



MARKET RESEARCH REPORT

SEPTEMBER 2020

Maize | Rice Bran | Cottonseed Oil Cake



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Maize



Outlook and Review

Domestic Maize Market Summary

Maize cash markets showed a mixed trend during the month of September 2020 compared to previous month and was weak compared to corresponding period last year, due to sluggish feed makers demand. For the month of October 2020, Agriwatch expects that Maize would trade steady to slightly weak despite export demand from Bangladeshi and Nepalese feed makers, especially if the Government releases subsidized Maize to poultry feed makers before the new crop arrivals in the coming weeks.

Maize Trade Scenario

In Bihar, Maize is being traded at Rs.1,350-1,400 per quintal (Bilty Price). It is being delivered to Kolkata at Rs.1,450-1,500 per quintal; sourced from Bihar. Hyderabad poultry feed makers are buying Maize at Rs.1,500 per quintal; sourced from Nizamabad region. Maize is also moving towards Bengaluru and Nammakal at Rs.1,500 and Rs.1,550 per quintal, respectively which is sourced from Davangere region of Karnataka.

State Wise Maize Sowing Coverage and Crop Condition and Arrival Scenario for The Kharif 2020-21

In India, Maize has been sown in 83.27 lakh hectares as of September 25, 2020, 111.43% of the normal area, and 0.83 lakh hectare more as compared to last year area of 82.44 lakh hectares. Around 9.30-9.79 lakh hectares of Maize has been harvested as of September 25, 2020. In Maharashtra, it has been sown in 8.81 lakh hectares as of September 18, 2020; higher than the corresponding period last year at 8.66 lakh hectares. In Rajasthan, it has been sown in 9.34 lakh hectares of land as of September 18, 2020; higher as compared to 8.82 lakh hectares during the corresponding period last year. However, in M.P., Maize has been sown in 15.38 lakh hectares as of September 18, 2020; which is lower as compared to 15.42 lakh hectares during the corresponding period last year.

In Visakhapatnam, Vizianagaram, Guntur, Anantapuram, Kurnool, Chittoor, Krishna and YSR Kadapa districts of Andhra Pradesh, around 6,750 hectares area of Maize has been affected by fall-armyworm; out of which 4,972 hectares has been treated. As per trade sources, in M.P. region, there could be 4-5% crop loss due to heavy rains three weeks ago. In M.P. around 7% and in Gujarat around 3-4% crop quality has been affected by the recent rains.

In M.P. and Karnataka, new crop arrivals have started, which are lower in quantity and contain moisture of upto 30%. In Warangal region also, new crop arrivals are poor in quantity and contains moisture upto 15%. Some grains are dented and small in size.

First Estimate of Kharif Production

The 1st Advance Estimates of Kharif production of Maize for 2020-21 have been released by the Department of Agriculture, Cooperation and Farmers Welfare on September 22, 2020. It has pegged Maize production at 19.88 Million Metric Tonnes (MMT) against set target of 22 MMT for 2020-21. However, Agriwatch's first estimate for the Maize production in 2020-21 Kharif season is 18.33 MMT with average yield of 2.20 MT per hectare.

International Maize Market Summary

Maize (Corn) on CBOT rose by 8.37 US\$ per MT to 149.21 US\$ per MT for December 2020 contract compared to previous month. Expectation of new crop arrivals pressure in coming weeks would weigh on CBOT Maize.

USDA decreased its world Maize ending stock estimates by 10.67 MMT to 306.79 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market.

In U.S., 61% crop of Maize is in good to excellent condition as of September 27, 2020, same percentage points from last week. 15% of crop has been harvested as of September 27, 2020, up 5 percentage points from corresponding period last year.

India Maize Balance Sheet

Maize Year (Oct-Sep)	2019-20E	2020-21F
Opening Stocks (MMT)	01.42	03.67
Production (MMT)	25.38	24.48
Imports (MMT)	00.33	00.02
Total Supply (MMT)	27.13	28.17
Export (MMT)	00.84	00.93
Domestic Consumption (MMT)	22.62	20.95
Total Demand (MMT)	23.46	21.88
Ending Stock (MMT)	03.67	06.29
Monthly Use	01.96	01.82
Stock to Use Ratio	15.62%	28.73%

E= AW Estimates, F=AW Forecast

The 2020-21 season beginning October 2020, will likely start with an opening stock of 3.67 MMT and is expected to end in September 2021 with 6.29 MMT.

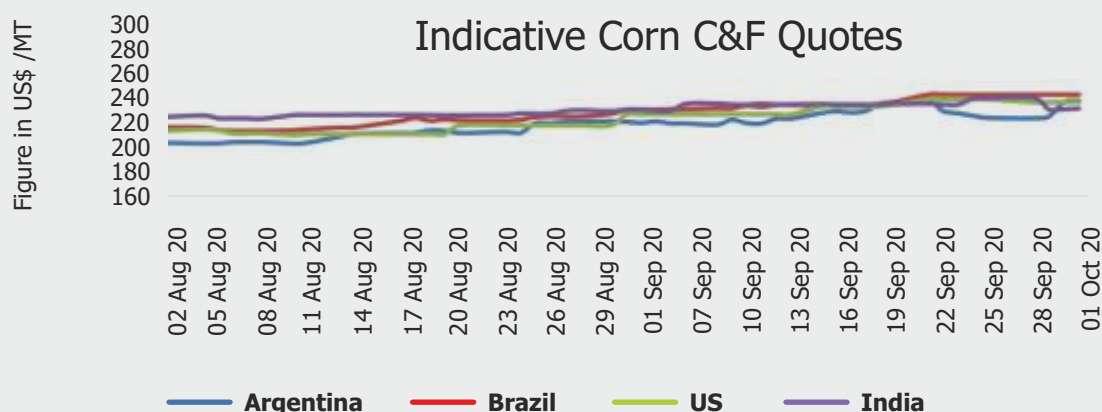
Total Maize production in India is estimated at around 24.48 MMT in 2020-21 against our total annual demand including exports, of 21.88 MMT, owing to the fall in demand everywhere.

As ending stock is expected to be significantly higher than in 2019-20; Indian Maize prices would take clue from that and stay low.

Indian maize prices would take clue from that and stay low.

Consumption Break Up

Consumption Break Up (Figures in MMT)	2019-20E	2020-21F
Poultry & Cattle Feed	14.27	12.68
Starch & Brewery	04.66	04.62
Human Consumption	01.85	01.86
Seed	00.27	00.27
Shortage & Wastage	01.02	00.98
Storage & Moisture Loss	00.56	00.54
Total Domestic Consumption	22.62	20.95



Indian C&F Rate to Thailand vs. other Countries

Particular	Argentina	Brazil	US	India
FOB	199.41	200.00	188.00	206.86
C&F	249.41	255.00	248.00	241.86

As on Oct 01, 2020

In U.S., 61% crop of Maize is in good to excellent condition as of September 27, 2020, same percentage points from last week. 15% of crop has been harvested as of September 27, 2020, up 5 percentage points from corresponding period last year.

In its September 2020 report, USDA decreased its world Maize ending stock estimates by 10.67 MMT to 306.79 MMT for 2020-21 along with a decrease in production estimates which would support to global Maize market.

USDA also revised the ending stock estimates for U.S., down by 6.44 MMT to 63.57 MMT for 2020-21 compared to last month estimates due to decrease in production estimates while for Ukraine, Argentina and Brazil, it kept unchanged at 1.56 MMT, 2.88 MMT and 7.99 MMT, respectively compared to previous month estimates.

CBOT (Chicago Board of Trade) Maize Future Prices

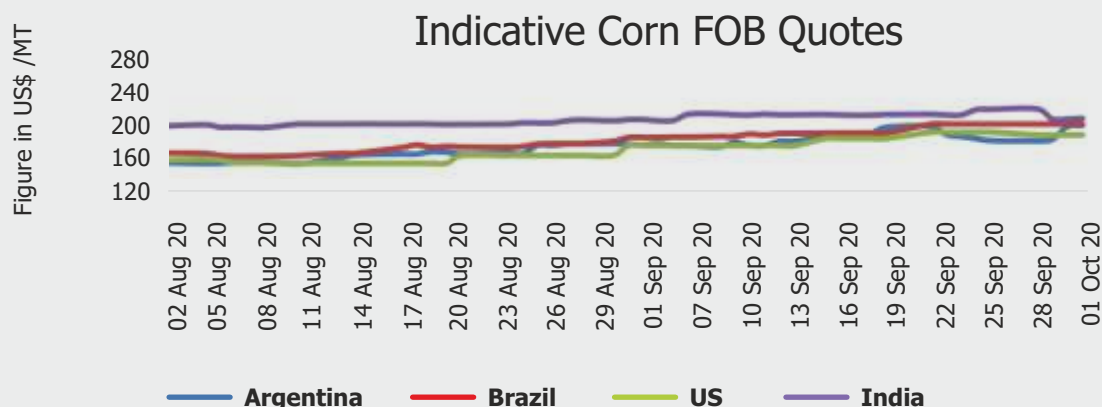
Maize CBOT Monthly Futures Price Listing

	Contract Month	Sep 30, 2020	Aug 31, 2020	Change
Maize CBOT Prices	Dec-20	149.21	140.84	8.37
	Mar-21	152.85	144.68	8.17
	May-21	154.91	147.24	7.67
	July-21	156.39	148.81	7.58
	Sep-21	152.85	NA	NA

(Price in US\$/MT)

International Corn Outlook

Maize on CBOT rose by 8.37 US\$ per MT to 149.21 US\$ per MT for December 2020 contract compared to previous month. Expectation of new crop arrivals pressure in coming weeks would weigh on CBOT Maize.



On The Export-import Front

As depicted by the above data, there is parity for Indian Maize as gap of prices between India and other exporting countries has narrowed.

Maize Exports

As per trade sources, India exported around 2,35,436 MT of Maize in the month of August 2020 at an average FoB of US\$ 182.24 per MT, out of which, 1,65,704 MT was exported to Bangladesh at an average FoB of US\$ 190.18 per MT and around 65,160 MT was exported to Nepal at an average FoB of US\$ 177.46 per MT. Data for September 2020 is not yet available.

Maize Imports

India has authorized imports of upto 5 lakh MT of Non-GM Maize (other than seed quality) at a concessional custom duty of 15% under TRQ Scheme for end users, in the current financial year 2020-21. At present, there is no import parity as Maize is trading lower in the domestic markets due to demand destruction from Poultry feed industry on the fear of corona virus, hence there has been negligible imports.

Domestic Price Outlook

Agriwatch expects that Maize would trade steady to slightly weak during the month of October 2020 on the expectation of new crop arrivals pressure. Agriwatch expects that Maize in Nizamabad would trade in a range of Rs.1,300-1,450 per quintal during the month of October 2020.

International Market Scenario

U.S. Maize exports have reached 2.74 MMT in the 2020-21 marketing year. At 0.75 MMT (for the period September 18-24, 2020) U.S. Maize exports were down 11.24% from the previous week; mainly for the destinations like China (2,69,900 MT), Mexico (2,30,100 MT), Japan (1,39,800 MT), South Korea (65,100 MT), and Canada (21,800 MT). Agriwatch expects that decrease in export demand for U.S. Maize and new crop arrivals in coming weeks would weigh on CBOT Maize.

Spot Price Comparison

Market	Sep'20	Sep'19	Sep'18	Sep'17
Gulabgh	1,309	2,104	1,293	1,234
Nizamabad	1,374	2,333	1,403	1,473
Davangere	1,385	2,348	1,500	1,477
Sangli	1,437	2,515	NA	NA

(Price in Rs./Quintal)

NA = Not Available | Price: Monthly averages of Bilty Prices

Market Arrival Comparison

Market	Sep'20	Sep'19	Sep'18	Sep'17
Gulabbagh	5,45,000	NA	84,000	NA
Nizamabad	6,900	4,200	4,600	16,800
Davangere	96,000	2,560	17,100	6,560
Sangli	97,500	14,200	NA	NA

(Price in Rs./Quintal)

Arrival: Total Monthly Arrivals

Rice Bran



Domestic Market Summary

Price: All India wholesale price of Rice Bran traded firm in the month of September 2020 with increased demand from domestic as well from export markets. All India monthly wholesale average price was Rs.1,636 per quintal in September 2020 against the price of Rs.1,544 per quintal in August 2020.

Since the fresh arrival of paddy has started in many producing states, prices would likely go down. Rice Bran is expected to trade in the range of Rs.900-1,200 per quintal in the first quarter of this marketing year (MY) that starts in October 2020.

In Chhattisgarh, Chaitanya mill sold around 1,200 MT of old DOC Rice Bran at Rs.12.50 per kg in the mid of September 2020. As per trade sources, as maize prices are expected to be depressed, Rice Bran demand maybe low. However, opening of lockdown and winter demand from poultry industries may keep the Bran prices range bound.

1st Advance Estimate of Kharif Crops production: The government has estimated the production of rice at 102.36 MMT in the current Kharif season. Agriwatch expects that total rice production including Rabi would be 119 MMT in MY-2020-21.

Strong Kharif Planting: Paddy Sowing is now over in India with final of sowing of other major Kharif crops including Pulses, Coarse Cereals, Millets and Oilseeds. As per the data released by Ministry of Agriculture, total area sown under paddy has increased by 5.70% to 406.97 lakh hectare as on September 18, 2020 in the current Kharif season from 378.71 lakh hectare in the year-ago.

Paddy Sowing Updates

Area Sown Reported in Million Hectares			
State	Normal Area	This Year	Last Year
Andhra Pradesh	15.19	14.02	13.23
Arunachal Pradesh	01.30	01.17	01.31
Assam	20.55	21.22	19.67
Bihar	31.85	33.07	27.72
Chhattisgarh	37.64	37.84	38.14
Gujarat	07.78	08.39	08.47
Haryana	13.79	13.28	13.57
Himachal Pradesh	00.73	00.74	00.73
Jharkhand	16.12	17.38	13.57
Karnataka	09.28	09.98	07.33
Madhya Pradesh	21.67	28.71	24.60
Maharashtra	14.57	14.98	14.780
Odisha	36.67	37.02	37.42
Punjab	29.87	27.36	29.20
Rajasthan	01.87	01.97	01.82
Tamil Nadu	16.06	04.96	03.85
Telangana	09.59	20.74	12.29
Uttar Pradesh	58.30	60.14	60.05
Uttarakhand	02.44	02.49	02.49
West Bengal	41.20	43.34	40.31
Others	00.28	00.35	00.35
All India	397.29	406.97	378.71

As on Sep 18, 2020, Source: Agricoop

Fundamental Summary of Rice Bran

Market outlook	Factors	Impact
Market driving factors	Higher Production of Paddy	Bearish
	Arrival of Fresh Crop in Market	Bearish
	Overseas Demand of Rice Bran	Bullish
	Lower Price of Maize(Substitute) Bearish	Bearish

(October 2020)

India's Production of Paddy & De-Oiled Rice Bran

Paddy & Rice Bran Production (in MMT)		
Year	Paddy	Rice Bran
2015-16	156.00	14.31
2016-17	164.50	14.76
2017-18	169.00	15.20
2018-19	174.00	15.66
2019-20	176.90	15.84
2020-21*	177.00	15.93

(Quantity in MMT)

Source: Ministry of Agriculture. * AW Preliminary Estimates

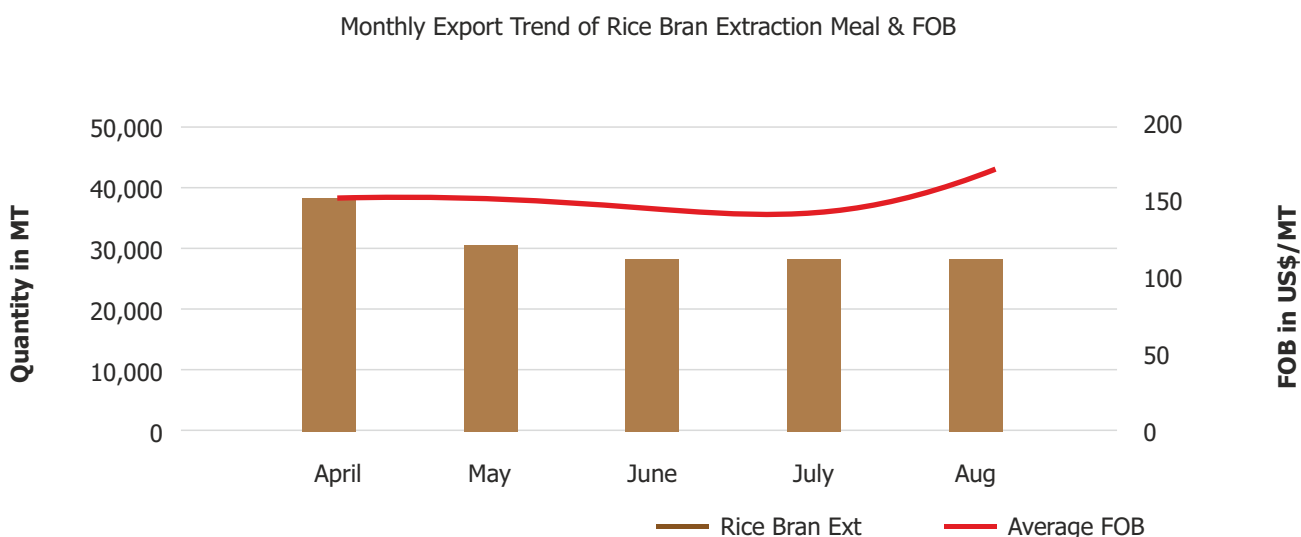
Paddy production in the country is likely to hit a new high at 177 MMT and thus Bran production will also reach 15.90-16.00 MMT.

Rice Bran Exports

Month	Rice Bran Extraction (Quantity in MT)	Average FOB in US\$/MT
April	39,181	156
May	30,714	155
June	28,892	150
July	29,172	148
August	29,375	177

Source: SEA (^Apr-Aug 2020)

Monthly Export trend



The Solvent Extractors' Association of India has compiled the export data for export of Oil-Meals for the month of August 2020 and provisionally reported at 1,71,515 MT compared to 2,28,484 MT in August, 2019 i.e. down by 25%. The overall export of Oil-Meals during April to August 2020 is provisionally reported at 1,013,177 MT compared to 1,146,295 MT during the same period of previous year i.e. down by 12%. In spite of tough competition, Rice Bran Extraction has done

better while exports of other meals are suffering. During April-August 2020, Vietnam imported 1,62,993 tons of Oil-Meals (compared to 1,58,490 MT); consisting of 86,006 MT of De-oiled Rice Bran Extraction, 73,375 MT of rapeseed meal and 3,387 MT of soybean meal. Thailand imported 80,622 MT of Oil-Meals (compared to 1,22,462 MT); consisting of 78,446 MT of rapeseed meal, 1,656 MT of Soybean Meal and 484 MT of Rice Bran extraction.

Monthly Average Spot Prices Comparison

Rice Bran Meal					
Market	Sept'20	Aug'20	Sept'19	% Change over a month	% Change over a year
Bhatinda (Punjab)	1,193.65	1,026	1,696	16.34	-29.62
Raipur (Chhattisgarh)	1,354.61	1,689	1,689	13.64	-19.80

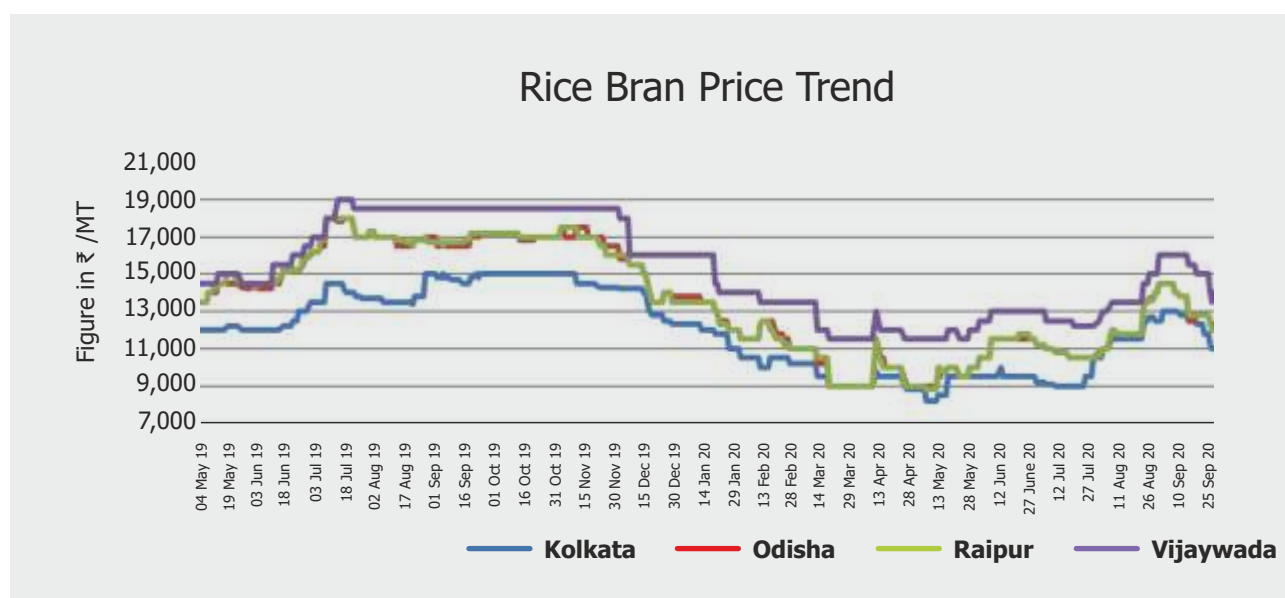
(Price in Rs./Quintal)

Source: Agriwatch

Average prices of Rice Bran increased to some extent in the month of September 2020 in comparison to last month, however prices were much lower compared to the corresponding period last year, in

both Raipur and Bhatinda markets, mainly due to low domestic feed demand.

Price Trend



Source: Agriwatch

It can be seen in the chart above that the Rice Bran traded bearish in last week of September 2020 in all major markets. Sluggish demand from feed

industries and fresh arrival were the major reasons for weakening in price.

Rice & Bran Balance sheet

Figure in MMT	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21*
Carry in	25.44	23.65	19.08	15.57	16.00	17.35	22.90	26.01
Rough Paddy Production	159.98	157.78	159.00	164.00	169.00	174.00	176.00	177.00
Milled Rice production	106.60	105.40	104.00	109.00	112.65	116.40	116.61	118.00
De-oiled Rice Bran Production	14.40	14.20	14.31	14.76	15.21	15.66	15.84	15.93
Imports	00.00	00.00	00.00	00.00	00.00	00.00	00.00	00.00
Total Availability	132.04	129.05	123.08	124.57	128.65	133.75	139.51	144.01
Domestic Rice Consumption	97.50	98.00	97.00	97.83	98.60	99.50	102.50	104.00
Feed Consumption (Bran)	1.44	1.42	1.57	1.77	1.83	1.88	1.74	1.91
Rice Exports	10.89	11.97	10.51	10.74	12.70	11.35	11.00	11.50
Total Rice Usage	108.39	109.97	107.51	108.57	111.30	110.85	113.50	115.50
Carry out of Rice	23.65	19.08	15.57	16.00	17.35	22.90	26.01	28.51

(Quantity in MMT)

*Forecast for 2020-21 by Agriwatch, Trade Source & Ministry of Agriculture

Demand from Feed Industry

The Rice Bran production in India has hovered between 14 to 15 MMT in the last decade, out of which around 1.45-1.85 MMT goes to the feed sector. It is estimated that approximately 10-15% is used in Aqua feed, 30-35% in poultry and the rest in Cattle feed industries.

As egg is a good source of protein and said to boost the immune system, the demand for eggs is rising given the COVID-19 pandemic, leading to increased rice bran demand from feed industries.

Country wise Rice Bran Import Data

Import From	Commodity	Apr'19 (F)	Apr'20 (F)	% Growth	Jan-Apr'19 (F)	Jan-Apr'20 (F)	% Growth
Myanmar	Bran Sharps and other Residues without in the form of Pellets	1,475.00	810.85	-45.04	4,343.52	5,436.10	25.15
Bangladesh	Bran Sharps and other Residues without in the form of Pellets Derived	2,702	NA	NA	14,179.84	238.14	-98.32

(Quantity in 000' MT)

Country wise Rice Bran Export Data

Country	May'19 (F)	May'20 (F)	% Growth	Apr-May'19 (F)	Apr-May'20 (F)	% Growth
Australia	-	0.12	-	-	0.12	-
Bangladesh	20.00	76.00	280.00	79.00	76.00	-3.80
Bhutan	-	-	-	12.00	0.60	-95.00
Canada	-	17.00	-	-	17.00	-
Equti Guinea	-	0.02	-	-	0.02	-
Ghana	26.00	-	-	2.80	-	-
Hong Kong	-	-	-	-	0.02	-
Japan	10.00	130.00	1,200.00	147.00	282.00	91.84
Kuwait	-	5.00	-	-	5.00	-
Malaysia	-	-	-	-	-	-
Nepal	65.10	123.90	90.32	386.90	1,278.68	230.49
Netherland	-	1,371.00	57.99	-	5,758.00	-
New Zealand	-	0.40	-	-	0.40	-
Norway	-	-	-	-	0.20	-
Qatar	-	-	-	105.00	27.00	-74.29
Saudi Arab	-	-	-	-	15.13	-
Singapore	-	0.01	-	-	0.43	-
Switzerland	0.03	-	-	0.03	-	-
United Arab Emirates	141.00	104.00	-26.24	310.01	247.15	-20.28
United Kingdom	-	440.00	-	-	1,320.00	-
Vietnam	-	-	-	-	817.00	-
Total	236.13	2,267.45	1,042.74	754.01	9,844.74	844.13

(Quantity in 000' MT)

Source-DGCIS

Cottonseed Oil Cake



Recent Domestic Market Summary

The new Cotton season 2020-21 has started with the commencement of new Kapas (Raw Cotton) arrivals. However, the season began with lower arrivals due to the recent rainfall across India. Amid heavy rainfall in Maharashtra, Gujarat and Telangana, the moisture content in the present arrivals stood at over 25% which is not suitable for trade and the price stood below MSP. Therefore, the farmers will bring their produce to the market as soon as the cotton dries to get reasonable prices.

By the September 2020 end, all India arrivals stood around 25,000 to 30,000 bales per day. Cotton Corporation of India (CCI) started procurement in North zone (Punjab, Haryana & Rajasthan) from October 01, 2020. The farmers in Madhya Pradesh are receiving lower offers with arrivals around 3,000 bales due to higher moisture content. Similarly, the new arrivals in Gujarat and Maharashtra are sluggish amid heavy rainfall due to which the arrivals likely to increase its pace only after 2nd week of October. The Southern India is expecting rainfall in the 1st week of October due to which the arrivals in Telangana, Andhra Pradesh and Tamil Nadu may also get delayed and likely to pick pace only after October 10, 2020.

The demand for Cottonseed Oil Cake is very weak as there is good availability of green fodder in the market owing to the good monsoon this year, therefore, weighing on the Cottonseed Oil Cake prices. Also, farmers have been stocking the harvested Cotton awaiting for CCI to start the procurement. In such circumstances, only Cottonseed Oil Cake stock is being traded in the market, is the old stock, which is fast depleting.

Generally, the demand for Cottonseed Oil Cake increases when the prices hover below Rs.2000 per quintal for cattle feed compared to the other feed alternatives. As the traders are eyeing an elevated Cotton crop, the prices are under pressure until the demand increases during the peak season. During September 2020, the average Cottonseed Oil Cake prices stood at Rs.1,954 per quintal in Kadi and Rs.1,947 per quintal in Akola.

State-wise Cotton Sowing Coverage for Kharif 2020-21

Cotton sowing has been sown across India in around 129.47 lakh hectare as of September 18, 2020 for 2020-21, with around 1% increase. Higher area was reported in Punjab (5.01 lakh hectare), Haryana (7.37 lakh hectare), Rajasthan (6.68 lakh hectare), Madhya Pradesh (6.44 lakh hectare), Telangana (29.7 lakh hectare), Karnataka (6.88 lakh hectare) and Orissa (1.71 lakh hectare).

Farmers have reduced area under Cotton in Gujarat (22.79 lakh hectare), Maharashtra (42.25 lakh hectare), Andhra Pradesh (5.64 lakh hectare) and Tamil Nadu (0.35 lakh hectare). The Cotton crop in Gujarat had been displaced by Groundnut. The pandemic in this year has severely affected demand for Cotton and textile products due to which many textile mills have been closed. The farmers in these areas were afraid to grow cotton under such circumstances. However, the ample amount of rainfall this year is expected surge the Cotton yield.

Area				
State	2018-19	2019-20	2020-21*	% Change of 2019-20
Punjab	02.84	04.02	05.01	24.60%
Haryana	06.65	07.01	07.37	05.10%
Rajasthan	04.96	06.45	06.68	03.60%
Gujarat	27.12	26.68	22.79	-14.60%
Maharashtra	42.54	44.30	42.25	-04.60%
Madhya Pradesh	06.97	06.09	06.44	05.70%
Telangana	17.96	18.60	24.13	29.70%
Andhra Pradesh	05.69	06.40	05.64	-11.90%
Karnataka	04.35	05.93	06.88	16.10%
Tamil Nadu	01.00	00.74	00.35	-53.10%
Orissa	01.58	01.70	01.71	00.70%
Others	00.17	00.27	00.22	-18.10%
Total	121.83	128.19	129.47	01.00%

(Area in Lakh hectare)

Source: Agricoop; *As on September 18, 2020

India Cottonseed & Cottonseed Oil Cake Production

Production		
Year	Cotton Seed	Cottonseed Oil Cake
2015-16	102.92	82.81
2016-17	106.95	85.98
2017-18	113.15	91.08
2018-19	096.72	77.11
2019-20	110.67	88.12
2020-21*	116.49	93.91

(Quantity in Lakh MT)

Source: CAI derived figures; *: Projected

Cotton Association of India (CAI) has increased its Cotton crop estimate for 2019-20 to 354 lakh bales compared to its previous estimate of 335.5 lakh bales, while according to the Ministry of Textiles, the Cotton production is projected to be 357 lakh bales in 2019-20 with an increase in yield of about 2% at 453.82 kg per hectare against 444.74 kg per hectare in 2018-19.

However, Agriwatch estimates that the 2019-20 production at 362 lakh bales, of which around 11 lakh bales will be carried forward to the 2020-21 season and

about 373 lakh bales cotton production is projected in 2020-21 season.

According to USDA estimates, 2020-2021 global Cottonseed production is projected at 429.7 lakh MT, down 5% from 2019-20 (443.3 lakh MT). While the global Cottonseed Oil Cake production is also expected to decline to 151.70 lakh MT in 2020-21 from 155.03 lakh MT produced in 2019-20. Lower forecasts for US, Brazil, and Uzbekistan have been made but are expected to be offset by gains in India.

Cottonseed Oil Cake Exports & Imports

Cottonseed Oil Cake		
Year	Export	Import
2016-17	0.64	0.02
2017-18	0.39	0.15
2018-19	0.32	0.30
2019-20^	0.32	0.33

(Quantity in Lakh MT)

Source: Department of Commerce (HS Code-230610); ^: Oct-Jul

Countrywise Cottonseed Oil Cake Exports					
Country	2015-16	2016-17	2017-18	2018-19	2019-20*
Bangladesh	05.19	16.06	04.79	00.61	03.08
China	02.91	02.16	02.16	03.05	01.97
Japan	01.92	01.35	01.36	00.55	00.04
Korea RP	21.28	28.43	18.55	15.50	14.21
Kuwait	00.06	00.18	00.15	00.12	00.30
Nepal	01.99	05.99	04.76	10.54	07.55
Oman	04.32	00.49	02.67	-	-
Saudi Arab	00.30	00.36	-	-	00.08
Taiwan	00.38	00.43	00.62	00.31	00.52
Thailand	00.84	01.12	00.85	00.52	00.69
UAE	00.02	00.06	00.04	00.02	00.04
Others	01.13	06.74	03.16	00.92	03.76
Total	40.35	63.81	39.11	32.13	32.26

Source: Department of Commerce (HS Code-230610); *: Oct-Jul

In 2019-20 (Oct-Sep), the major export destination countries for India were Korea, Nepal, Bangladesh and China.

From October 2019 until July 2020, India had exported around 14 MT to Korea followed by Nepal (7.55 MT), Bangladesh (3.08 MT) and to China exporting 1.97 MT.

Most of the produced Cottonseed Meal is consumed in India itself, limiting the global trade to just 0.30-0.60 lakh MT a year.

Cottonseed Oil Cake Spot Prices Comparison

Spot Price Comparison					
Market	Sep'20	Aug'20	Sep'19	% Change over a month	% Change over a year
Kadi	2095	2,095	3,355	-2%	-34%
Akola	2009	2,009	3,380	-1%	-36%

(Price in Rs/Quintal)

Source: NCDEX; Quality specifications: Moisture content: 9%, Oil Content: 6%, Color: Greenish Yellow; Tax: 0% tax on Cottonseed Oil Cake

All the Cottonseed Oil Cake crushing units were closed during monsoon. A decline of 3-7% in prices has been witnessed over the month because of subdued demand. However, the late arrivals of Kapas would result in the late production of Cottonseed Oil Cake this year. Also, there is enough availability of

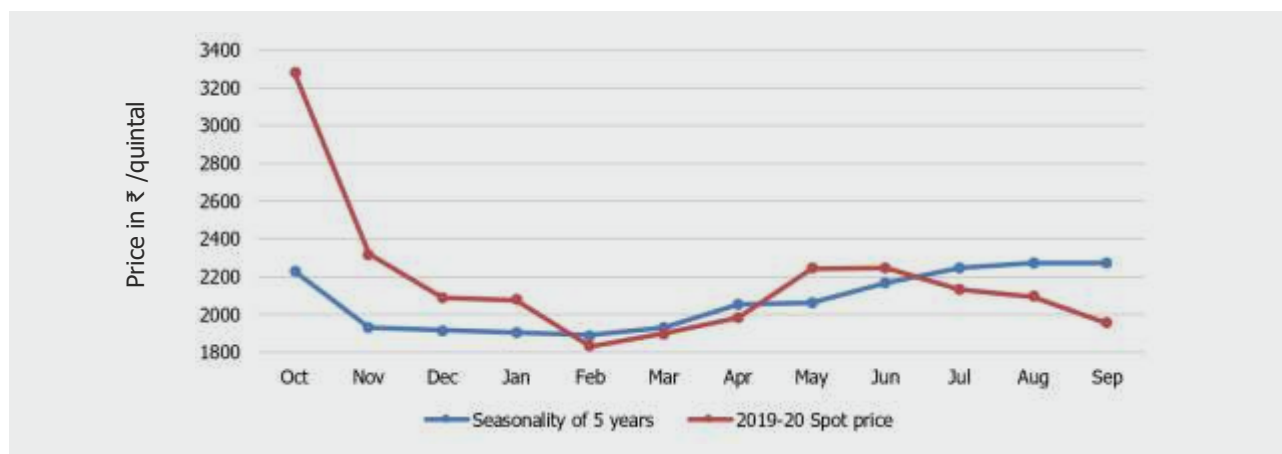
green fodder for cattle this year due to good rainfall across India and hence demand for Cottonseed Oil Cake may be low and delayed. There was also a significant fall in prices over a year, mainly due to the abnormally high prices following the smaller Cotton crop in 2018-19.

Price Outlook

The expectation of higher crop and continued depressed demand, could keep the market range bound in 2020-21 with a fall to minimum around Rs.1,750 per quintal and could reach to a maximum price around Rs.2,250 per quintal in the peak season.

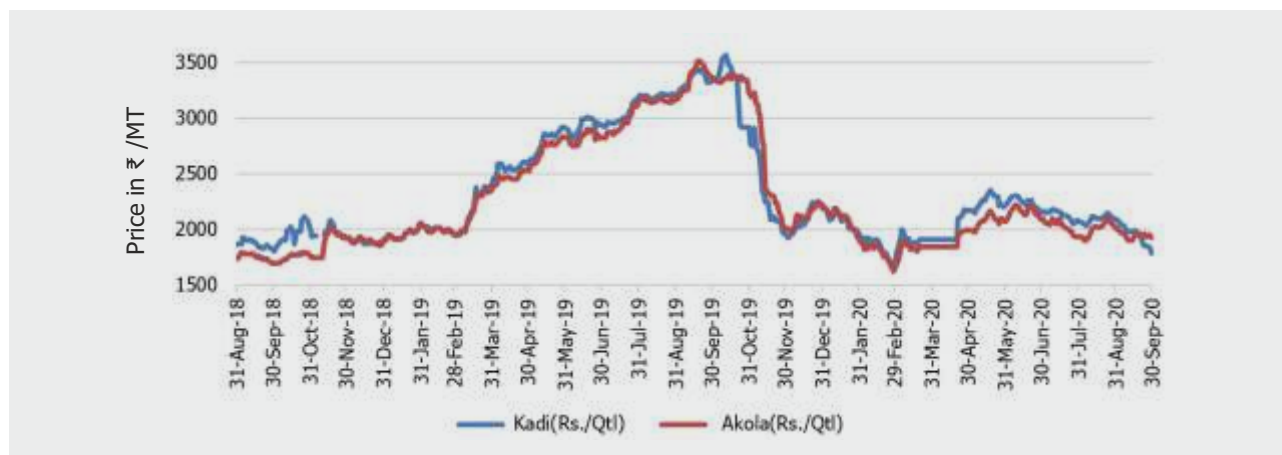
According to the seasonality, the prices tend to remain strong during April to June amid strong crush demand and narrowing Cotton arrivals and witness a downfall during October to February amidst the increase in Cotton arrivals.

Price Trend Analysis of Cottonseed Oil Cake (For Kadi Market)



Source: NCDEX

Cottonseed Oil Cake Price Trend (Kadi & Akola)



NCDEX Cottonseed Oil Cake Futures

NCDEX Cottonseed Oil Cake Futures								
Contract	% Change over previous month	Open	High	Low	Close	Change over previous month	Volume	Open Interest
Dec'20	-1.63%	1,815	1,838	1,812	1,806	-30	24,300	20,520
Jan'21	-3.58%	1,816	1,839	1,810	1,804	-67	1,150	3,930
Feb'21	-1.75%	1,794	1,794	1,794	1,794	-32	10	520

NCDEX: As updated on October 03, 2020

NCDEX Cottonseed Oil Cake has shown consolidation since December last year, in the weekly chart. The December 2020 contract ended on a weaker note at Rs.1,806 per quintal against Rs.1,812 per quintal in the prior month. Although the prices touched a high of Rs.1,914 per quintal during the month, they slid back to Rs.1,776 per quintal in the end of the month.

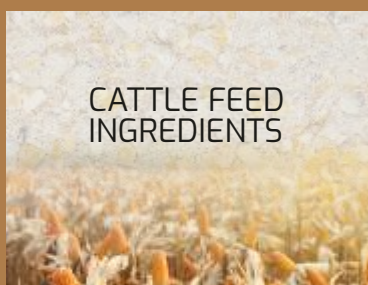
In October 2020, prices are likely to be range-bound with a support near super trend indicator at Rs.1,700 per quintal. According to the Fibonacci projections, if the price breaches the first resistance 1995 (50%) and the second resistance at Rs.2,078 per quintal (61.8%), then the price could see a level to Rs.2,200 per quintal in the coming months. Meanwhile the support is seen near Rs.1,700 per quintal.



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