

# FEED INGREDIENTS WEEKLY REPORT

## *Contents:*

---

- ❖ Summary
- ❖ Trend – Raw Material, Feed
- ❖ Outlook
- ❖ Annexure– Prices

## Summary

During this week, arrivals in both the benchmark markets decreased slightly compared to last week. During this week, corn on CBOT went up by 8.93 USD to 237.78 per MT for Jul'23 contract.

The average price of cottonseed oilcake in the Kadi market has decreased due to increased supply as compared to the previous week. Prices in Kadi were at Rs. 2538 per quintal from Rs. 2675 per quintal and in Akola prices were at Rs. 2667 per quintal from Rs. 2769 per quintal the previous week.

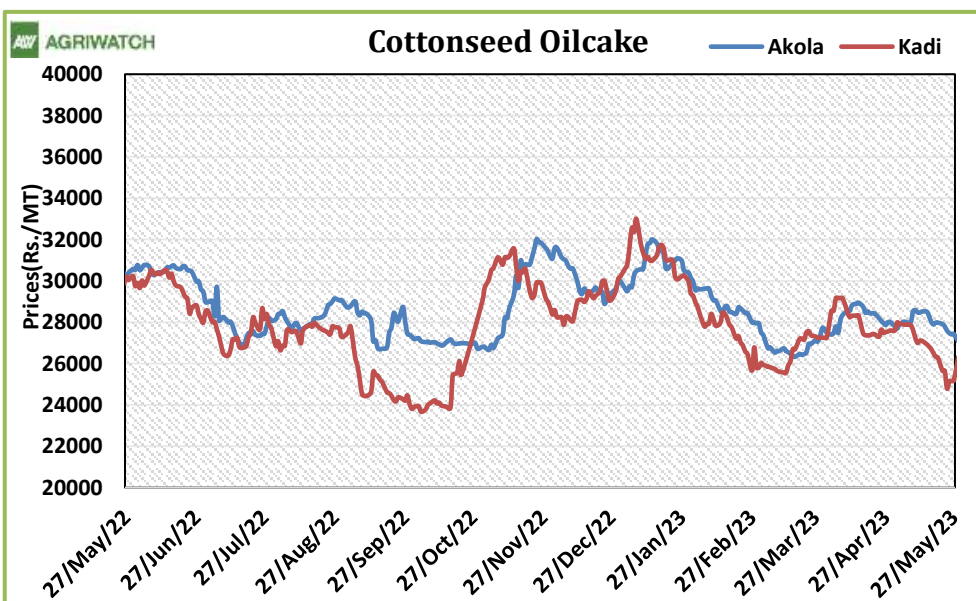
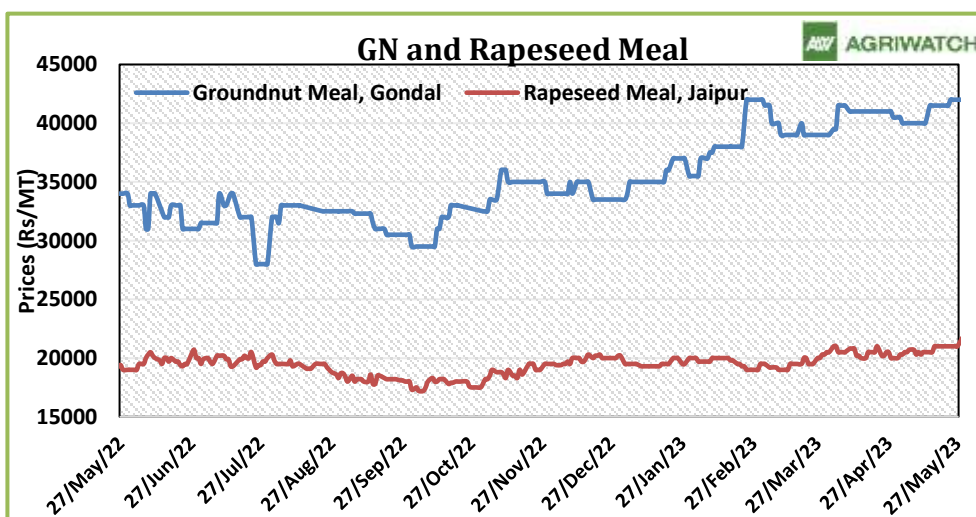
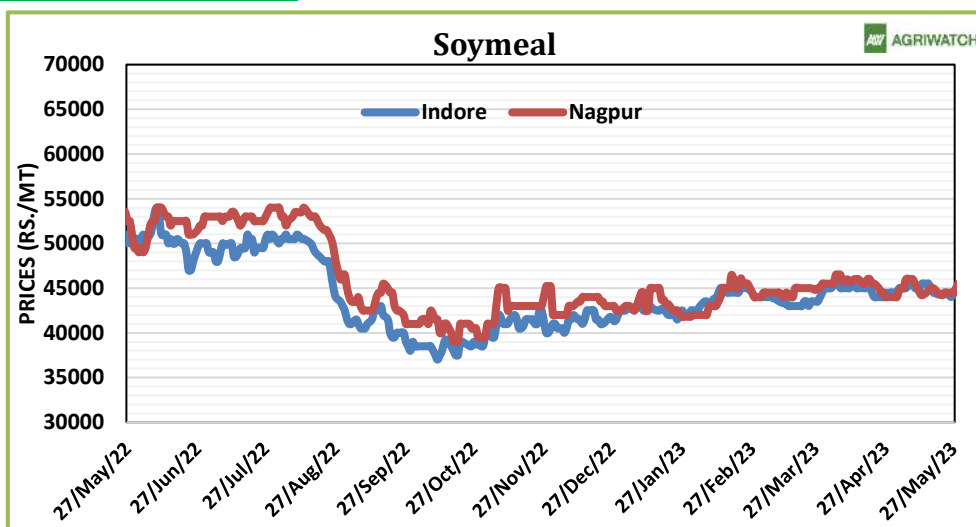
Center	Weekly Average Price as on (Rs/quintal.) *		% Change
	26-May-23	19-May-23	
Kadi	2538	2675	-5.12
Akola	2667	2769	-3.69

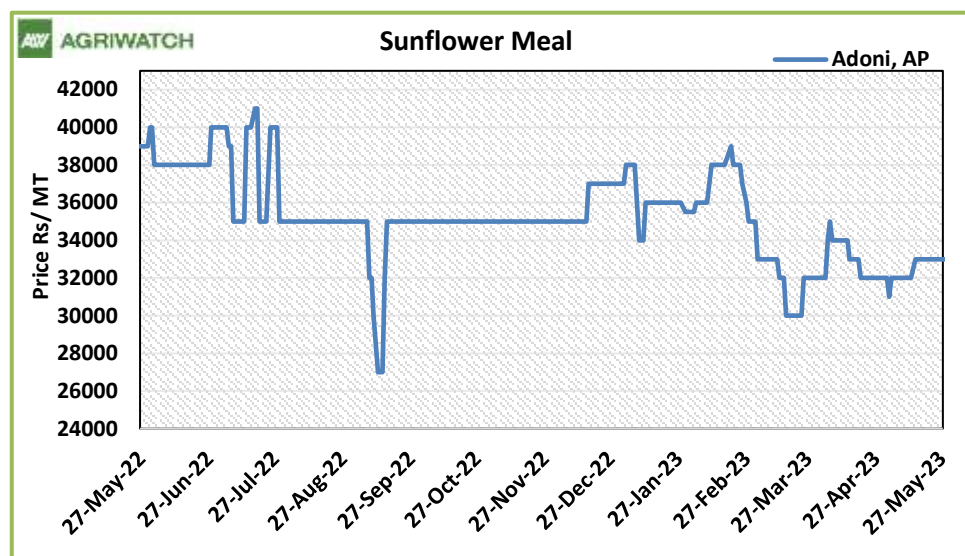
Decline in arrivals coupled with good demand from millers keeps the prices on higher side during week under review in major cash wheat markets. During ongoing season stock holding by farmers is at its peak level especially in Bihar, Rajasthan and U.P. While in M.P and other states steady prices have been observed due to ongoing procurement during whole week. During week under review wheat traded at Rs.2490 per quintal in Delhi market up by Rs.50 per quintal as compared to previous week.

The weekly average prices of Indore soymeal remained sideways and went down by 1.77% to INR 44,283/MT. amid decline in soy oil prices and increase in spread between Indian and Argentina soymeal prices.

During the week under review, Jaipur RM seed weekly average prices remained sideways and went marginally up by 0.24% to INR. 5,213/qlt amid improved mustard oil prices.

**Trend – Raw Material, Feed:**





Source: AgriWatch

## Soy meal

During the week under review, Indore Soymeal weekly average prices went down by 1.77% to INR 44,283/MT as compared to last week at INR 45,083/ MT, amid decline in soy oil prices. Month-to-date soymeal prices are unchanged Year-to-date up by 3.5%. However, in last one year down by 12%. Good export demand from south east Asian countries has kept soymeal prices stable.

India's overall export of oil meals experienced a remarkable growth of 48.47 percent in April, driven by a surge in soymeal exports. According to data from the Solvent Extractors' Association (SEA) of India, the country exported 4.93 lakh tonnes (It) of oil meals in April 2023, a significant increase from 3.32 It during the same period in 2022.

BV Mehta, the Executive Director of SEA of India, pointed out that the price of soybeans has dropped to around INR 4,550 per quintal from its peak of INR 7,640 per quintal in April 2022. This decline has made the export of soybean meal more attractive over the past seven months. In April 2023, India exported 1.77 It of soybean meal, compared to 24,937 tonnes in April 2022. As of May 12, the price of Argentina soybean meal (ex-Rotterdam) was quoted at \$516 per tonne, while Indian soybean meal (ex-Kandla) was quoted at \$570 per tonne.

Southeast Asia is a major consumer of Indian soybean meal, and India has a logistical advantage in supplying to this region, even in small quantities. Additionally, the depreciation of the rupee is contributing to the overall increase in exports.

The local prices of soybeans in India have dropped significantly from its peak of Rs.7640 per quintal in April 2022 to Rs.4500 per quintal, leading to increased crushing and better price parity. As a result, the export of soybean meal has become attractive in the last six months. Currently, as of April 25th, 2023, Indian soybean meal is quoted at US\$ 576 per ton Ex-Kandla, while Argentina soybean meal is quoted at US\$ 535 per ton Ex-Rotterdam. India has a logistic advantage in supplying soybean meal to Southeast Asia in small lots, which is its major consumer. Additionally, Indian Soybean Meal is non-GMO, giving it an advantage and making

it the preferred choice for certain European countries and the USA. The depreciation of the rupee has also contributed to the overall export growth. As a result, India's export of soybean meal has rebounded since the new crop season in November 2022, with reported shipments of 860,902 tons, compared to just 196,614 tons in the same period the previous year (Nov.'21-Mar.'22).

During the week under review, currently, Indian Soymeal FOB average prices stood at \$562/MT, Argentina Soymeal FOB prices trading at \$494/MT Ex-Rotterdam and spread stands at \$70/MT. Upon increase in spread, soymeal export demand likely to get affected if it continues for long duration.

Soybean meal prices are expected to trade sideways with slightly weak bias. Revival in soymeal export demand likely to support soy meal prices.

<b>Soymeal Indore Price Outlook (INR. /MT)</b>	<b>Previous week 13th May'23- 19th May'23</b>	<b>Week under review 20th May'23- 26th May'23</b>	<b>Next week 27th May'23- 2nd June'23</b>
<b>Weekly Average Price</b>	44,500-45,500	44,000-44,500	42,000-45,000

## Rapeseed - Mustard Seed

During the week under review, Jaipur RM seed weekly average prices remained sideways after previous week loss and went marginally up by 0.24% to INR 5,213/Qtl. as compared to previous week's INR 5,200/Qtl. amid rebound in mustard oil prices which went up by 2%, to INR 956/10 Kg, down from INR 941/10 Kg. However, the in Month-to-date, RM seed prices show a 1.4% increase, the year-to-date prices have decreased by 22% due to record production, weak demand from millers on disparity. Currently, RM seed is trading near three years low tracking weak demand from oil millers amid disparity due to weak mustard oil prices. As per Agriwatch primary sources, upon disparity, most of the expeller are shut and only few kacchi ghani are operational. Farmers are reluctant to offload their stock at current levels in anticipation of better prices in future. And millers are buying as per their daily need for crushing.

As per NAFED latest report, a total of 6,56,222 Metric tonnes of Mustard have been procured in multiple states, namely Haryana (3.47 Lakh tonnes), Madhya Pradesh (1.51 Lakh tonnes), Gujarat (0.44 Lakh tonnes), and Rajasthan (1.08 Lakh tonnes), Uttar Pradesh (0.04 Lakh tonnes).

In order to facilitate seamless procurement of mustard by the government, an official directive has been issued by the Madhya Pradesh government. The order prohibits private entities, including traders, millers, and stockiest, from transporting these commodities from warehouses.

During the week under review, Arrivals in Rajasthan recorded down by 6.9% to 25 Lakh bags as compared to 26.85 lakh bags previous week. All India arrivals too went down by 12.8% to 44.25 Lakh bags Vs 50.75 Lakh bags previous week.

There is a significant jump in export of rapeseed meal in Mar'23 and reported at 2.48 Lakh tons compared to 0.94 Lakh tons previous year same period i.e., up by 13%. Upon record crop of rapeseed and crushing resulted in the highest processing, availability of rapeseed meal and export. Currently India is the most competitive supplier of rapeseed meal to South Korea,

Vietnam, Thailand and other Far East Countries. In upcoming months too, we expect good exports amid firm demand from South east Asia.

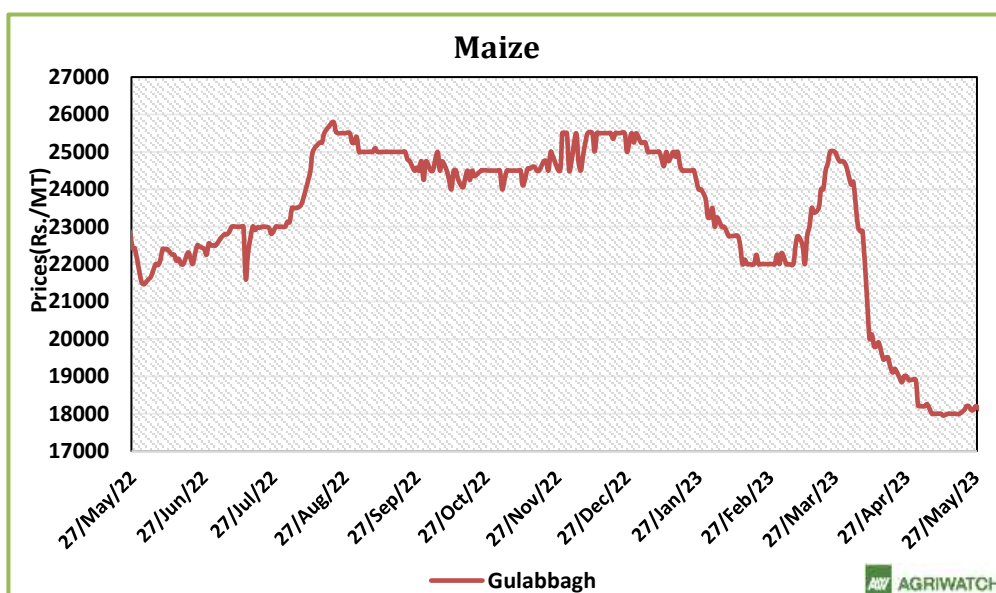
India achieved a remarkable milestone by exporting a record-breaking 22.96 million metric tons of rapeseed meal in the fiscal year 2022-23.

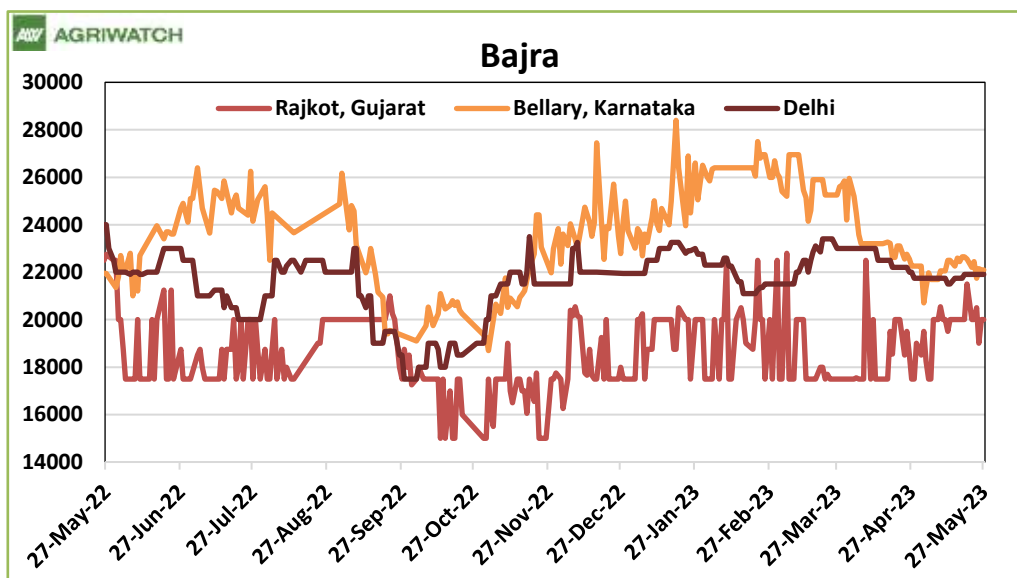
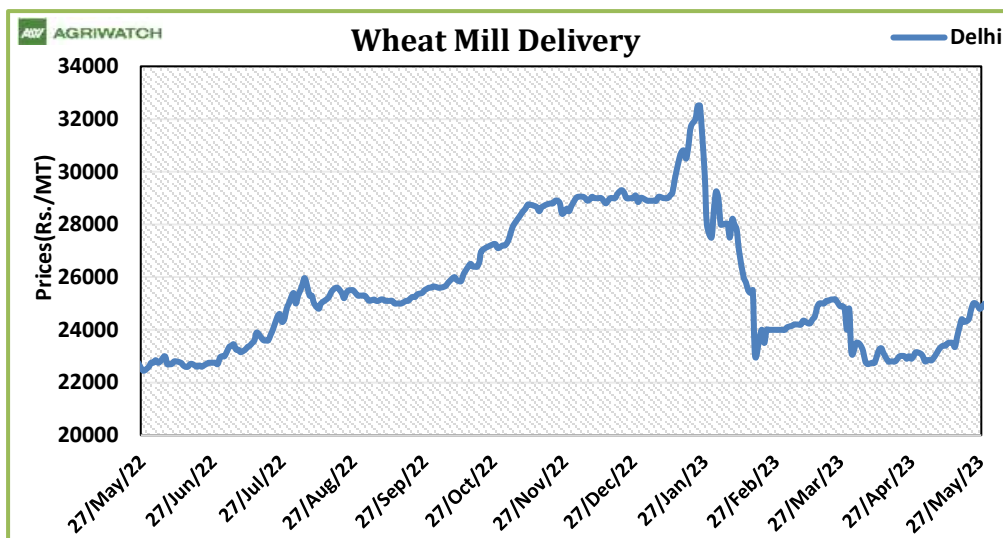
India has established itself as the most competitive supplier of rapeseed meal to various Far East countries, including South Korea, Vietnam, and Thailand, offering it at a competitive price of \$240 per tonne (FOB India). The ex-mill price of rapeseed meal in Hamburg, Germany, has been quoted at \$299 per tonne.

Mustard is currently being sold at 5,100-5200 rupees per quintal, which is below the Minimum Support Price (MSP) of 5,450 rupees per quintal. This decline in mustard prices is a result of the deteriorated prices of all edible oils in both international and domestic markets. Consequently, farmers are being discouraged from selling their mustard crop for crushing purposes.

In upcoming week RM Seed is expected to trade with weak bias amid weak demand from millers tracking disparity, decline in mustard oil. However, procurement by NAFED will limit the fall.

Jaipur RM seed Mandi Price Outlook (INR. /Qtl)	Previous week 13th May'23- 19th May'23	Week under review 20th May'23- 26th May'23	Next week 27th May'23- 2nd June'23
Weekly Average Price	5,138-5,213	5,188-5,238	5,100-5,300





Source: AgriWatch

### Prices: Maize-Industrial/Feed Grade: Narela Market

During the week under review, market showed slight recovery from last few weeks due to increased demand in major benchmark Gulabbagh market and other markets of Bihar. This has increased the prices in other states as well. However, in Davangere market, there is subdued demand from all sectors.

In the upcoming weeks, prices are expected to improve further, hence market might remain steady to slightly firm.

Firm sentiments were observed in all the major markets amid decline in arrivals.

### Annexure

#### Oil Meal Prices at Key Spot Markets:

Centers	Ex-factory rates (Rs/ton)		
	26-May-23	19-May-23	Parity To
Indore - 45%, Jute Bag	44000	44500	Gujarat, MP
Kota - 45%, PP Bag	46000	45700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	47000	47000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	44500	44800	Chhattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	46000	46000	Andhra, AP, Kar, TN
Latur	46000	46000	-
Sangli	43000	43800	Local and South
Solapur	46800	47500	Local and South
Akola – 45%, PP Bag	44500	45000	Andhra, Chhattisgarh, Orrisa, Jharkhand, WB
Hingoli	46000	46500	Andhra, Chhattisgarh, Orrisa, Jharkhand, WB
Bundi	45800	45500	-

#### Soy DOC Rates at Different Centers

International Soy DOC			
Argentina FOB USD/MT	26-May-23	19-May-23	Change
Soybean Pellets	468	472	-1%
Soybean Cake Flour	468	472	-1%
Soya Meal	-	-	-
Soy Expellers	-	-	-
Sunflower (DOC) Rates			
Ex-factory rates (Rs/ton)			
Centers	26-May-23	19-May-23	Change
Adoni	33000	33000	0%

Groundnut Meal (Rs/MT)	26-May-23	19-May-23	Change
Basis 45%, Saurashtra	39000	38000	3%
Basis 40%, Saurashtra	36000	35000	3%
GN Cake, Gondal	42000	41500	1%



Mustard DOC/Meal	26-May-23	19-May-23	Change
Jaipur (Plant delivery)	21000	21000	0%
Kandla (FOR Rs/MT)	21500	21600	0%

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

Market	Grade	26-May-23	20-May-23	25-Apr-23	25-May-22	25-May-21
Delhi	Hybrid	2000	2000	2130	2500	1650
Davangere	Loose	2050	2020	1900	2100	1645
Nizamabad	Bilty	1950	Closed	1890	2200	1600
Ahmedabad	Feed	2100	2000	2100	2400	1800
	Starch	2050	2000	2100	2500	1800

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

Weekly Averages of FOB and C&F Rate to Thailand (\$1= Rs. 82.74)				
	Argentina	Brazil	US	India
FOB	253.00	235.00	257.00	256.19
C&F	303.00	290.00	317.00	291.19

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

Month	2018	2019	2020	2021	2022	2023
Jan	105678	86378	41726	283167	52771	1,10,139
Feb	73816	132375	20309	247085	33760	2,30,370
Mar	39209	193920	61499	146379	23872	2,35,233
Apr	68264	40829	25940	39750	25265	
May	76026	53272	46614	52434	18634	
Jun	104088	62524	56638	25918	32194	
Jul	63747	76558	61957	26725	14618	
Aug	59643	95450	58190	10975	17547	
Sep	45388	35268	68576	5831	13718	
Oct	150388	63800	120290	14538	40196	
Nov	186409	69415	198776	42951	1,64,075	
Dec	170588	72233	251221	43260	1,21,138	
Total	1143244	982022	1011736	838264	447385	

**Feed Ingredient Prices briefly (Note: Prices Rs. /Otl):**

<u>Commodity</u>	<u>State</u>	<u>Variety</u>	<u>Center</u>	<u>27-May-23</u>	<u>20-May-23</u>	<u>Change</u>
<b>Bajra</b>	Karnataka	Hybrid	Bellary	2255	2250	5
		Hybrid	Bangalore	3000	-	-
<b>Jowar</b>	Karnataka	White	Bangalore	-	3200	-
		White	Bellary	2282	2292	-10
<b>Maize</b>	Karnataka	Yellow	Davangere	1969	1905	64
	Telangana	Yellow	Nizamabad	1710	1500	210
<b>Rice</b>	Haryana	IR8	Karnal	3050	3050	Unch
		Parmal Raw	Karnal	4450	4450	Unch
<b>Soy meal</b>	Madhya Pradesh	DOC	Indore	4450	4430	20
	Maharashtra	DOC	Sangli	4350	4350	Unch
<b>Sunflower Meal</b>	Andhra Pradesh	Ex-factory	Adoni	3300	3300	Unch
<b>Mustard</b>	Rajasthan	Plant delivery	Jaipur	2100	2100	Unch
<b>Groundnut Meal</b>	Gujarat	GN Cake	Gondal	4200	4150	50
<b>Cottonseed Oil Cake</b>	Gujarat	Ex- Mandi	Kadi	2519	2628	-109
<b>Cottonseed Oil Cake</b>	Maharashtra	Ex- Mandi	Akola	2609	2743	-134

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2023 Indian Agribusiness Systems Ltd.