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Summary

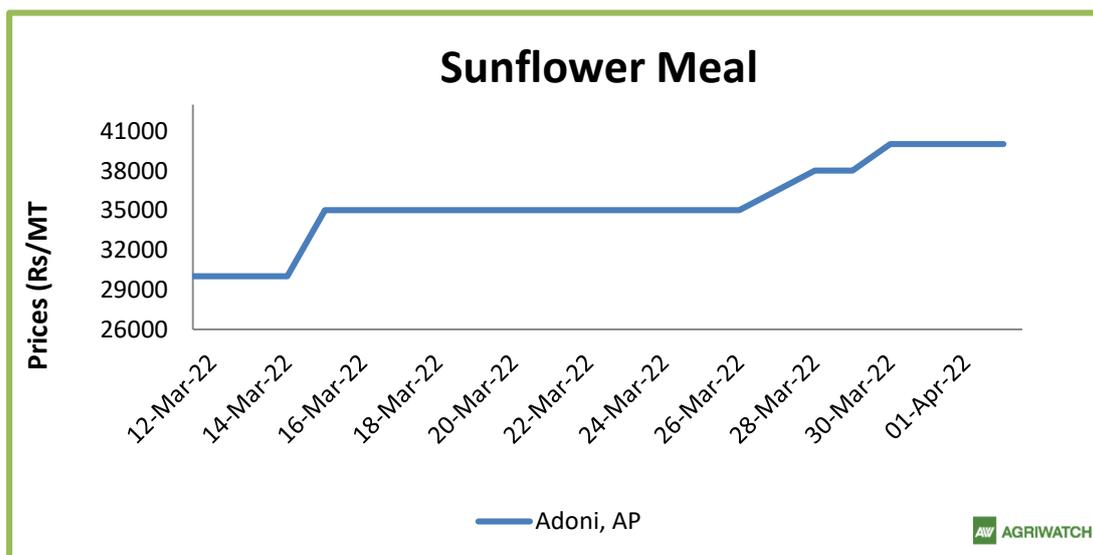
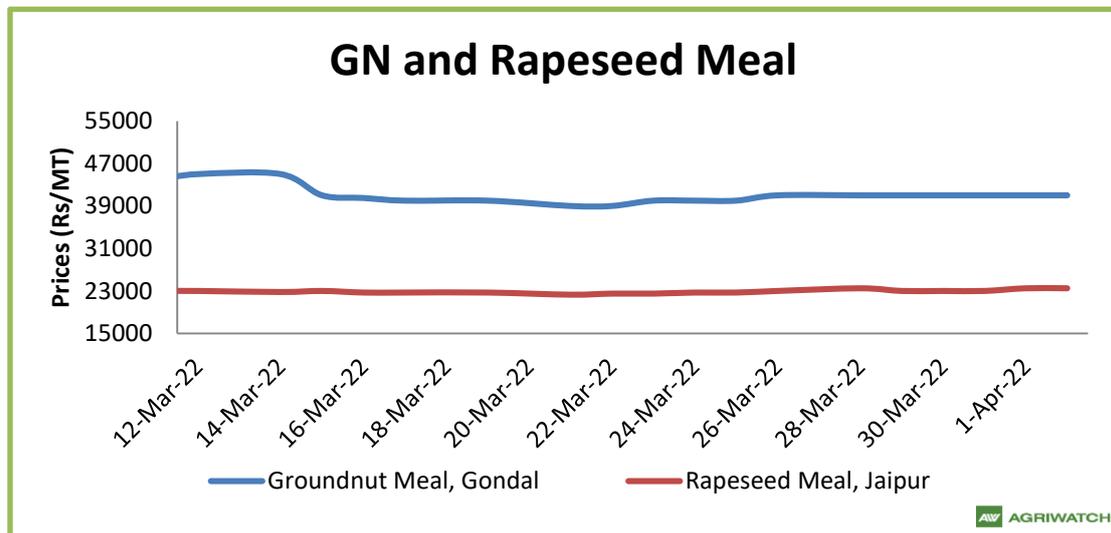
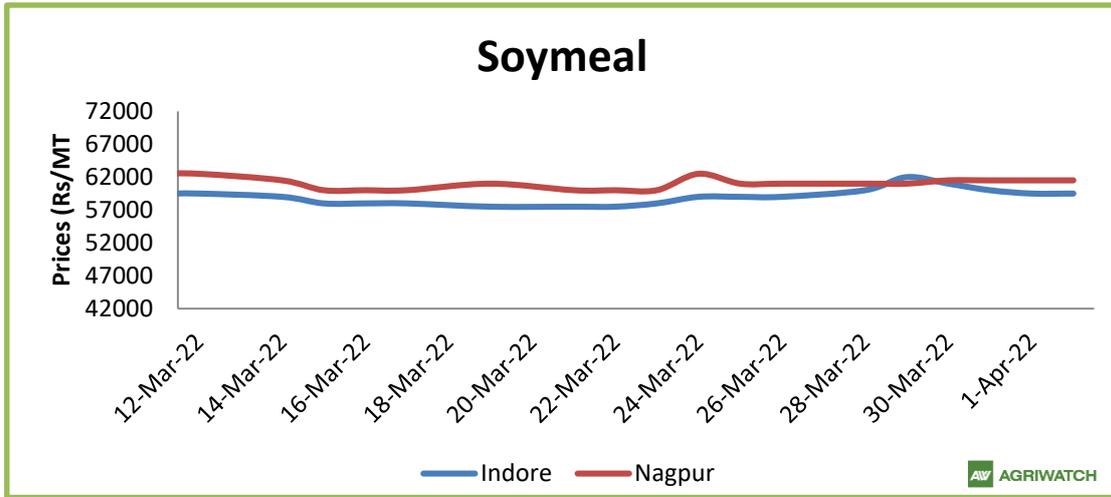
AgriWatch expects Maize prices to trade sideways with firm bias in coming week amidst good domestic demand from feed industry. Also, prevailing shortage of good quality Maize in the market would provide support to Maize. In long term prices are again expected to attain a firm trend since at present average to lower quality stock has already been sold at lower prices. With start of new good quality supply in market demand of Maize would revive again at higher prices. Also, export demand of Indian Maize seems good which would provide support to domestic Maize market.

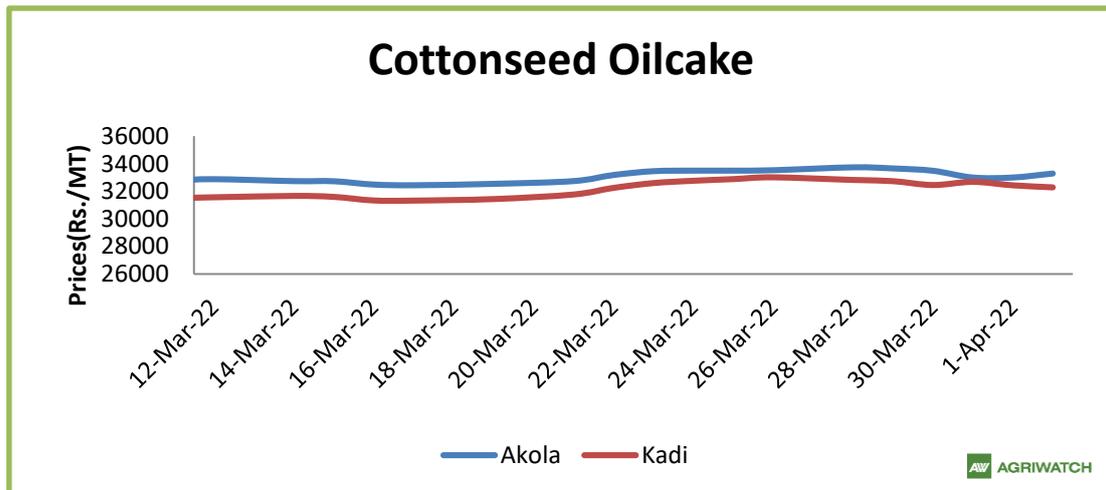
During the week of March 24 to 31 2022, the weekly average price in India was up by 3.36 percent at Rs. 2269.83 per quintal against Rs. 2196.03 per quintal previous week while the average prices were up by 17.65 percent from same period last year. On 30th March, the price of wheat in Kanpur market for mill delivery was at Rs. 2160 per quintal, up by 3.35 percent from Rs. 2090 per quintal last week. The prices are showing firm tone last week though overall trend remains steady to slightly firm. With the government's extension of free ration scheme and easing tensions between Russia and Ukraine, it is expected that the prices would show slightly weak tone in coming week. India's wheat exports are likely to cross 10 MMT during 2022-23, due to increasing demand for the commodity in the world market. The exports have crossed 7 MMT in 2021-22 (worth over Rs 15,000 crore) as against 2.16 MMT (over Rs 4,000 crore) in 2020-21. It was only two lakh tonnes (Rs 500 crore) in 2019-20. Maximum exports are routed through Kandla port and discussions are on with railways for facilitation of wheat exports from different ports such as Vizag, Kakinada, and Nhava Sheva. During the week ending 01st April, wheat tender sales were done in several states. Around 4,770 MT of wheat vessel was sold by FCI in various tenders against 3,930 MT of wheat tender the previous week. With the government's extension of free ration scheme and easing tensions between Russia and Ukraine, it is expected that the prices would show slightly weak tone in coming week.

Soymeal prices are likely to trade range bound. 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 good demand from oil millers and heavy 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

Indore Soymeal prices are still trading 19% up YOY and 2.6% up MoM. High Soymeal prices has kept poultry industry under pressure and exporters are also not getting good export demand, as a result there is low domestic Soy crushing.

The weekly average prices of soymeal went up by 3.7% at Rs 60,250/MT as compared to last week at Rs 58,083/MT. Overall the prices quoted between Rs 59,000 – 62,000/MT throughout the week. At Latur, the weekly average prices went up to Rs. 63,000/MT compared to Rs. 62,000/MT a week ago. In Nanded too it went down to Rs. 62,833/MT compared to Rs. 61,416/MT a week ago. In Kota the meal prices were down to Rs. 64,450/MT compared to Rs. 62,916/MT previous week. Week ended 1st April, FOB Argentina weekly average price went down by 2% to USD 539/ MT as compared to previous week’s USD 550/MT. India’s FAS Kandla soymeal price went marginally up by 0.8% at USD 841 MT as compared to USD 834.5/MT previous week. Soymeal FAS Kandla is still outpriced to FOB Argentina by USD 302/MT compared to previous week at USD 283/MT. Usually, FAS Kandla trades slightly higher than other GM soymeal but price 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 due to non-competitive prices in global markets.

Financial Year 2021-22 compared to 14,18,454 metric tonnes during the corresponding period last year. Export remained lower because of higher prices. Additionally, lower crushing of soybean also pushing higher import of crude Soybean oil in India. We expect low export in Upcoming month too and Soymeal export in 2021-22 is expected at 5-8 Lakh tonnes.

Additionally, export of oilmeals for the month of Feb’2022 provisionally reported at 1,87,320 tonnes compared to 3,97,517 tonnes last year same period i.e. down by 53%. The overall export of oilmeals during April – Feb’2022 is reported at 21,31,360 tonnes compared to 33,66,633 tonnes i.e. down by 37%. According to USDA March’22 report, 2021-22 soymeal production is estimated higher at 8.16 million tonnes Vs 8 MMT previous month and 7.6 million tonnes last year estimates. However, ending stocks is estimated higher at 6.27 Lakh tonnes Vs last year it was estimated at 3.82 Lakh tonnes. Agriwatch estimates, 2021-22 Soy production higher at 12 MMT as compared to 10.5 MMT previous year.

Soybean meal prices are expected to continue trade range bound with in the range of 57,000-62,000/ MT amid tight crush margin and weak export demand. 62,000 is near term resistance which is 50 Days moving average and 57,000 is near term support.

Rapeseed - Mustard Seed

Currently RM seed harvesting is at full swing, arrivals has almost peaked, major new stuff were bought by the Oil millers, as they can buy for 90 days of their capacity. However, traders are facing difficulty because of stock limit and are seeking for stock limit removal. As of now RM seed is trading 19.5% YoY despite stock limit. In upcoming week arrivals is likely to continue decline and RM seed prices may trade range bound.

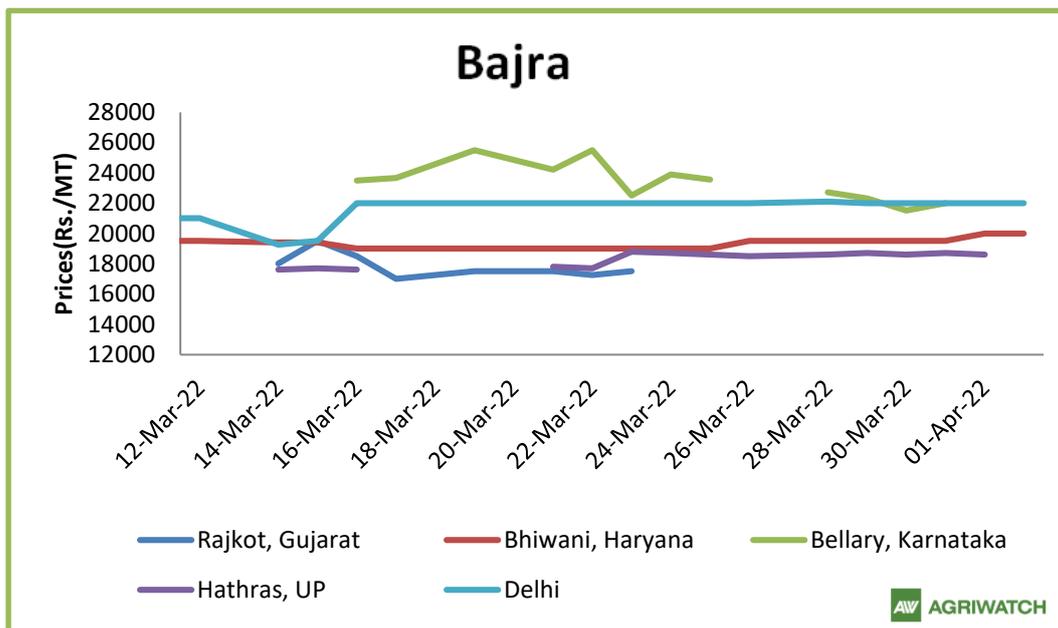
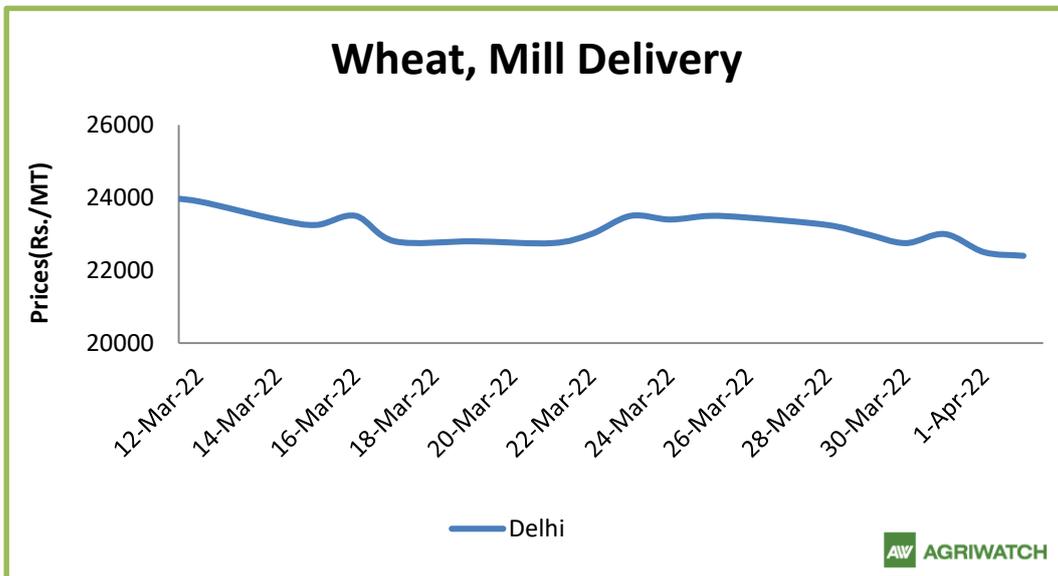
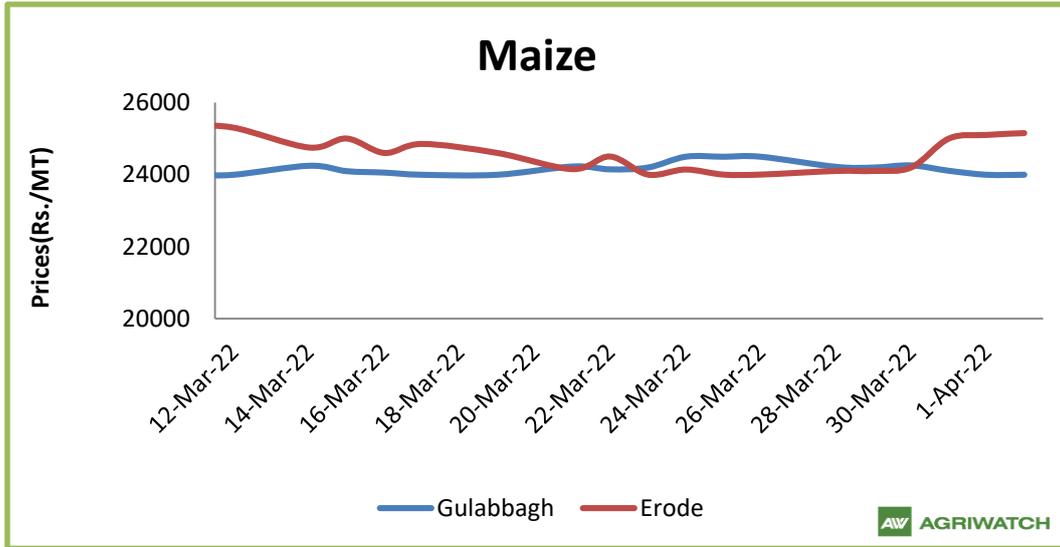
Rapeseed Mustard weekly average prices went marginally up by 0.8% to Rs.7,163/Qtl, as compared to Rs 7,104 /Qtl last week. The market made a low of Rs 7,063 and high of Rs 7,213 a quintal during the week. In Sri Ganganagar, the weekly average prices of Rapeseed oilcake went down by 1.02% and traded at Rs 2,912/Qtl from previous week at Rs. 2,942/qtl. There is good domestic and export demand of Rapeseed meal.

Amid Russia Ukraine conflict, India may face 25% or 4-6 lakh tonnes sunflower oil shortage, around 70% crude sunflower oil is imported from Ukraine and 20% from Russia. Refined sunflower oil constitutes 10% of the countries total consumption of 230-240 Lakh tonnes of edible oil annually and around 60% of demand is met from imports. However, Mustard oil is expected to fill the gap, as this season Mustard oil production is estimated up by 27% at 43.6 Lakh tonnes as compared to previous year at 36.4 Lakh tonnes. As arrivals has peaked, this week in Rajasthan, total mustard arrivals went down by 33% at 22.5 Lakh bags as compared to previous week's 33.5 Lakh bags. All India arrivals stood at 38.2 Lakh bags Vs 60.5 Lakh bags previous week. Oil mills are running at full pace, so far 65-70% get crushed. In March'22 all India arrivals recorded higher by 22% where as in Rajasthan arrivals were up by 10%.

As per Agriwatch estimates, the production is expected to be 107.1 Lakh tonnes, which is all time high production. Rajasthan's mustard crop production estimated at 45.1 Lakh tonnes, Madhya Pradesh at 11.7 Lakh tonnes, Uttar pradesh at 14.10 Lakh tonnes. 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. According to USDA in its March'22 reports India's 2021-22 RM seed production estimated at 108 Lakh tonnes as compared to last year estimates at 85 Lakh tonnes, crushing estimated at 96.50 Lakh tonnes as compared to 75 Lakh tonnes previous year. 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 tonnes vs 102.1 Lakh tonnes last year.

Global rapeseed production is revised upwards to 71.11 MMT in USDA's March report from 70.6 MMT in previous report, whereas, on y-o-y comparison it is at downward compared to the 73.16 MMT last year. Global rapeseed oil production is also revised in latest report to 28.30 MMT compared to previous estimate of 28.27 MMT in February while, on y-o-y comparison it is lower compared to 29.16 MMT last year. Production is down for the year due to prolonged heat stress in Canada, whereas upward monthly revision in oil and oilseed is due to record production in India. USDA in its March'22 report, estimated Canada canola production estimated 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.



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

Maize prices in benchmark Nizamabad market was traded at Rs. 2,325 per quintal and poultry feed quality is being supplied to Hyderabad and Tamil Nadu at Rs. 2,400 to Rs. 2,450 per quintal (delivered basis). Loose Maize prices in Davangere and Karnataka was being traded at Rs. 2,180 per quintal during the week under review. Corn on CBOT increased by 31.69 USD/MT to 294.77 USD/MT for March '22 contract as compared to previous week, due to Russia-Ukraine crisis. U.S. Maize exports have reached at 32.18 million metric tonne (MMT) for the 2021-22 Marketing Year, with the exports of 1.88 MMT for the period of 18th March 2022 – 24th March 2022, these exports were up by 26 percent from the previous week and 24 percent also from the prior 4-week average, to the destinations like China (457,600 MT), Japan (432,200 MT), Mexico (335,200 MT), Colombia (170,800 MT), and Canada (96,800 MT).

In all the mandis, the prices were showing weak tone in all the major mandis except Indore mandi. As the market was mainly closed in most of the days in Indore, the prices were showing on higher side and it is expected that in coming week the prices will continue to show steady to weak tone. In Delhi, prices expected to trade in the range of Rs. 2200-2260 per quintal in coming week. In Indore, the price is expected to trade in the range of Rs. 2200-2270 per quintal in coming week. In Ahmedabad, the prices in coming week are expected to trade in the range of Rs. 2200-2260 per quintal in coming week. In Kota, the price is expected to trade in the range of Rs. 2200-2250 per quintal in coming week.

Outlook: Feed prices are expected to feature sideways trend with slightly 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)		
	01-Apr-22	26-Mar-22	Parity To
Indore - 45%, Jute Bag	59500	59000	Gujarat, MP
Kota - 45%, PP Bag	64100	62000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	63000	62000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	61500	61000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	62500	63000	Andhra, AP, Kar, TN
Latur	65000	61000	-
Sangli	59000	58000	Local and South
Solapur	58500	58500	Local and South
Akola – 45%, PP Bag	61000	60000	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	63000	62500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	63900	61800	-

International Soy DOC			
Argentina FOB USD/MT	01-Apr-22	26-Mar-22	Change
Soybean Pellets	511	552	-41
Soybean Cake Flour	511	552	-41
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	01-Apr-22	26-Mar-22	Change
Adoni	40000	35000	5000
Khamgaon	-	-	-
Parli	-	-	-
Latur	39000	34000	5000

Groundnut Meal (Rs/MT)	01-Apr-22	26-Mar-22	Change
Basis 45%, Saurashtra	40000	40000	Unch
Basis 40%, Saurashtra	36000	36000	Unch
GN Cake, Gondal	41000	41000	Unch

Mustard DOC/Meal	01-Apr-22	26-Mar-22	Change
Jaipur (Plant delivery)	23500	23000	500
Kandla (FOR Rs/MT)	24000	24000	Unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	01-Apr-22	25-Mar-22	02-Mar-22	31-Mar-21	01-Apr-20
Delhi	Hybrid	2550	2550	2250	1550	Closed
Davangere	Loose	2180	2150	2175	1500	Closed
Nizamabad	Bilty	Closed	2300	Closed	Closed	Closed
Ahmedabad	Feed	Closed	2500	2225	Closed	Closed
	Starch	Closed	2500	2200	Closed	Closed

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

As on 29.03.2022	Argentina	Brazil	US	India
FOB	319.00	362.00	370.00	328.38
Cost and Freight	369.00	417.00	430.00	363.38

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*	
Total	1408042	1143244	982022	1011736	838264	

Feed Ingredient Prices at a Glance						
Commodity	State	Variety	Centre	2-April-22	25-Mar-22	Change
Bajra	Karnataka	Hybrid	Bellary	NA	2550	-
		Hybrid	Bangalore	2750	2300	450
Jowar	Karnataka	White	Bangalore	3400	2550	850
		White	Bellary	2800	2240	560
Maize	Karnataka	Yellow	Davangere	2280	closed	-
	Telangana	Yellow	Nizamabad	closed	closed	-
Rice	Haryana	IR8	Karnal	3300	3250	50
		Parmal Raw	Karnal	3600	2750	850
Soy meal	Madhya Pradesh	DOC	Indore	5950	5750	200
	Maharashtra	DOC	Sangli	5900	5750	150
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	4000	3500	500
Mustard	Rajasthan	Plant delivery	Jaipur	2235	2270	-35
Groundnut Meal	Gujarat	GN Cake	Gondal	3600	3300	300
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	3229	3144	85
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	3329	3254	75
Note: Prices Rs./Qtl						

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