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Summary

AgriWatch expects, in near term market would trade with sideways to weak sentiments, with expectation of increasing arrivals of Rabi Maize from Bihar and U.P. At bench mark Gulabghat market, the average weekly prices fell to Rs. 2,150 per quintal from previous week's Rs. 2,250 per quintal. Domestic demand from feed manufacturers reportedly remained strong from feed as well as starch. Also, a good demand from neighbouring countries like Bangladesh particularly for starch quality Maize is restricting any major decline in prices. However, ongoing strong demand from domestic feed industry as well as stockiest and international Maize buyers is expected to support the Maize market. Any further decline in prices by 50-100 Rs. per quintal would give a buying opportunity with expectation of a good return in medium to long term.

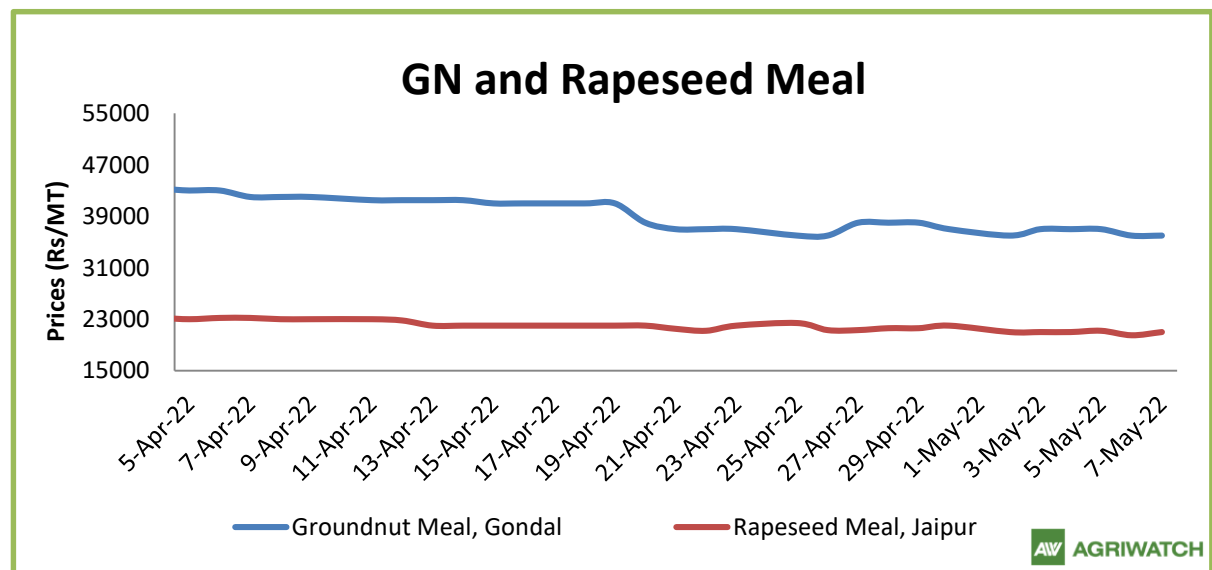
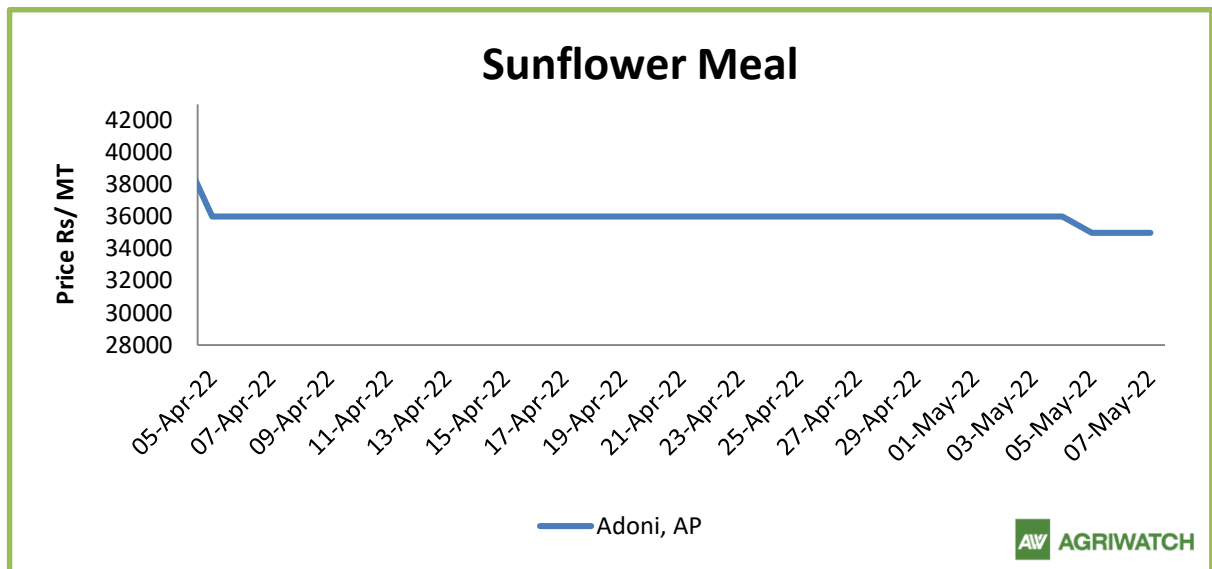
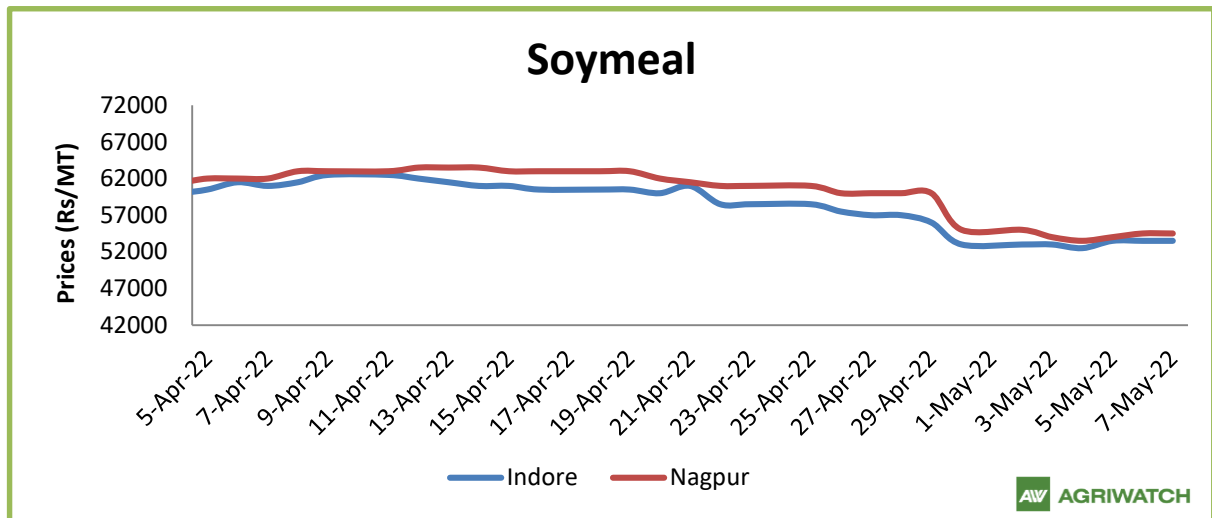
The average price of cottonseed oilcake in the Kadi market has decreased slightly as compared to previous week. Prices in Kadi were at Rs. 2985 per quintal from Rs. 3028 per quintal and in Akola prices were at Rs. 3035 per quintal from Rs. 3130 per quintal the previous week. Cottonseed oilcake prices are expected to remain stable in the coming week.

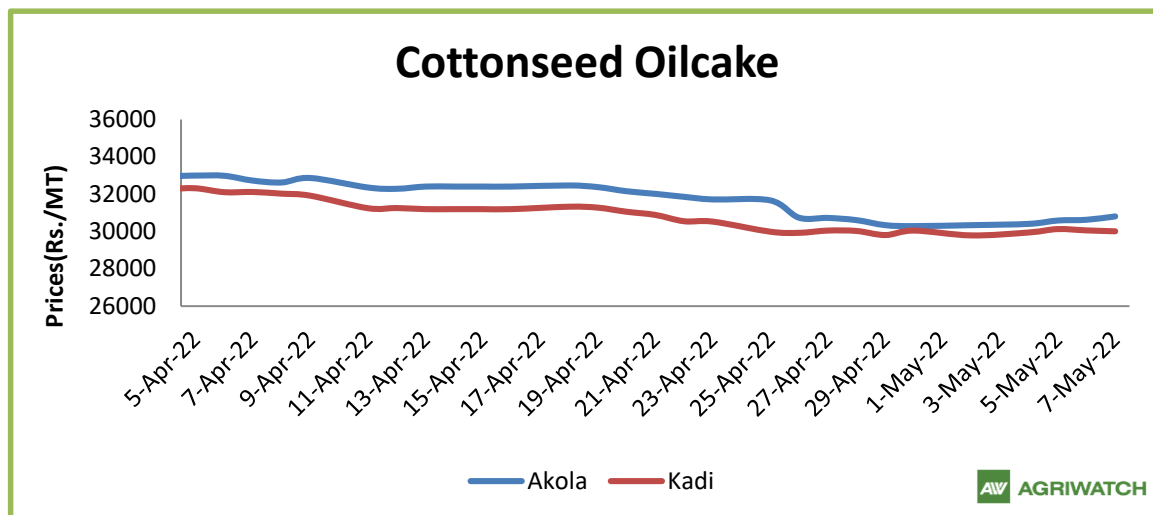
On 7th May 2022, Kanpur Wheat Mill delivery was traded at Rs. 2225 per quintal up by 1.14 percent from previous week's Rs. 2200 per quintal. The prices are seeing an upward trend after slight correction. The export restrictions are unlikely after the government's confirmation. Reduction in yield is also supporting the prices. As of 06th May, the government wheat procurement stood at 174.80 Lakh MT (LMT). The procurement in Uttar Pradesh, Rajasthan, Gujarat remains low. The wheat procurement in Punjab on 06th May stood at 93.38 LMT which is down from 125.56 LMT corresponding period previous week. Most of the mandis have stopped the procurement and we expect Punjab procurement will not cross 100 LMT and would stay in the range of 94-96 LMT. As per sources, we estimate the exports for the month of April 2022 stood in the range of 16-18 LMT. The exports are in the range of 12-14 LMT from Mundra and Kandla Port alone. While remaining quantity of wheat has been exported through road and other modes of transport as well as from eastern ports like Vishakhapatnam. With the confirmation of government for no export ban, we expect the prices to show an upward trend in coming days. The market fundamentals are strong with good export demand, lower production, low procurement and higher domestic demand. The loose wheat is also expected to cross Rs. 2500 per quintal in various benchmark markets.

The soy meal prices (Indore) are likely to trade with weak bias tracking Soymeal import. Soy meal Indore prices is likely to trade in the range of 48,000 – 54,000/MT.

Rapeseed-Mustard is expected trade range bound with firm bias amid palm oil export ban by Indonesia and shrinking arrivals in mandis. The seed prices are likely to trade in the range between 7,300 –7,600/Qtl. in the short-run.

Trend – Raw Material, Feed





Source: AgriWatch

Soy meal

During the week under review, Indore Soy meal prices continued trading with weak sentiments tracking Soy meal import decision by the government. The weekly average prices of soy meal went down by 7.5% at INR 53,083/MT as compared to last week at INR 57,416/MT. Overall the prices quoted between INR 52,500 – 53,500/MT throughout the week.

At Latur, the weekly average prices went down to INR. 53,916/MT compared to INR. 59,833/MT a week ago. In Nanded too it declined to INR. 56,500/MT compared to INR. 60,500/MT a week ago. In Kota the meal prices were down at INR. 55,916/MT compared to INR. 60,033/MT previous week.

Domestic crushing was already low due to weak soy meal export demand. Upon Soy meal import, domestic crushing likely to slow down due to squeeze in crush margin on decline in Soy meal prices.

Soy meal Price Outlook for coming week: Soybean meal prices are expected to continue correction from current level tracking Soy meal import decision by government.

| Soy meal Indore Price Outlook (INR./MT) | Previous week 16th-22nd April'22 | Week Under review 23rd-29th April'22 | Next week 30th-06th May'22 |
|---|-------------------------------------|---|-------------------------------|
| Weekly Average Price | 57,416 | 52,500-53,500 | 48,000-55,000 |

Rapeseed - Mustard Seed

During the week under review, Jaipur RM seed weekly average prices went up by 1.4% to INR. 7,454/qtl as compared to INR. 7,346/qtl last week. Prices continued to trade firm on Palm oil export ban by Indonesia coupled with shrinking arrivals. Farmers are holding new crop in anticipation. And may off load to meet their kharif sowing expences in upcoming weeks.

Arrivals remained tight, during the week under review, in Rajasthan, total mustard arrivals were recorded low at 12.05 Lakh bags. All India arrivals stood at 28.6 Lakh bags Vs 38.5 Lakh bags previous week. Stockiest/ traders are inactive, as they already bought 2000 Qtls of stock limit. Currently there is demand from crushers on good Mustard oil demand. In coming week, arrivals is expected to decline and prices may remain inflated. Edible oil complex still remains tight as Canada and Europe reported poor Canola crop in 2021-22 due to crop damage. Ukraine- Russia, largest suppliers of sunflower oil have not been exporting since Feb'22 due to turmoil.

Indonesia's flip-flops in export ban policy have sent global prices into turmoil. Indonesia is the world's biggest producer of palm oil-producing 59% of the global supply. Indonesia's Minister for Economic Affairs Airlangga Hartarto cleared in a media briefing on 27th April, that Indonesia has widened its export ban and has included Crude Palm Oil (CPO) and Refined Palm Oil (RPO) in addition to Refined Bleached Deodorized Palm Oil (RBDPO) in its new export policy. India is already facing an edible oil shortfall due to Sunflower oil shortages due to the conflict between Russia and Ukraine, low Soy production in south American countries, low Palm oil availability in the future is likely to inflate the prices of oil basket. Due to ongoing turmoil in oilseed complex, Mustard prices likely to remain inflated.

As per Agriwatch, 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.

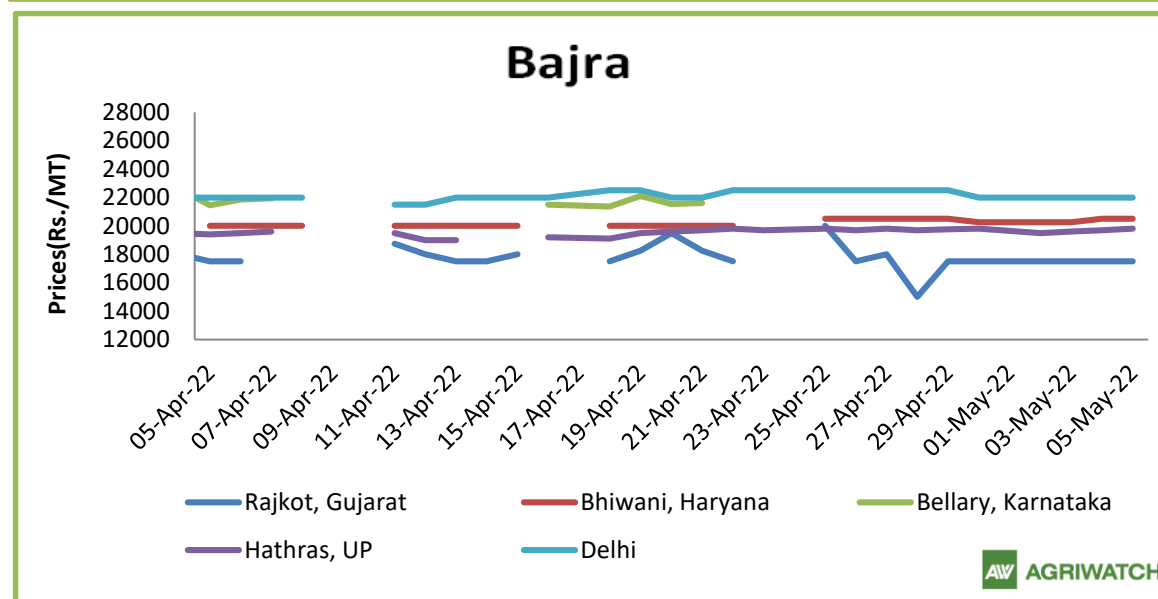
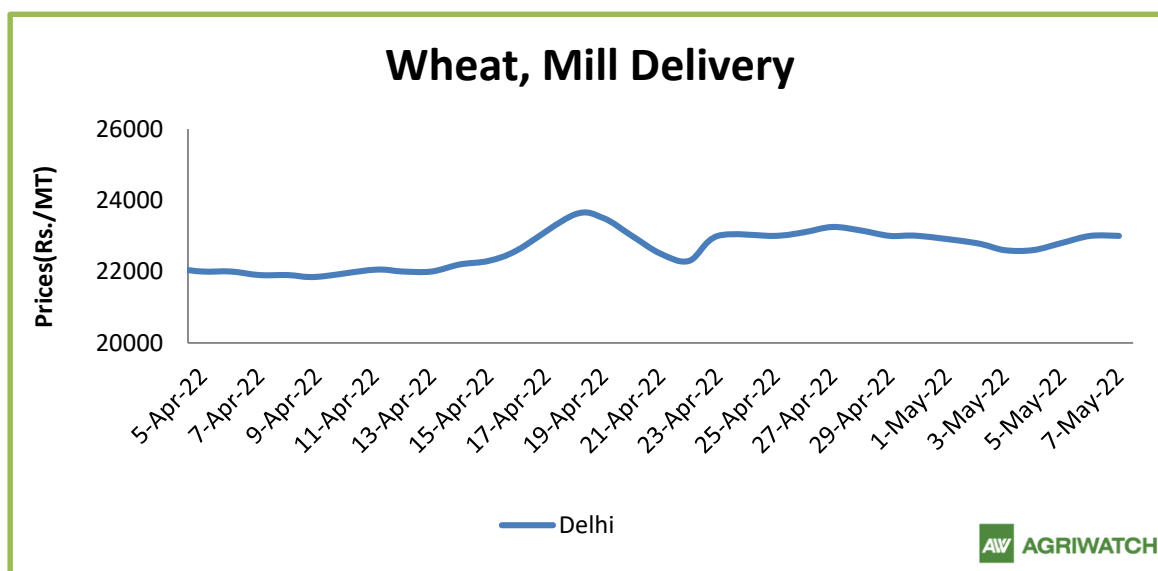
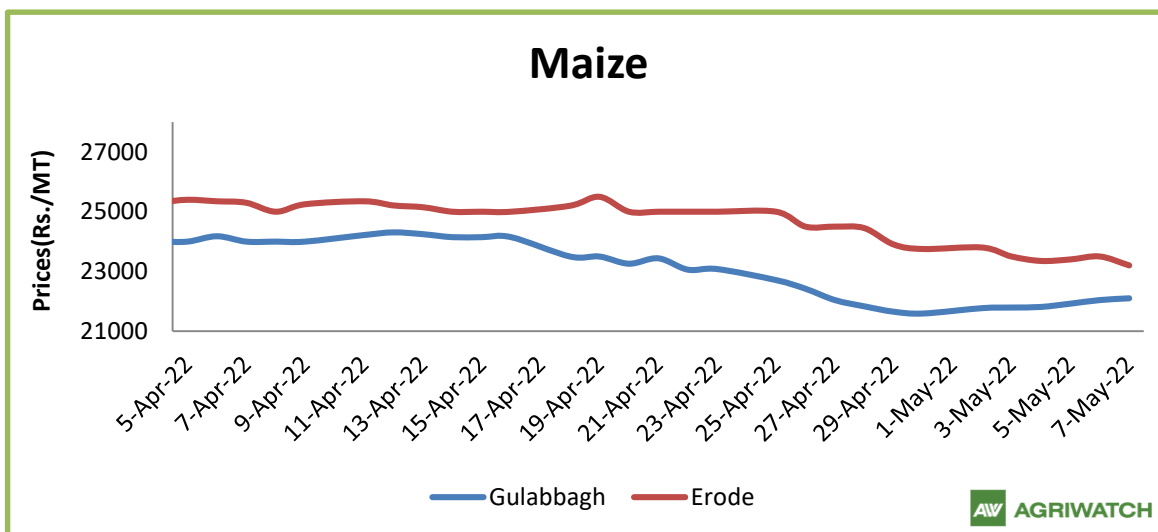
According to USDA's April'22 reports India's 2021-22 RM seed production estimated at 108 Lakh tonnes as compared to last year estimates at 85 Lakh tonnes, crushing estimated at 96.50 Lakh tonnes as compared to 75 Lakh tonnes previous year. As per 2nd Advance estimate released by the Department of Agriculture and Farmers Welfare, RM seed production during 2021-22 is estimated at 114.59 Lakh tonnes vs 102.1 Lakh tonnes last year.

Trade body Central Organization for Oil Industry and Trade (COOIT) has estimated Mustard Rabi 2022 crop at 113 Lakh tonnes marginally up from 110 Lakh tonnes last month, total production includes taramira too. COOIT has estimated mustard crop production in Rajasthan at 51 Lakh tonnes, 17 Lakh tonnes in Uttar Pradesh, 12.5 Lakh tonnes in Madhya pradesh.

According to Stats can, Canada's canola stocks fall to lowest level since 2005.

RM Seed is expected to trade firm on the back of Palm oil export ban by Indonesia.

| Jaipur RM seed Mandi Price Outlook (INR./Qtl) | Previous week 16th-22nd April'22 | Week Under review 23rd-29th April'22 | Next week 30th-06th May'22 |
|---|-------------------------------------|---|-------------------------------|
| Weekly Average Price | 7,346 | 7,454 | 7,300-7,600 |



Source: Agriwatch

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

Maize prices featured a steep fall in prices from mid-April onwards in various cash markets. Bench mark Gulabghat market in Bihar featured a 4% fall in prices (avg. weekly basis) while in Davangere, Karnataka average weekly prices fell by 8% respectively, since market seemed to be expecting further increase in the arrivals of new crop in upcoming week. Maize spot prices at Gulabghat and Davangere are trading quite higher than historical price average for the current time period, on the account of strong international demand and restrained supplies. During the coming week, further slight decline is likely in prices across the different spot markets amid increasing arrivals. Corn on CBOT fell by 4.83 USD to 316.42 USD per MT for May'22 contract, as compared to previous week. However, in near future it is expected that due to speculations related to tight global supplies and sustaining international tensions related, it is expected that Corn on CBOT would trade with strong bias.

In all the mandis, the prices were showing steady to weak tone. The prices corrected due to the rumor of export duty restriction, but prices start rebounding after the food secretary confirmation of no export restrictions. In Delhi, the prices are expected to trade in the range of Rs. 2300-2400 per quintal in coming week. In Indore, the expected price range is Rs. 2300-2400 per quintal. In Ahmedabad, the expected range is Rs. 2400-2500 per quintal.

Outlook: Feed prices are expected to feature sideways with weak bias in coming week.

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

| Centers | Ex-factory rates (Rs/ton) | | |
|----------------------------|---------------------------|-----------|---|
| | 06-May-22 | 30-Apr-22 | Parity To |
| Indore - 45%, Jute Bag | 53500 | 53000 | Gujarat, MP |
| Kota - 45%, PP Bag | 57200 | 56700 | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 56000 | 58000 | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 54500 | 55000 | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 55000 | 60000 | Andhra, AP, Kar, TN |
| Latur | 55500 | 53000 | - |
| Sangli | 52000 | 54500 | Local and South |
| Solapur | 54000 | 53500 | Local and South |
| Akola – 45%, PP Bag | 52500 | 58000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | 56000 | 59000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Bundi | 56800 | 56500 | - |

| International Soy DOC | | | |
|-----------------------|---------------------------|-----------|--------|
| Argentina FOB USD/MT | 06-May-22 | 30-Apr-22 | |
| Soybean Pellets | 475 | 467 | 2% |
| Soybean Cake Flour | 475 | 473 | 0% |
| Soya Meal | - | NR | - |
| Soy Expellers | - | NR | - |
| | | | |
| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) | | |
| Centers | 06-May-22 | 30-Apr-22 | Change |
| Adoni | 35000 | 36000 | -3% |
| Khamgaon | NA | - | - |
| Parli | NA | - | - |
| Latur | 34000 | 35000 | -3% |

| Groundnut Meal (Rs/MT) | 06-May-22 | 30-Apr-22 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | 35000 | 36000 | -3% |
| Basis 40%, Saurashtra | 31000 | 32000 | -3% |
| GN Cake, Gondal | 36000 | 37000 | -3% |

| Mustard DOC/Meal | 06-May-22 | 30-Apr-22 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 20500 | 22000 | -7% |
| Kandla (FOR Rs/MT) | 22200 | 23400 | -5% |

Maize Spot Market Prices (Rs. /Quintal)

| Market | Grade | 06-May-22 | 29-Apr-22 | 05-Apr-22 | 05-May-21 | 06-May-20 |
|-----------|--------|-----------|-----------|-----------|-----------|-----------|
| Delhi | Hybrid | 2330 | 2350 | 2550 | Closed | 1400 |
| Davangere | Loose | 1920 | 2100 | 2150 | Closed | Closed |
| Nizamabad | Bilty | 2100 | 2250 | Closed | Closed | Closed |
| Ahmedabad | Feed | 2460 | 2500 | 2450 | Closed | 1500 |
| | Starch | 2500 | 2500 | 2525 | Closed | 1300 |

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

| Weekly Averages of FOB and C&F Rate to Thailand (\$1=Rs.76.52) | | | | |
|--|-----------|--------|--------|--------|
| | Argentina | Brazil | US | India |
| FOB | 315.50 | 346.50 | 359.00 | 298.97 |
| C&F | 365.50 | 401.50 | 419.00 | 333.97 |

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 | 23872* |
| 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 | 06-May--22 | 29-April--22 | Change |
| Bajra | Karnataka | Hybrid | Bellary | NA | NA | - |
| | | Hybrid | Bangalore | 2650 | 2750 | -100 |
| Jowar | Karnataka | White | Bangalore | 2700 | 3400 | -700 |
| | | White | Bellary | NA | NA | - |
| Maize | Karnataka | Yellow | Davangere | 2020 | 2200 | -180 |
| | Telangana | Yellow | Nizamabad | 2100 | 2250 | -150 |
| Rice | Haryana | IR8 | Karnal | 3300 | 3250 | 50 |
| | | Parmal Raw | Karnal | 3400 | 3400 | Unch |
| Soy meal | Madhya Pradesh | DOC | Indore | 5350 | 5600 | -250 |
| | Maharashtra | DOC | Sangli | 5200 | 5450 | -250 |
| Sunflower Meal | Andhra Pradesh | Ex-factory | Adoni | 3530 | 3600 | -70 |
| Mustard | Rajasthan | Plant delivery | Jaipur | 2050 | 2160 | -110 |
| Groundnut Meal | Gujarat | GN Cake | Gondal | 3100 | 3200 | -100 |
| Cottonseed Oil Cake | Gujarat | Ex- Mandi | Kadi | 3006 | 3005 | - |
| Cottonseed Oil Cake | Maharashtra | Ex- Mandi | Akola | 3063 | 3029 | - |
| Note: Prices Rs./Qtl | | | | | | |

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