rapeseed meal export remained lower due to less availability of seeds for crushing. According to Central Organization for Oil Industry and Trade (COOIT) production of the mustard to increase to a record 100-110 lakh tonnes this season.

Wheat, Mill Delivery



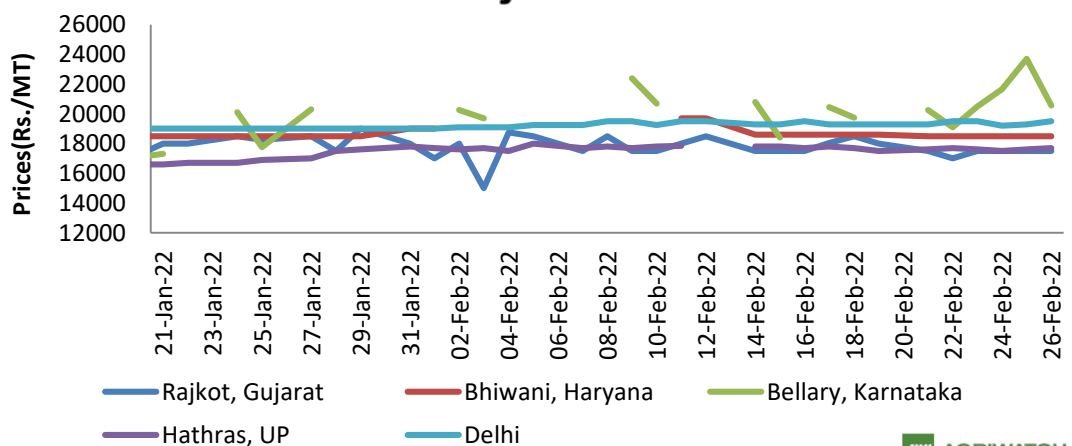
AW AGRIWATCH

Maize



AW AGRIWATCH

Bajra



AW AGRIWATCH

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

Sources revealed that Maize in Nizamabad market is being traded between Rs. 1,900 to Rs. 1,950 per quintal. Loose Maize in market of Davangere, Karnataka is being traded between Rs. 2,030 to Rs. 2,085 per quintal.

Corn on CBOT increased by 17.72 USD/MT to 273.61 USD/MT for March '22 contract as compared to previous week, due to Ukraine-Russia tensions. AgriWatch expects that ongoing conflict between Ukraine and Russia as well as dry weather-related conditions in Brazil and Argentina may provide support to U.S corn exports. U.S. Maize exports have reached to 24.21 million metric tonnes (MMT) for the 2021-22 Marketing Year, with the exports of 1.88 MMT for the period of 11th Feb 2022 – 17th Feb 2022, these exports were up by 17 percent from the previous week and up by 41 percentage from the prior 4-week average, to the destinations like China (555,200 MT), Japan (388,100 MT), Mexico (351,700 MT), Canada (172,500 MT), and Guatemala (101,200 MT). Agriwatch expects that hot and dry weather sustaining in South America would provide support to U.S corn exports.

In the major mandis of Ahmedabad and Indore, the prices were showing steady to slightly firm tone with 0.74 and 2.61 percent increase while in Delhi market, the prices were showing steady to slightly weak tone with a decrease of 0.22 percent. In Kota, the wheat was trading with a steady to weak tone. The prices were down by 0.79 percent. The market is steady currently which would shift to firm side in coming weeks due to international scenarios.

Outlook: Feed prices are expected to feature sideways trend 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)		
	25-Feb-22	19-Feb-22	Parity To
Indore - 45%, Jute Bag	61500	56000	Gujarat, MP
Kota - 45%, PP Bag	63200	59700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	67000	58500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	61000	57000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	61200	58000	Andhra, AP, Kar, TN
Latur	68500	56000	-
Sangli	57750	54800	Local and South
Solapur	64000	53500	Local and South
Akola – 45%, PP Bag	57500	56500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	60500	57500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	63000	59500	-

International Soy DOC			
Argentina FOB USD/MT	24-Feb-22	18-Feb-22	Change
Soybean Pellets	521	501	20
Soybean Cake Flour	521	501	20
Soya Meal	NR	0	-
Soy Expellers	NR	0	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	25-Feb-22	19-Feb-22	Change
Adoni	30500	30500	Unch
Khamgaon	NA	0	-
Parli	NA	0	-
Latur	30000	30000	Unch

Groundnut Meal (Rs/MT)	25-Feb-22	19-Feb-22	Change
Basis 45%, Saurashtra	50000	41000	9000
Basis 40%, Saurashtra	45000	36000	9000
GN Cake, Gondal	50000	43000	7000

Mustard DOC/Meal	25-Feb-22	19-Feb-22	Change
Jaipur (Plant delivery)	22000	24000	-2000
Kandla (FOR Rs/MT)	22500	24000	-1500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	26-Feb-22	19-Feb-22	26-Jan-22	25-Feb-21	26-Feb-20
Delhi	Hybrid	2250	2200	NR	1500	1750
Davangere	Loose	Closed	2050	NR	1480	1650
Nizamabad	Bilty	Closed	Closed	NR	1500	1800
Ahmedabad	Feed	2200	2160	NR	NR	1700
	Starch	2180	2100	NR	NR	1700

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

As on 23.02.2022	Argentina	Brazil	US	India
FOB	277.00	308.00	300.00	277.29
Cost and Freight	327.00	363.00	360.00	312.29

Soy Meal Exports (In MT):

Month	2017	2018	2019	2020	2021	2022
Jan	155160	105678	86378	41726	283167	52771*
Feb	207977	73816	132375	20309	247085	
Mar	107059	39209	193920	61499	146379	
Apr	124374	68264	40829	25940	39750	
May	48900	76026	53272	46614	52434	
Jun	45975	104088	62524	56638	25918	
Jul	80797	63747	76558	61957	26725	
Aug	87668	59643	95450	58190	10975	
Sep	102212	45388	35268	68576	5831	
Oct	71425	150388	63800	120290	14538	
Nov	207630	186409	69415	198776	42951	
Dec	168865	170588	72233	251221	43260*	
Total	1408042	1143244	982022	1011736	838264	

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	26-Feb-22	18-Feb-22	Change
Bajra	Karnataka	Hybrid	Bellary	2055	1975	80
		Hybrid	Bangalore	2250	2550	-300
Jowar	Karnataka	White	Bangalore	2600	2600	Unch
		White	Bellary	1885	1900	-15
Maize	Karnataka	Yellow	Davangere	closed	2130	-
	Telangana	Yellow	Nizamabad	closed	1900	-
Rice	Haryana	IR8	Karnal	3200	3200	Unch
		Parmal Raw	Karnal	2750	2900	-150
Soy meal	Madhya Pradesh	DOC	Indore	5700	5600	100
	Maharashtra	DOC	Sangli	5850	5450	400
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3000	3050	-50
Mustard	Rajasthan	Plant delivery	Jaipur	2200	2400	-200
Groundnut Meal	Gujarat	GN Cake	Gondal	4400	3600	800
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3101	3291	-190
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3237	3233	4
Note: Prices Rs./Qtl						

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