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## Summary

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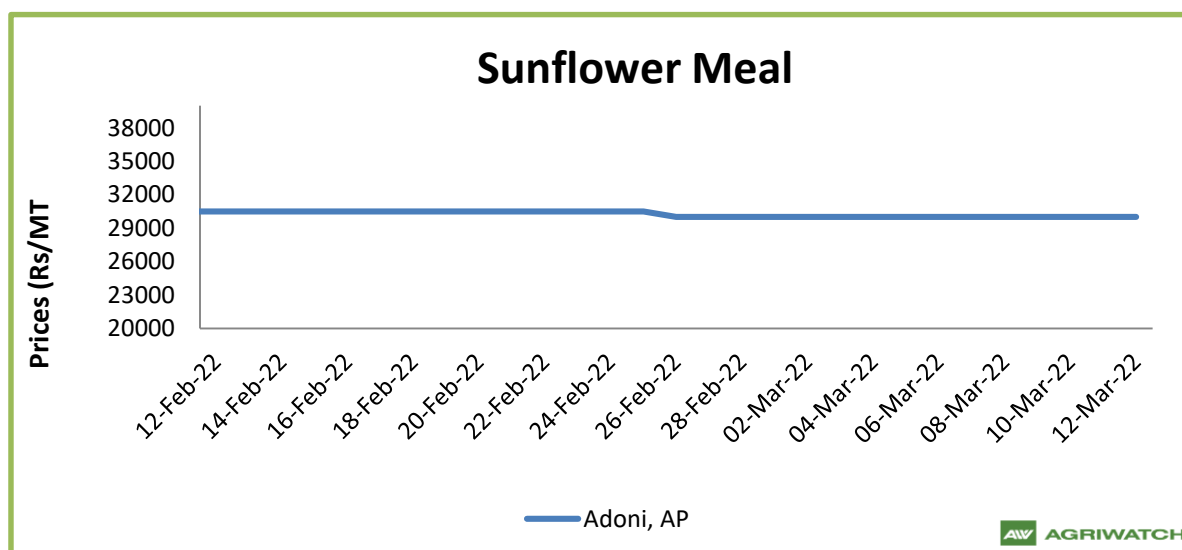
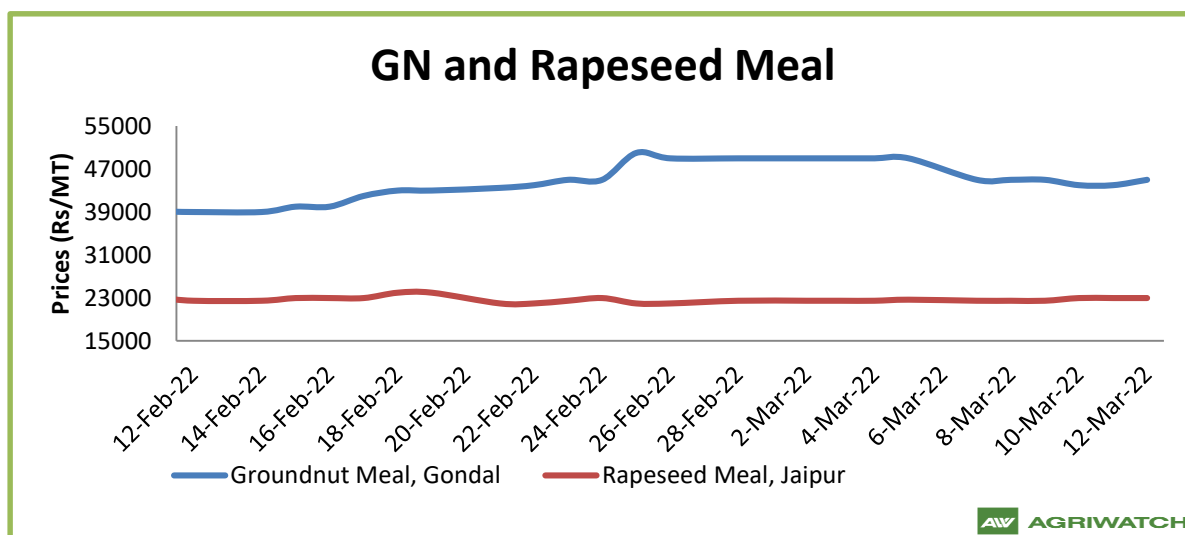
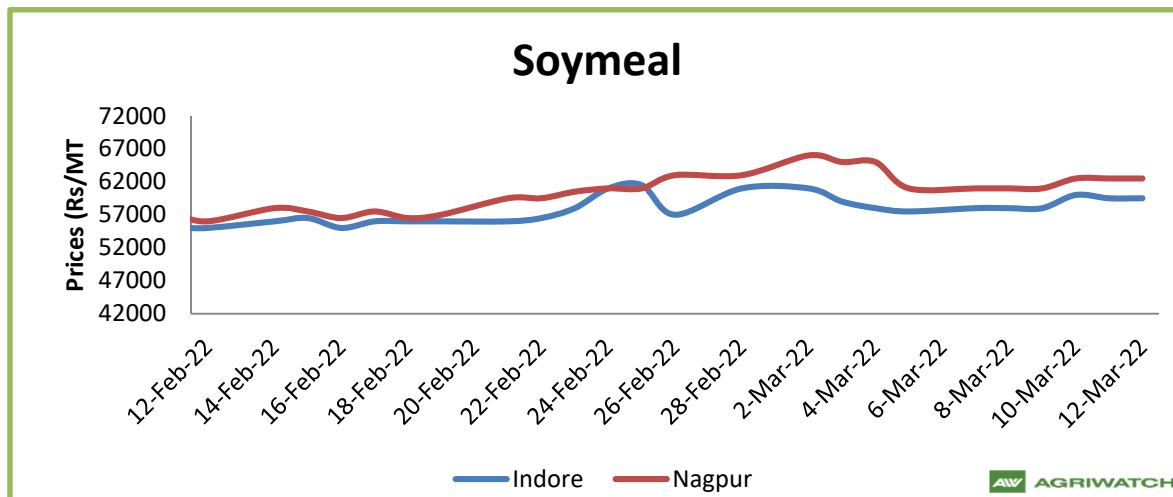
Maize would trade with firm to steady sentiment in coming week since demand seems to be steady and market awaits for the new crop, as previous season's arrivals have already reached market. It is also expected that the Rabi arrivals will be slightly delayed, as in major Rabi Maize producing states like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

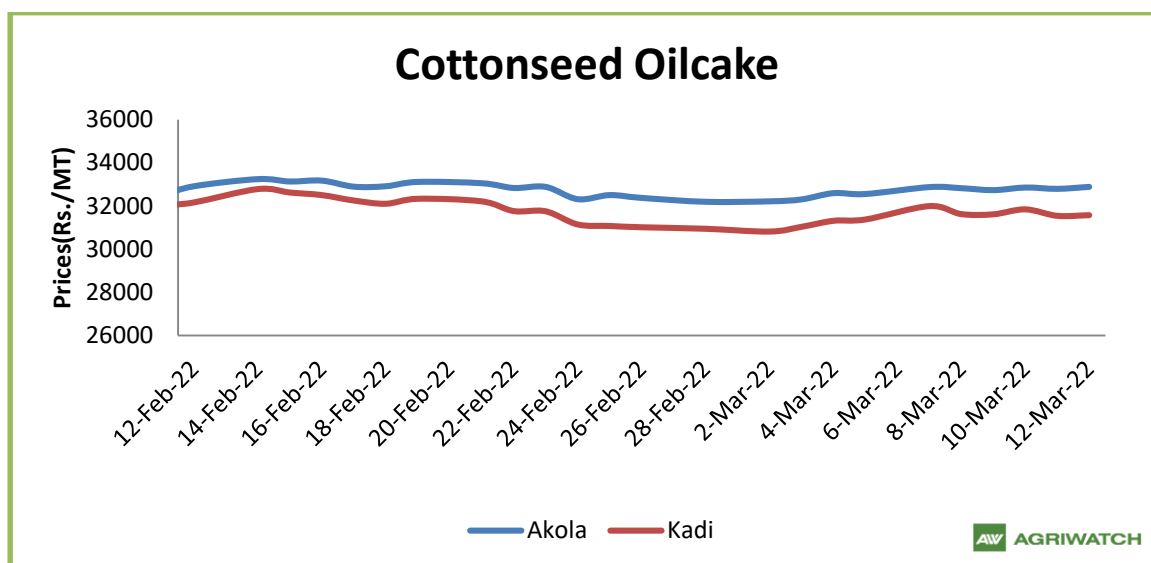
During the week of March 09 to 15 2022, the weekly average price in India was up by 8.31 percent at Rs. 2366.82 per quintal against Rs. 2185.27 per quintal the previous week while the wheat average prices had increased by 20.80 percent from Rs. 1959.33 per quintal same time last year. On 12th March, the price of wheat in Kanpur market for mill delivery was at Rs. 2280 per quintal, up by 1.33 percent from Rs. 2250 per quintal the previous week. In domestic markets, wheat is showing firm trend in major markets. Though the prices have become steady since last few days. FCI has decided to discontinue the practice of storing wheat in uncovered facilities from September 2022 to improve storage facility and ensure direct transfer of grains from procurement centers to the states for public distribution. Out of 98 MMT capacity to store the wheat, around 19 MMT of wheat are stored in open where it cannot be stored for more than 6 months. As of March 1st, the stocks of wheat available within central pool is 23.4 MMT way higher than the buffer norm of 7.46 MMT. The stocks are lowest since last 2 years. In the upcoming procurement season, the target made by various states include Punjab (13.2 MMT), Madhya Pradesh (12.9 MMT), Haryana (8.5 MMT), Uttar Pradesh (6 MMT) and Bihar (1 MMT). Though in Madhya Pradesh, it is expected that the procurement will drop by 15 to 20% as farmers are selling it to traders where it is being exported due to its better proximity to the ports. There is a robust demand for Indian wheat from Asian buyers such as Nepal, Bangladesh, Sri Lanka, Indonesia and the Philippines. And the supply of wheat to these countries is easy due to lower freight charges and currently Indian wheat is of good quality compared to international wheat. There is also better cargo handling in the port which is supporting the export demand. Though internal freight costs and unavailability of freight wagons is hampering the trade. We are expecting that for the coming 2 months, India's exports are expected to be 4-5 MMT as currently India is the only country where harvesting is ongoing. Indian wheat is compared with Russia wheat due to its taste and texture and making it complete substitute.

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 6,500 – 7,000/Qtl. in the short-run.

**Trend – Raw Material, Feed**





**Source: AgriWatch**

#### Soy meal

This week Indore weekly average soymeal prices remained sideways amid low crushing in the month of February as compared to previous year same period. The weekly average prices of soymeal remained sideways and went barely down by 1.2% to Rs 58,500 /MT and was quoted between Rs 57,500 – 60,000/MT throughout the week. This compares with previous week's average of Rs 59,200/MT.

At Latur, the weekly average went down to Rs. 64,333/MT compared to Rs. 66,500/MT a week ago, in Nanded too it went down to Rs. 63,083/MT compared to Rs. 63,800/MT a week ago. In Kota the meal prices were up to Rs. 64,133/MT compared to Rs. 63,400/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.

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

### **Rapeseed - Mustard Seed**

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

Rapeseed Mustard weekly average price went down by 2.2% to Rs.7,133/Qtl, as compared to Rs 7,297 /Qtl last week. The market made a low of 6,937 and high of 7,287 during the week. In Sri Ganganagar, the weekly average prices of rapeseed oilcake remained sideways at Rs 2,929/Qtl from previous week at Rs. 2,927/qtl. USDA in its March'22 reports India's 2021-22 production estimated at 108 lakh tonnes, crushing estimated at 96.50 lakh tonnes as compared to 75 lakh tonnes.

RM seed traders are seeking for stock limit removal, as arrivals is picking up in mandis and between 15th March to 30th April around 60% of produce arrives in the market, In Oct'21 Rajasthan government had imposed stock holding limit of 2000 qtl for whole seller and 200 qtl for retailer till 31st March 2022.

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 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.

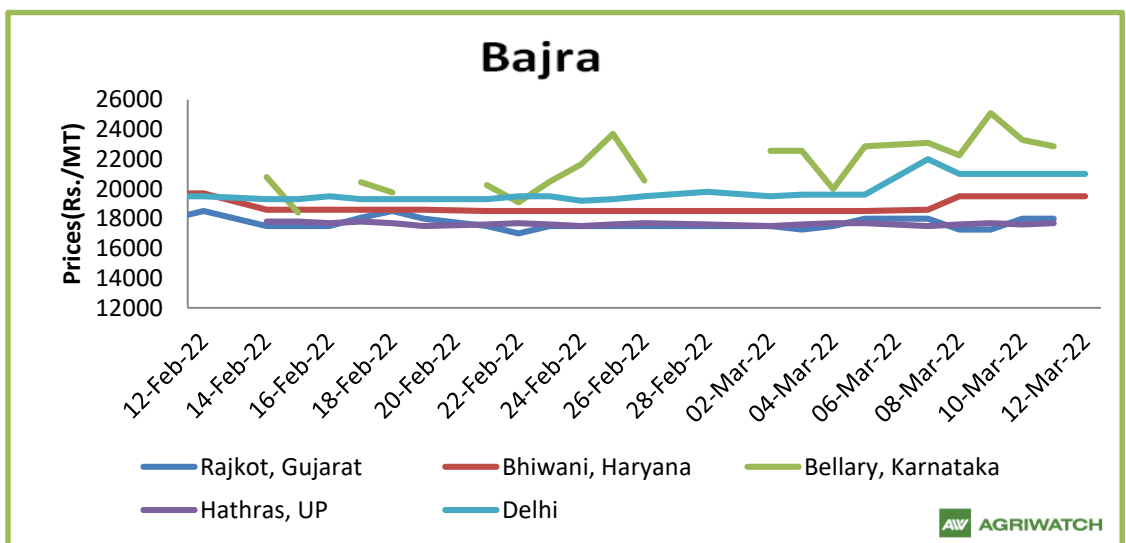
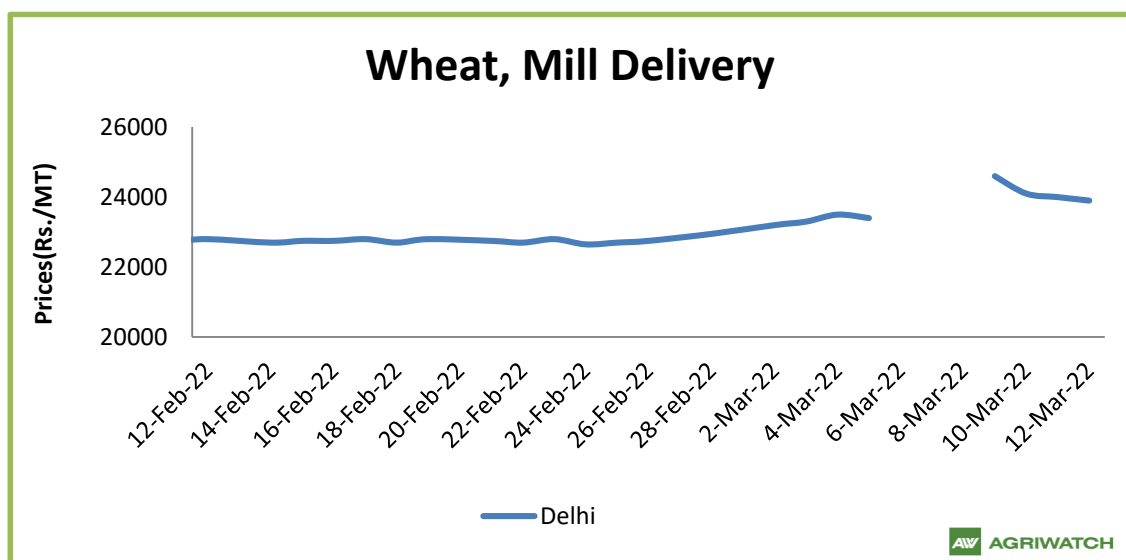
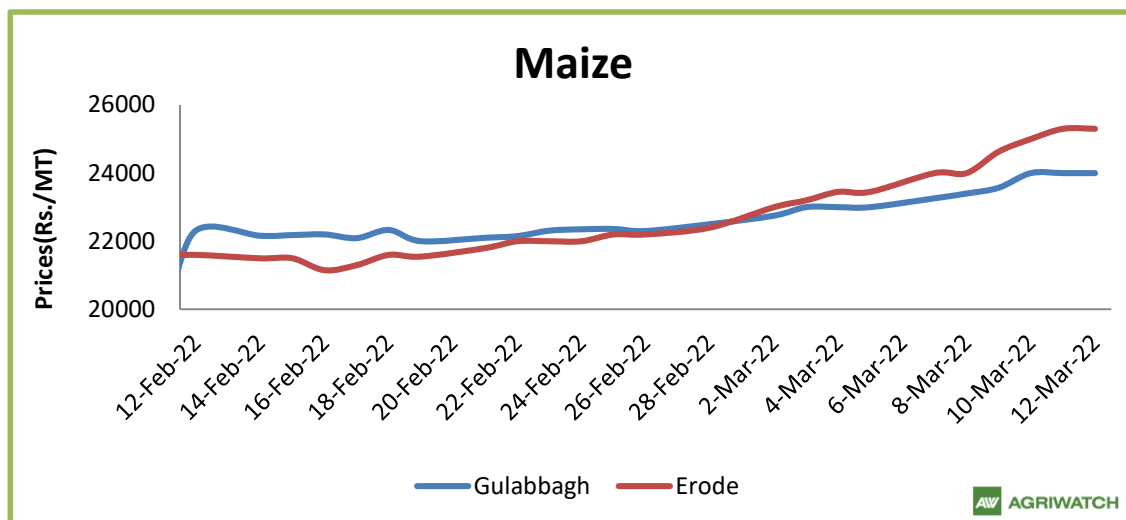
According to Central Organization for Oil Industry and Trade (COOIT) production of the mustard to increase to a record 100-110 lakh tonnes this season

USDA in its March'22 report, estimated Canada canola production estimates at 12.6 MMT Vs 19.48 MMT previous year, China at 14 MMT Vs 14 MMT last year, EU at 17.15 MMT Vs 16.2 MMT previous year.

According to USDA March'22 report, Canada canola exports estimated down to 5.3 MMT Vs 10.51 MMT last year.

Lower canola production in Canada has disrupted exports and major importers likely turn to Australia to offset displaced imports.

According to Agriculture and Agri-Food Canada's (AAFC) For 2021-22, canola supplies have tightened as 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.



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

Sources revealed that Maize in Nizamabad market was being traded at Rs. 2,200 per quintal. Maize in market of Davangere, Karnataka was being traded between Rs. 2,250 to Rs. 2,400 per quintal. At Chhindwara market new maize with moisture between 13 % to 14 % was being traded between Rs. 2,500 per quintal to Rs. 2,510 per quintal. Corn on CBOT increased by 2.56 USD/MT to 298.31 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. U.S. Maize exports have reached at 27.53 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.76 MMT for the period of 24th Feb 2022 – 3rd March 2022, these exports were down by 14 percent from the previous week and also from the prior 4-week average, to the destinations like China (555,100 MT), Mexico (371,700 MT), Colombia (258,400 MT), Japan (205,100 MT), and Saudi Arabia (140,000 MT). However, 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 4.07 percent and is expected to trade in the range of Rs. 2350-2450 per quintal in coming week. In Indore, the prices rose by 3.95 percent and is expected to trade in the range of Rs. 2250-2350 per quintal in coming week. In Ahmedabad, the prices rose by 3.56 percent and in coming week, it is expected to trade in the range of Rs. 2400-2500 per quintal in coming week. In Kota, the prices rose by 5.48 percent and is expected to trade in the range of Rs. 2350-2450 per quintal in coming week.

**Outlook:** Feed prices are expected to feature sideways trend bias in coming week.

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

Centers	Ex-factory rates (Rs/ton)		
	11-Mar-22	05-Mar-22	Parity To
Indore - 45%, Jute Bag	59500	57500	Gujarat, MP
Kota - 45%, PP Bag	65700	62700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	65000	64000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	62500	61000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	64000	62500	Andhra, AP, Kar, TN
Latur	65000	64000	-
Sangli	59000	59500	Local and South
Solapur	61000	62000	Local and South
Akola – 45%, PP Bag	59000	60000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	63500	61000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	65500	62500	-

International Soy DOC			
Argentina FOB USD/MT	10-Mar-22	04-Mar-22	Change
Soybean Pellets	577	525	52
Soybean Cake Flour	577	525	52
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	11-Mar-22	05-Mar-22	Change
Adoni	30000	30000	Unch
Khamgaon	-	-	-
Parli	-	-	-
Latur	29000	29000	Unch

Groundnut Meal (Rs/MT)	11-Mar-22	05-Mar-22	Change
Basis 45%, Saurashtra	43000	49000	-6000
Basis 40%, Saurashtra	39000	44000	-5000
GN Cake, Gondal	44000	49000	-5000

Mustard DOC/Meal	11-Mar-22	05-Mar-22	Change
Jaipur (Plant delivery)	23000	22700	300
Kandla (FOR Rs/MT)	24200	23300	900

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

Market	Grade	11-Mar-22	04-Mar-22	08-Feb-22	10-Mar-21	10-Mar-20
Delhi	Hybrid	2500	2280	2230	1600	1700
Davangere	Loose	2300	2080	1960	1500	1350
Nizamabad	Bilty	2200	2100	2000	Closed	Closed
Ahmedabad	Feed	2375	2300	2100	1620	Closed
	Starch	2340	2300	2060	1630	Closed



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

As on 09.03.2022	Argentina	Brazil	US	India
<b>FOB</b>	300.00	352.00	371.00	307.87
<b>Cost and Freight</b>	350.00	407.00	431.00	342.87

**Soy Meal Exports (In MT):**

<u>Month</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Jan	155160	105678	86378	41726	283167	52771
Feb	207977	73816	132375	20309	247085	33760*
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*	
<b>Total</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	11-Mar-22	05-Mar-22	Change
Bajra	Karnataka	Hybrid	Bellary	NA	2285	-
		Hybrid	Bangalore	2230	2250	-20
Jowar	Karnataka	White	Bangalore	2550	2600	-50
		White	Bellary	NA	NA	-
Maize	Karnataka	Yellow	Davangere	2400	2300	100
	Telangana	Yellow	Nizamabad	2200	2100	100
Rice	Haryana	IR8	Karnal	NA	3250	-
		Parmal Raw	Karnal	NA	2750	-
Soy meal	Madhya Pradesh	DOC	Indore	5950	5750	200
	Maharashtra	DOC	Sangli	5900	5950	-50
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3000	3000	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	2300	2270	30
Groundnut Meal	Gujarat	GN Cake	Gondal	3900	4400	-500
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3154	3137	17
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3279	3255	24
Note: Prices Rs./Qtl						

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