AGRIWATCH

Feed Ingredients Weekly
08 August, 2022

Contents:

Summary

An overall range bound to slightly firm movement witnessed in Maize prices across the major spot markets of the country, on the account of reduced supply to markets. Average weekly prices at Gulabbagh market in Bihar were higher by around 2% at Rs. 2,392 per quintal as compared to previous week's average weekly prices of Rs. 2,350 per quintal. Sources say that demand of Maize from poultry sector in Northern parts of the country happens to be sluggish on the account Sarawan fasting going season. However, Davangere is supplying feed Maize to Tamil Nadu and Bengaluru at the delivery rate of Rs. 2,700 per quintal and Rs. 2,660 per quintal respectively. AgriWatch expects, steady to Range-bound price movement of Maize during the coming week in domestic market on the account of mixed trend in the demand of poultry Maize along with limited supply of stuff in the markets across the country.

The average price of cottonseed oilcake in the Kadi market has decreased slightly as compared to the previous week. Prices in Kadi were at Rs. 2697 per quintal from Rs. 2808 per quintal and in Akola prices were at Rs. 2780 per quintal from Rs. 2829 per quintal the previous week. The major reason behind the fall in prices is the decreased demand from the domestic market. Whereas, Cottonseed oil prices have slightly increased across the major centers during the start of the August month on 06th Aug'22.

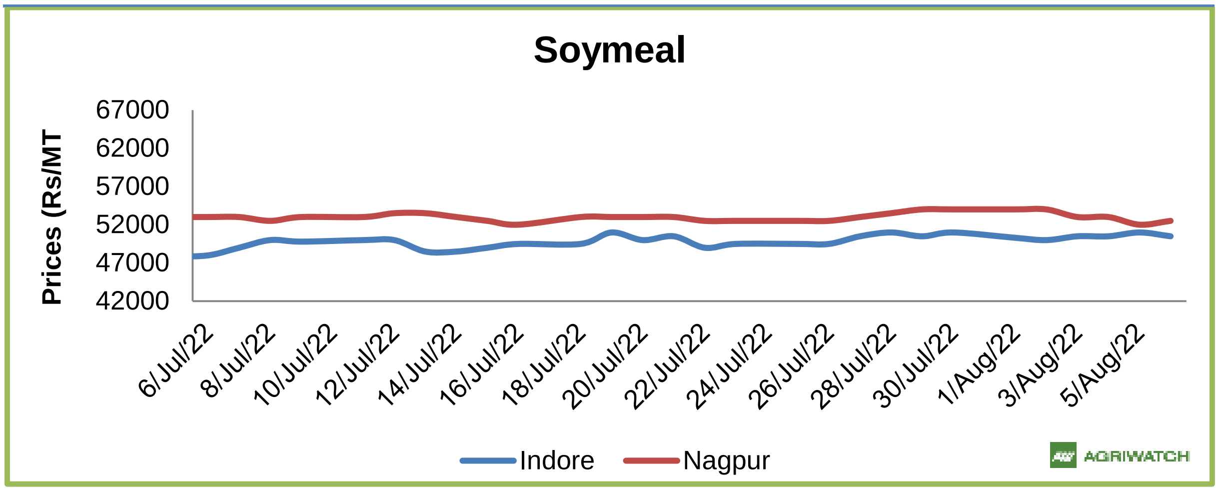
Center	Weekly Average Price as on (Rs/10 kg.)		% Change
	06-Aug-22	30-Jul-22	
Rajkot	1472	1473	0.09
Hyderabad	1465	1457	0.55
Mumbai	1484	1468	1.10

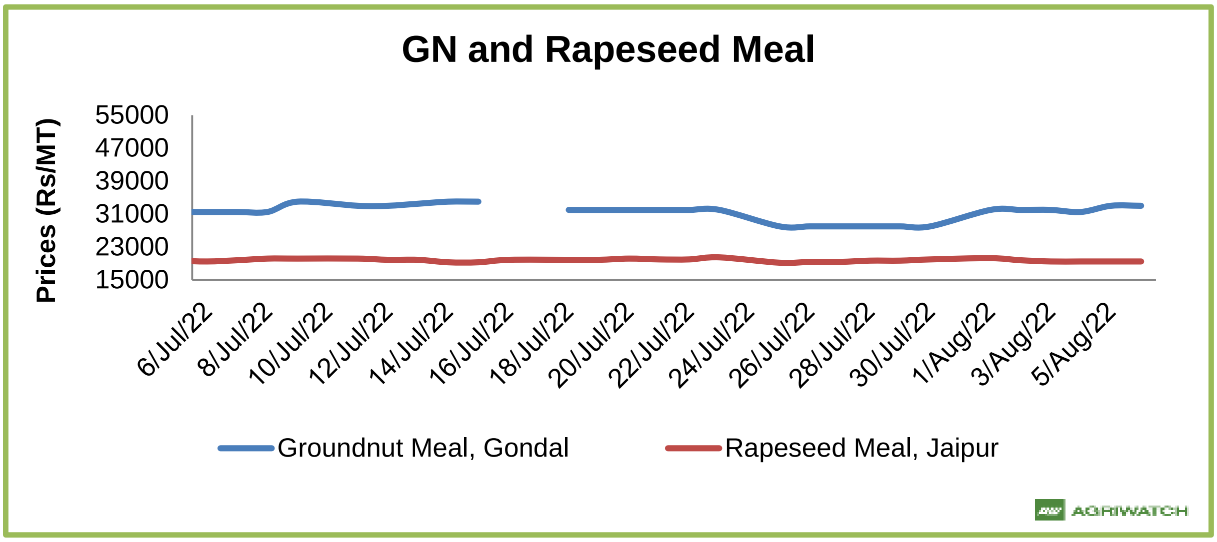
Wheat prices traded on higher side during the week under review on good domestic and export demand. In Benchmark market Kanpur Mill delivery prices rose by Rs.60 per quintals to Rs.2460 per quintals as compared to past week. Tight supplies also helpful in giving support to remain prices firm. In coming days, prices remain firm due to tight supplies and good demand in domestic market. Traders urge government to sell Wheat in open market in order to control inflation. Procurement of Wheat is about to get completed and there has been no change of figures in procurement number. As of July 31st, the procurement of Wheat still stood at 187.94 LMT which is down by 56.6% from last year. Due to low procurement and a decline in output during 2021-22 crop year, the Central Pool's wheat inventories as on 1st July were perilously close to the minimum needs of operational buffer stock and strategic reserves. Wheat prices may remain on higher side in coming weeks as well as a result of tight supplies and good domestic demand. Arrival of festive season may support the prices in coming weeks. If export requests from different nations accepted by Government, then it may push the prices further. Resumption of grains export from war affected Ukraine pressurizes the export prices. If this resumption continues then prices may decline further.

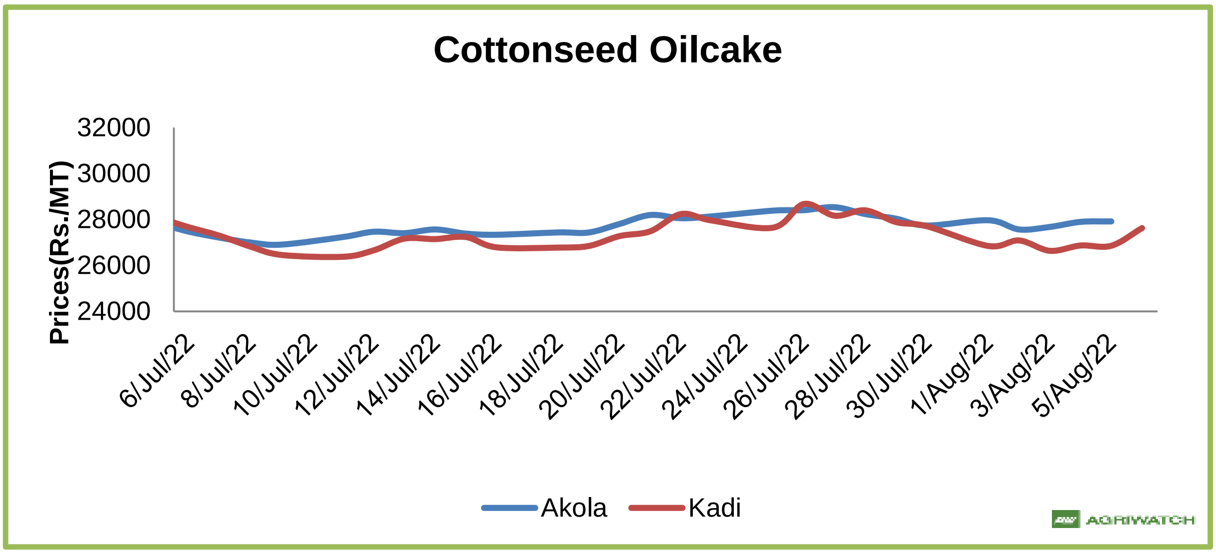
The soy meal prices (Indore) are likely to trade with weak bias tracking GM Soymeal import and sluggish soymeal export demand. Soy meal Indore prices are likely to trade in the range of 49,000 – 52,000/MT.

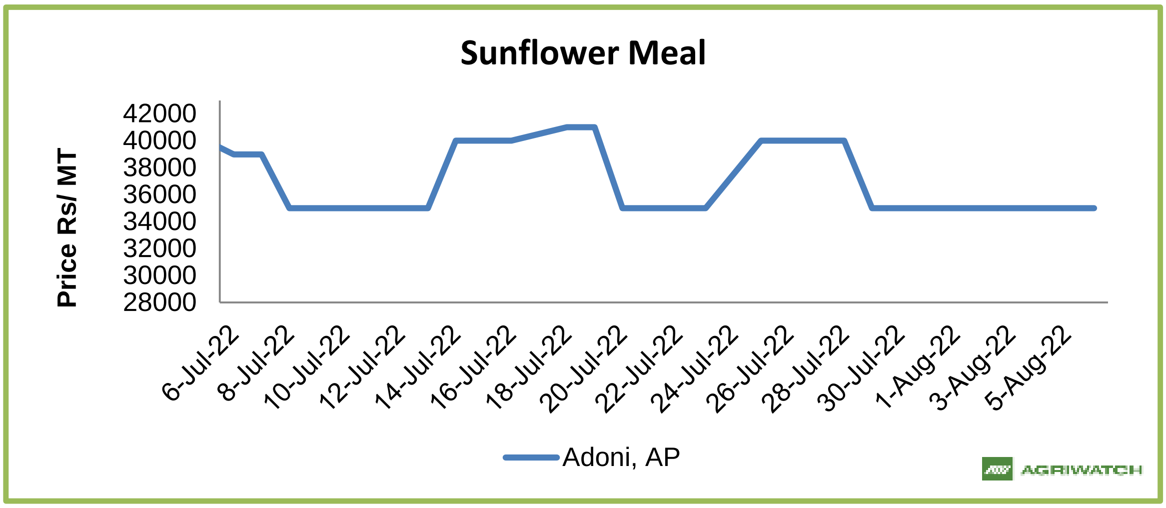
Rapeseed-Mustard is expected to trade range bound with weak bias amid weak demand from crushers. The seed prices are likely to trade in the range between 6,800 –7,000/Qtl. in the short-run.

Trend – Raw Material, Feed









Source: AgriWatch

Soy meal

During the week under review, Indore Soymeal prices and weekly average prices of soymeal remained sideways and went marginally up by 0.9% to INR 50,550/MT as compared to last week at INR 50,083/MT. Overall the prices quoted between INR 50,000 – 51,000/MT throughout the week.At Nanded, the weekly average prices traded at INR. 54,750/MT compared to INR. 55,000 MT a week ago. In Kota the meal prices were up at INR. 53,633/MT compared to INR. 52,700/MT previous week.

Total oil meal exports in April- June'22went up by 39% to 10.21 Lakh tonnes vs 7.35 Lakh tonnes previous year same period. However, Soymeal exports went down by 35% to 0.78 Lakh tonnes in April-June'22 Vs 1.20 Lakh tonnes previous year same period. Soymeal exports went down due to over-priced Indian soymeal in the global markets.

USDA in its June 22 report, India's 2022-23 Soymeal production kept unchanged at 81.6 Lakh tonnes as compared to previous year estimates and Soymeal crushing for the year 2022-23 is kept unchanged at 102 Lakh tonnes as compared to previous year.

Soymeal Price Outlook for coming week: Soybean meal prices are expected to trade range bound with weak bias tracking weak export demand and squuze in crush margin.

Soymeal Indore Price Outlook (INR./MT)	Week Under review 23rd July- 29th July'22	Week Under review 30th July- 05th Aug'22	Next week 06th Aug'22- 12th Aug'22
Weekly Average Price	49,500-51,000	50,000-51,000	49,000-52,000

Rapeseed - Mustard Seed

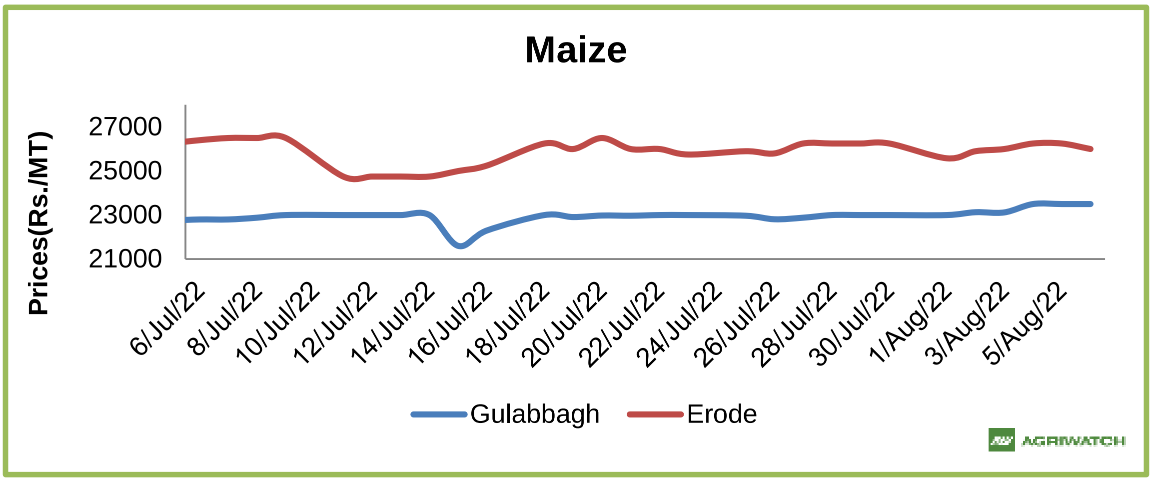
RM seed remained sideways during the week under review, Jaipur RM seed weekly average prices went marginally up by 0.18% to INR. 6,875/qtl as compared to INR. 6,842/qtl last week. Prices remained sideways amid weak demand from crushers due to disparity. Farmers are still holding new crops in anticipation of better prices in future.

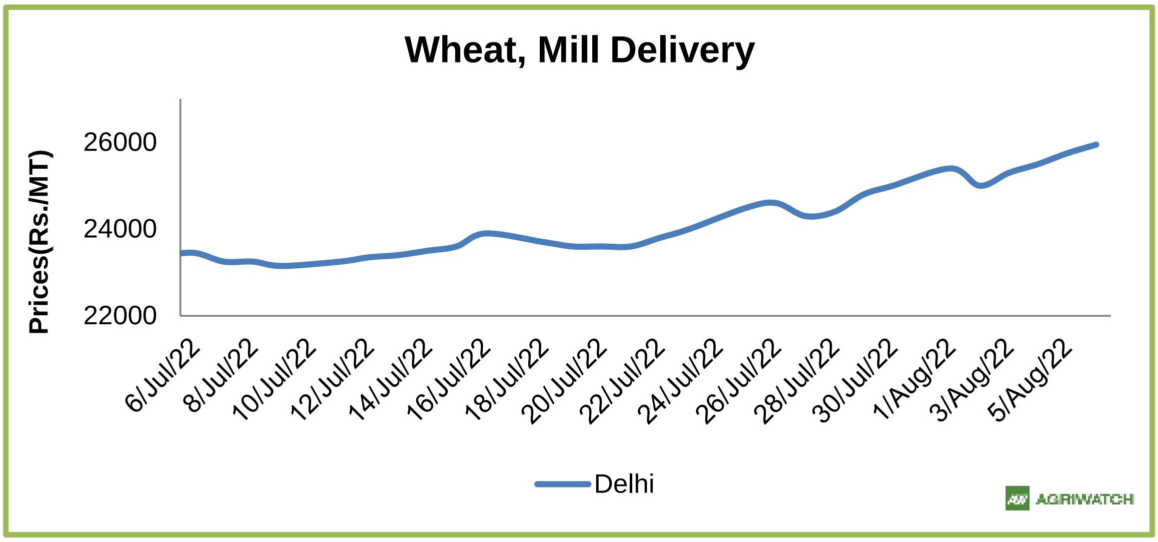
All India Arrivals remained stable during the week under review, in Rajasthan, total mustard arrivals remained steady at 5.35 Lakh bags. All India arrivals stood at 12.05 Lakh bags Vs 10.95 Lakh bags previous week. Most of the stockists/ traders are not aggressively buying due to stock limits and farmers are holding their stocks in anticipation of better prices. As per Agriwatch, the production is expected to be 107.1 Lakh tonnes, which is all time high production. Rajasthan's mustard crop production is 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 3rd Advance estimate released by the Department of Agriculture and Farmers Welfare, RM seed production during 2021-22 is estimated at 117.54 Lakh tonnes Vs 114.59 Lakh tonnes in 2nd advance estimates and 102.1 Lakh tonnes last year.

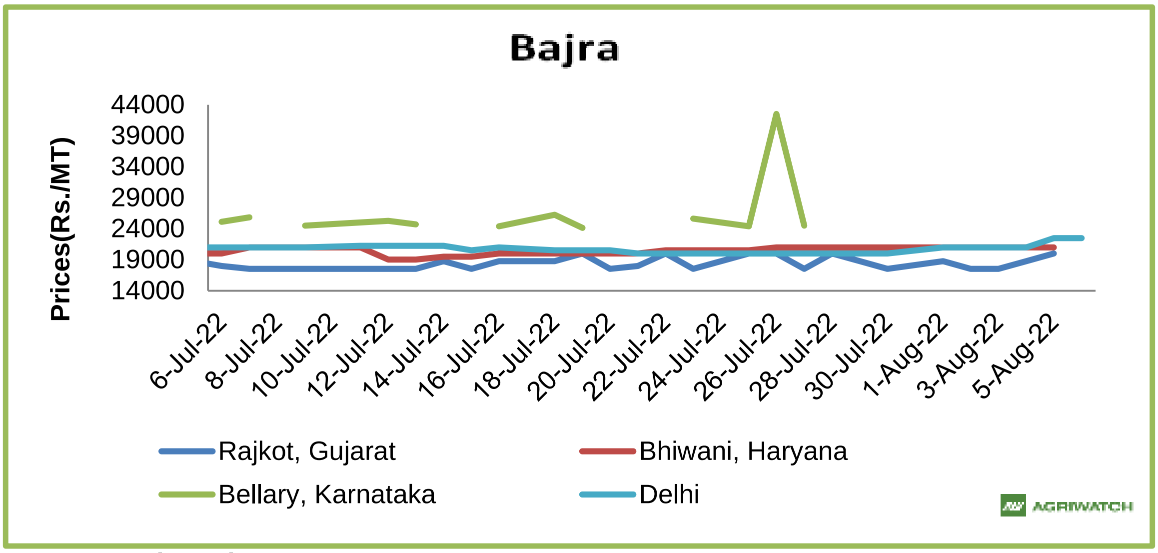
According to Agriculture and Agri-Food Canada's (AAFC), Canada's canola supplies declined from last year by 37% to 14.5 MMT due to drop in carry in stocks by 49% and 35% lower production as a result of last summer's drought. Demand for Canadian canola remains firm on a strong world oilseed crush and high prices for competing oilseeds, vegetable oils and protein meals. Disruption of Black Sea exports of sunflowerseed oil as a result of the Russian invasion of Ukraine is tightening world supplies and supporting world prices. Domestically, processing of canola is estimated to fall to 8.3 Mt, a drop of 20% from last year, while exports are expected to fall by 51% to 5.2 Mt, as commercial buyers outbid exporters for the tight supplies.

RM seed Price Outlook for coming week: RM Seed is expected to trade range bound with weak bias amid weak demand from crushers on squeeze in crush margin.

Jaipur RM seed Mandi Price Outlook (INR./Qtl)	Week Under review 23rd July- 29th July'22	Week Under review 30th July- 05th Aug'22	Next week 06th Aug'22- 12th Aug'22
Weekly Average Price	6,813-6,913	6,813-6,988	6,800-7,000







Source: AgriWatch

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

As per trade sources, the demand from feed industry and starch industry reportedly remained in mixed zone during the past week. Flow of supplies have reduced in major spot markets, the previously stocked stuff is being released in the Southern as well as Northern markets of the country. Sources say that demand of Maize from poultry sector in Northern parts of the country happens to be sluggish on the account Sarawan fasting going season. However, Davangere is supplying feed Maize to Tamil Nadu and Bengaluru at the delivery rate of Rs. 2,700 per quintal and Rs. 2,660 per quintal respectively.

In major mandis, Wheat delivery prices traded higher on tight supplies and good domestic as well as export demand. We anticipate prices to go up in the coming days.

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

Annexure

Oil Meal Prices at Key Spot Markets:

Soy DOC Rates at Different Centers

Centers	Ex-factory rates (Rs/ton)		
	05-Aug-22	29-Jul-22	Parity To
Indore - 45%, Jute Bag	51000	50500	Gujarat, MP
Kota - 45%, PP Bag	53500	54200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	54500	56000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	52000	54000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	54500	55500	Andhra, AP, Kar ,TN
Latur	55000	56000	-
Sangli	51800	51800	Local and South
Solapur	53500	51500	Local and South
Akola – 45%, PP Bag	50000	50500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	55000	55500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	53300	54000	-

International Soy DOC			
Argentina FOB USD/MT	**05-Aug-22**	**29-Jul-22**	**Change**
Soybean Pellets	-	-	-
Soybean Cake Flour	-	-	-
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates	**Ex-factory rates (Rs/ton)**		
Centers	**05-Aug-22**	**29-Jul-22**	**Change**
Adoni	35000	35000	unch
Khamgaon	-	-	-
Parli	-	-	-
Latur	34000	34000	unch

Groundnut Meal (Rs/MT)	05-Aug-22	29-Jul-22	Change
Basis 45%, Saurashtra	32500	31000	5%
Basis 40%, Saurashtra	28000	28000	unch
GN Cake, Gondal	33000	32000	3%

Mustard DOC/Meal	05-Aug-22	29-Jul-22	Change
Jaipur (Plant delivery)	19500	19700	-1%
Kandla (FOR Rs/MT)	20500	20500	unch

Maize Spot Market Prices (Rs. /Quintal)

Market	Grade	6-Aug-22	30-Jul-22	6-Jul-22	5-Aug-21	5-Aug-20
Delhi	Hybrid	2350	2250	2200	1800	1250
Davangere	Loose	2450	2400	2400	1900	1300
Nizamabad	Bilty	Closed	Closed	2450	1900	Closed
Ahmedabad	Feed	2650	2400	2340	2100	1350
	Starch	2500	2300	2350	2100	1350

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

Weekly Averages of FOB and C&F Rate to Thailand ($1= Rs.79.57)				
	Argentina	Brazil	US	India
FOB	270.50	281.25	297.50	330.12
C&F	320.50	336.25	357.50	365.13

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	33760
Mar	107059	39209	193920	61499	146379	23872
Apr	124374	68264	40829	25940	39750	25265
May	48900	76026	53272	46614	52434	18634
Jun	45975	104088	62524	56638	25918	32194*
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 (Note: Prices Rs./Qtl)

Commodity	State	Variety	Centre	06--Aug--22	30--July--22	Change
Bajra	Karnataka	Hybrid	Bellary	2450	NA	-
		Hybrid	Bangalore	2650	2600	50
Jowar	Karnataka	White	Bangalore	2650	2850	-200
		White	Bellary	2220	2125	95
Maize	Karnataka	Yellow	Davangere	2450	2600	-150
	Telangana	Yellow	Nizamabad	2500	2500	Unch
Rice	Haryana	IR8	Karnal	3700	3700	Unch
		Parmal Raw	Karnal	4525	4525	Unch
Soy meal	Madhya Pradesh	DOC	Indore	5050	5100	-50
	Maharashtra	DOC	Sangli	5180	5400	-220
Sunflower Meal	Andhra Pradesh	Ex-factory	Adoni	3500	3500	Unch
Mustard	Rajasthan	Plant delivery	Jaipur	1950	2000	-50
Groundnut Meal	Gujarat	GN Cake	Gondal	3300	3200	100
Cottonseed Oil Cake	Gujarat	Ex- Mandi	Kadi	2763	2771	-8
Cottonseed Oil Cake	Maharashtra	Ex- Mandi	Akola	2792	2804	-12

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