Contents:

Summary

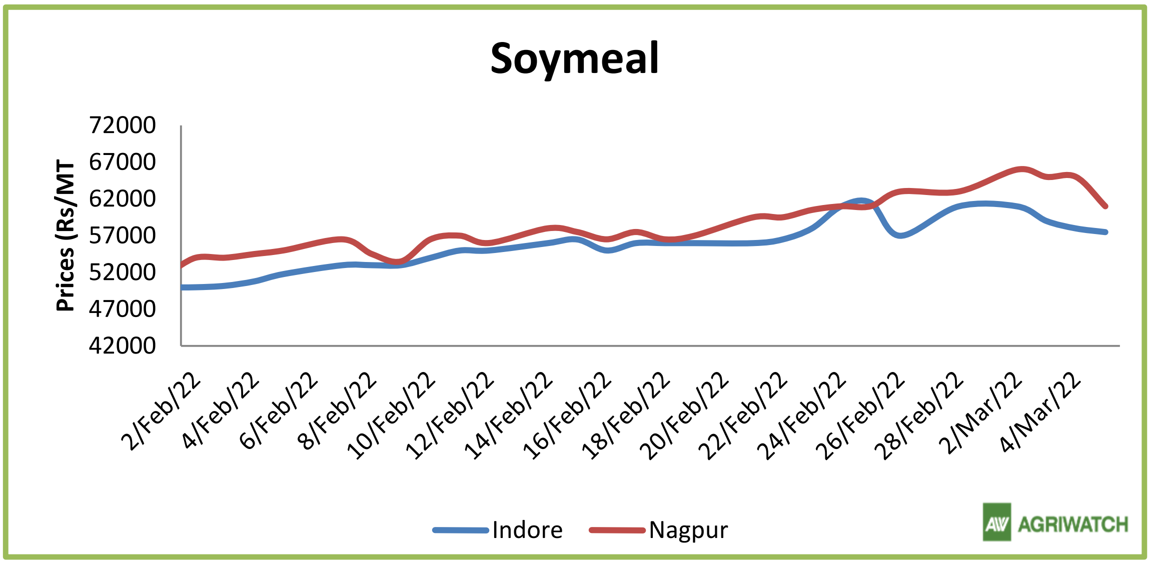
Maize would trade with firm to steady sentiment in coming week since demand seems to be steady and market awaits for the new crop, as previous season's arrivals have already reached market. It is also expected that the Rabi arrivals will be slightly delayed, as in major Rabi Maize producing states like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

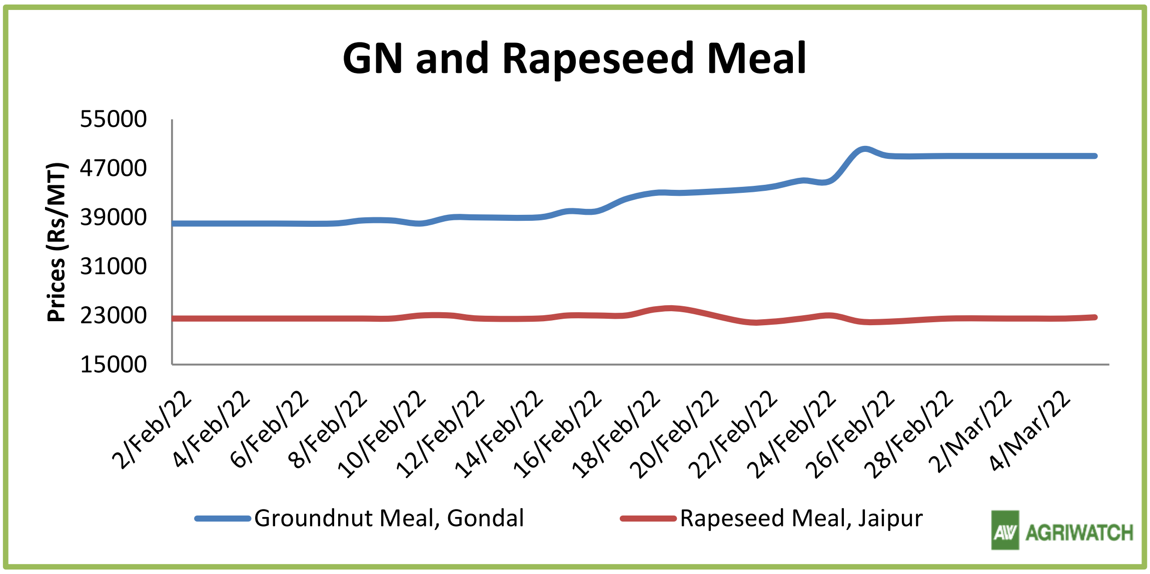
During the week of March 01 to 08 2022, the weekly average price in India was up by 4.66 percent at Rs. 2168.73 per quintal against Rs. 2072.22 per quintal the previous week while the wheat average prices had increased by 14.19 percent from Rs. 1899.17 per quintal same time last year. On 05th March, the price of wheat in Kanpur market for mill delivery was at Rs. 2250 per quintal, up by 5.63 percent from Rs. 2130 per quintal the previous week. The prices are moving with firm trend as huge export demand is being received from overseas markets due to disruptions in wheat supply chain by Russia Ukraine war. The Punjab government will impose a district-wise limit for wheat procurement which is scheduled to start on April 1. The government would restrict wheat procurement to 131 lakh tonne in the rabi season, similar to last rabi marketing season of 2021. However, the state food department is making arrangements for 135 lakh tonne and has sought a CCL of ₹29,500 crore, offering a minimum support price of ₹2015 per quintal. In Madhya Pradesh, the registration date for wheat procurement at the MSP has been extended from March 5 to March 10. Till now, 17 lakh farmers have registered for selling wheat at MSP. The support price of one quintal of wheat has been fixed at Rs 1937 by the state government. With the ongoing issue between Russia and Ukraine, there are chances that India could end up exporting a record 7-8 million tonne of wheat in FY22. It had sold 2.09 million tonne of the food grain in 2020-21. Philippines which happens to buy a lot of Russian wheat, is looking at India to meet its demand. During the week ending 04th March, wheat tender sales were done in three states. In Haryana, 0.24 LMT of wheat was sold against bid quantity of 0.30 LMT. In Punjab, 0.42 LMT of wheat was sold against the bid quantity of 0.44 LMT. And in West Bengal, 0.44 LMT of wheat was sold against the same quantity. During the previous week purchases were made in four states. Due to the ongoing issue between Russia and Ukraine, most of the importing nations are looking forward with Indian what due to its competitive prices, in coming days huge export demand from international markets would pressurize the domestic prices. In coming week, we expect the market to trade with firm bias.

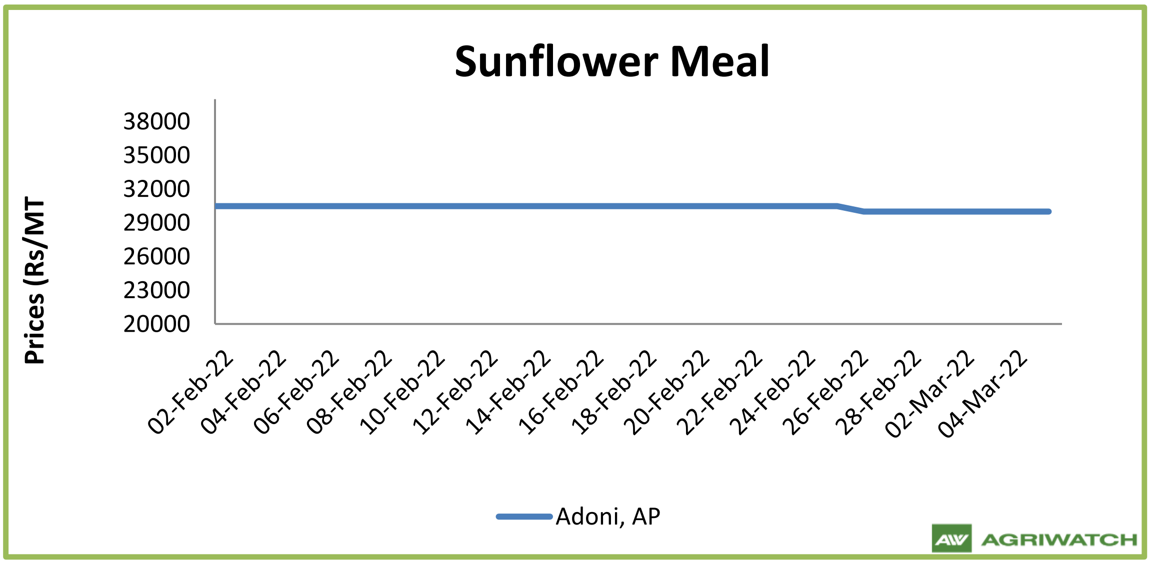
Soymeal prices are likely to trade range bound with firm bias in tandem with soybean prices The soy meal prices (Indore) are likely to feature range-bound movement between Rs. 57,000 – 62,000 /MT.

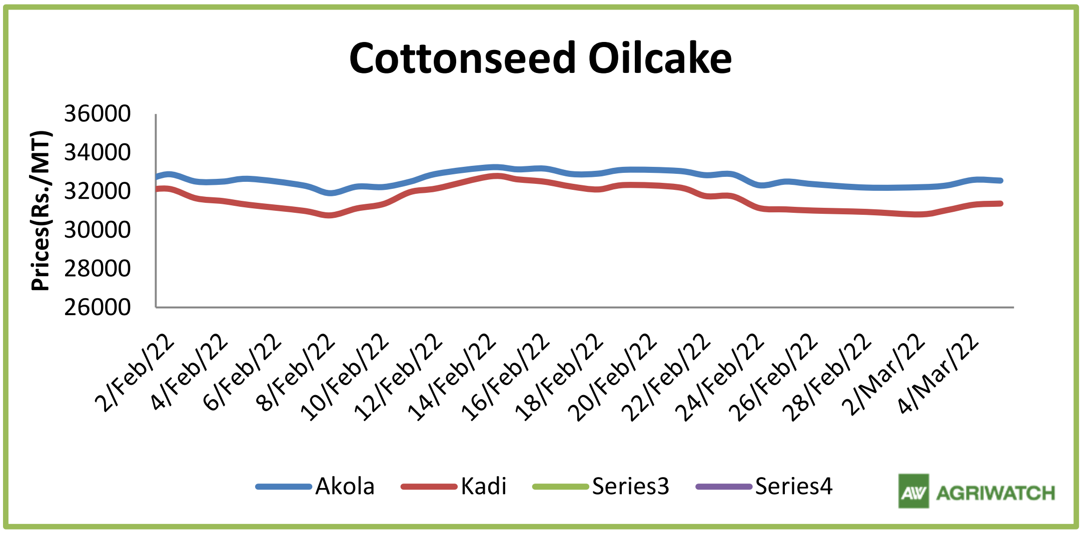
Rapeseed-mustard is expected trade range bound with weak bias amid new crop arrivals The seed prices are likely to trade in the range between 6,700 –7,200/Qtl. in the short-run.

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 1.8% to Rs 59,200 /MT and was quoted between Rs 57,000 – 61,000/MT throughout the week. This compares with previous week's average of Rs 58,167/MT and range of Rs 56,000– 61,500/MT.

At Latur, the weekly average went up by 8.42% to Rs. 66,500/MT compared to Rs. 61,333/MT a week ago, in Nanded too it went up by 5.7% to Rs. 63,800/MT compared to Rs. 60,350/MT a week ago. In Kota the meal prices were up to Rs. 63,400/MT compared to Rs. 61,016/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 in Feb'22, FAS Kandla average price is quoted at USD 800/MT, Argentina FOB soymeal USD 505/MT. SBM FAS kandla is still outpriced by USD 295. 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. India's Soymeal export is likely to remain weak for the next few months too due to non-competitive prices in global markets.

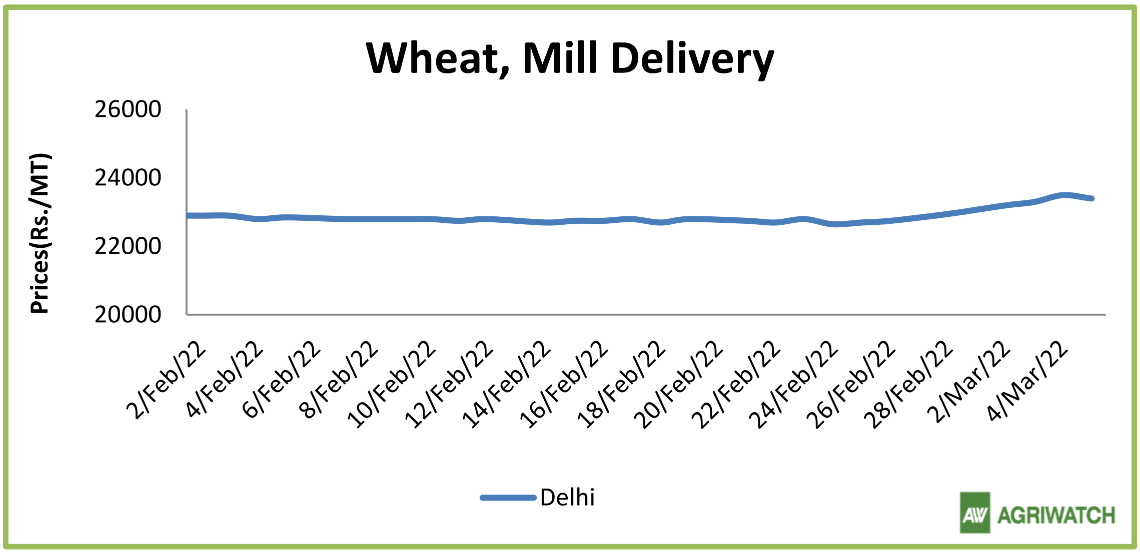
According to Solvent extractor association of india, India's January'2022 soymeal exports declined by 81% to 52,771 metric tonne compared to 2,83,167 metric tonne in the same period last year. Further, the soymeal shipments too declined by 73% to 3,15,108 metric tonne in aggregate, during the months (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.

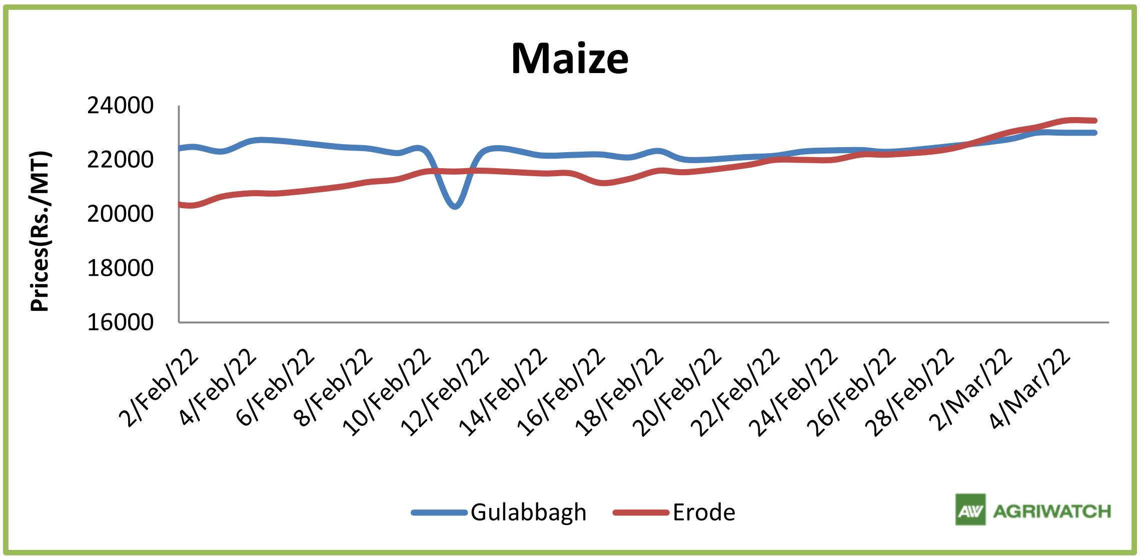
Additionally, lower crushing of soybean also pushing higher import of crude soybean oil in India.We expect lower soymeal export in January and February too as Indian soymeal prices are much higher as compared to Argentina and Brazil FOB prices.
Additionally, export of oilmeals for the month of Jan'2022 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%. According to USDA Feb'22 report, India's 2021/22 soymeal production is estimated higher at 8 million tonnes vs 7.6 million tonnes last year while ending stock is estimated higher at 6.37 lakh tonnes vs 6.67 lakh tonne previous month while last year it was 3.82 lakh tonnes.

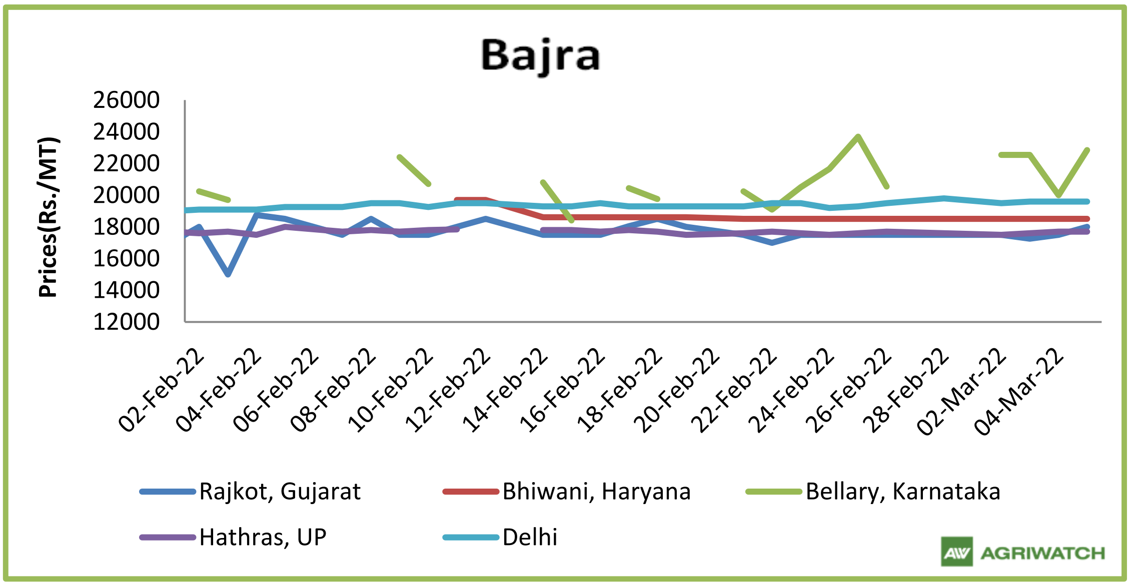
Rapeseed - Mustard Seed

This week RM seed Jaipur average prices remained sideways and witnessed mild loss amid new crop arrivals and record acreage in the country. Rapeseed Mustard weekly average price remained sidewas and went barely down by 1.1% to Rs.7,297/Qtl, as compared to Rs 7,375 /Qtl last week. The market made a low of 7,187 and high of 7,412 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake went down by 2.11% to Rs 2,927/Qtl from previous week at Rs. 2,990/qtl. 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.New mustard crop arrivals is picking up. This week in Rajasthan, total mustard arrivals went up by 45% at 22 lakh bags as compared to previous week at 15.20 lakh bags. All india arrivals stood at 42 lakh bags vs 31.9 lakh bags previous week. 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.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. 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.According to Agriculture and Agri-Food Canada's (AAFC) For 2021-22, canola supplies have tightened ac compared to last year, declining 37% to 14.5 MMT, due to a 49% drop in carry-in stocks and 35% lower production following last summer's drought-reduced production in Canada.Moreover, tight supplies and strong demand in Canada is underpinning record high prices for canola processing of canola is estimated down by 18% from last year to 8.5 Mt, by comparison exports are expected to fall by 49%, to 5.4 Mt, due to the tight supplies.


Wheat, Mill Delivery
Prices(Rs./MT)
26000
24000
22000
20000
2/Feb/22
4/Feb/22
6/Feb/22
8/Feb/22
10/Feb/22
12/Feb/22
14/Feb/22
16/Feb/22
18/Feb/22
20/Feb/22
22/Feb/22
24/Feb/22
26/Feb/22
28/Feb/22
2/Mar/22
4/Mar/22
Delhi
AGRIWATCH


Maize
Prices(Rs./MT)
24000
22000
20000
18000
16000
2/Feb/22
4/Feb/22
6/Feb/22
8/Feb/22
10/Feb/22
12/Feb/22
14/Feb/22
16/Feb/22
18/Feb/22
20/Feb/22
22/Feb/22
24/Feb/22
26/Feb/22
28/Feb/22
2/Mar/22
4/Mar/22
Gulabbagh
Erode
AGRIWATCH


Bajra
Prices(Rs./MT)
26000
24000
22000
20000
18000
16000
14000
12000
02-Feb-22
04-Feb-22
06-Feb-22
08-Feb-22
10-Feb-22
12-Feb-22
14-Feb-22
16-Feb-22
18-Feb-22
20-Feb-22
22-Feb-22
24-Feb-22
26-Feb-22
28-Feb-22
02-Mar-22
04-Mar-22
Rajkot, Gujarat
Bhiwani, Haryana
Bellary, Karnataka
Hathras, UP
Delhi
AGRIWATCH

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

Maize in Nizamabad market is being traded at Rs. 2,100 per quintal. Loose Maize in market of Davangere, Karnataka is being traded between Rs. 2,100 to Rs. 2,300 per quintal.
Corn on CBOT increased by 22.14 USD/MT to 295.75 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 will support corn on CBOT.
Maize exports have reached at 25.76 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.55 MMT for the period of 17th Feb 2022 – 24th Feb 2022, these exports were down by 18 percent from the previous week but up by 7 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). Rising crude oil prices amid Ukraine-Russia War may impact U.S Corn exports.
In all the mandis, the prices were showing firm trend. In Delhi, the average prices rose by 2.82 percent and is expected to trade in the range of Rs. 2300-2400 per quintal in coming week. In Indore, the prices rose by 3.58 percent and is expected to trade in the range of Rs. 2200-2300 per quintal in coming week. In Ahmedabad, the prices rose by 7.97 percent and in coming week it is expected to trade in the range of Rs. 2450-2550 per quintal in coming week. In Kota, the prices rose by 5.40 percent and is expected to trade in the range of Rs. 2400-2500 er quintal in coming week.

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)		
	04-Mar-22	26-Feb-22	Parity To
Indore - 45%, Jute Bag	58000	57000	Gujarat, MP
Kota - 45%, PP Bag	63000	61500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	64000	63000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	65000	63000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	62500	62500	Andhra, AP, Kar ,TN
Latur	66000	63000	-
Sangli	60000	58500	Local and South
Solapur	62000	64000	Local and South
Akola – 45%, PP Bag	60000	57500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	61000	62000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB

Bundi	62800	61300	-

International Soy DOC			
Argentina FOB USD/MT	**03-Mar-22**	**25-Feb-22**	**Change**
Soybean Pellets	513	510	3
Soybean Cake Flour	513	510	3
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**04-Mar-22**	**26-Feb-22**	**Change**
Adoni	30000	30000	Unch
Khamgaon	-	-	-
Parli	-	-	-
Latur	29000	29000	Unch

Groundnut Meal (Rs/MT)	04-Mar-22	26-Feb-22	Change
Basis 45%, Saurashtra	49000	49000	Unch
Basis 40%, Saurashtra	44000	44000	Unch
GN Cake, Gondal	49000	49000	Unch

Mustard DOC/Meal	04-Mar-22	26-Feb-22	Change
Jaipur (Plant delivery)	22500	22000	500
Kandla (FOR Rs/MT)	23000	22500	500

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	04-Mar-22	25-Feb-22	01-Feb-22	03-Mar-21	03-Mar-20
Delhi	Hybrid	2280	2250	2200	1550	1825
Davangere	Loose	2080	2085	1950	1500	Closed
Nizamabad	Bilty	2100	1950	Closed	1500	1800
Ahmedabad	Feed	2300	2200	2150	1400	1800
	Starch	2300	2180	2110	1570	1700

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

As on 03.03.2022	Argentina	Brazil	US	India
FOB	278.00	310.00	316.00	306.68
Cost and Freight	328.00	365.00	376.00	341.68

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**	**05-Mar-22**	**26-Feb-22**	**Change**
Bajra	Karnataka	Hybrid	Bellary	2285	2055	230
		Hybrid	Bangalore	2250	2250	Unch
Jowar	Karnataka	White	Bangalore	2600	2600	Unch
		White	Bellary	NA	1885	-
Maize	Karnataka	Yellow	Davangere	2300	closed	-
	Telangana	Yellow	Nizamabad	2100	closed	-
Rice	Haryana	IR8	Karnal	3250	3200	50
		Parmal Raw	Karnal	2750	2750	Unch
Soy meal	Madhya Pradesh	DOC	Indore	5750	5700	50
	Maharashtra	DOC	Sangli	5950	5850	100
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3000	3000	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2270	2200	70
Groundnut Meal	Gujarat	GN Cake	Gondal	4400	4400	Unch
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3137	3101	36
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3255	3237	18
Note: Prices Rs./Qtl						