



The Road Ahead

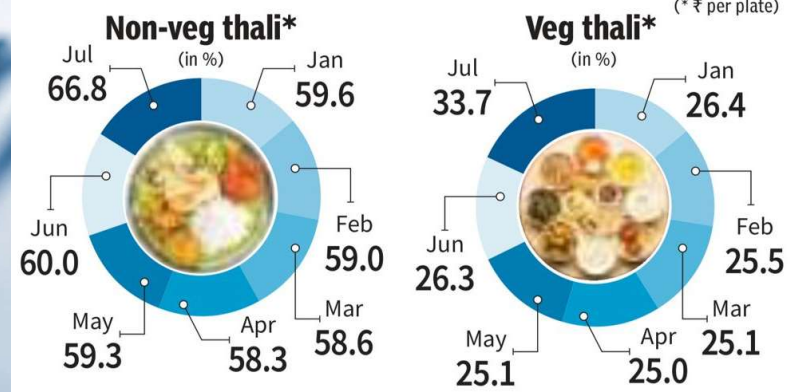
The Engine of Global Demand

Macro Environment- India

- General Election in 2024
- Food Inflation Key Nudge Factor for Voters- **Govt Hyperactive**
- Potential High Pulses- Inflation expectation
- Plant Protein Prices to stay firm
- El Nino- Impact on Monsoon- Dry August
- Global Supply uncertainty – weak markets
- El Nino also impacts Australian Crop
- Lower Import barriers, Duty to stay
- Crude prices taking support

Price of veg plate up 28% in July, non-veg plate

Monthly indicator of food plate cost





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Agri Policies Worldwide:

20% Fundamentals
80% Politics



What is Indian Soy Production and Consumption

We have taken a poll from all major participants

- Range of Production 10-12 mmt
- Range of Consumption 8-9 mmt

Why India go wrong on Crop Forecasts

What Is Goodhart's Law?

Goodhart's Law is expressed simply as:
“When a measure becomes a target, it ceases to be a good measure.”

In other words, when we set one specific goal, people will tend to optimize for that objective regardless of the consequences.

GOODHART'S LAW

WHEN A MEASURE BECOMES A TARGET,
IT CEASES TO BE A GOOD MEASURE

IF YOU
MEASURE
PEOPLE ON...

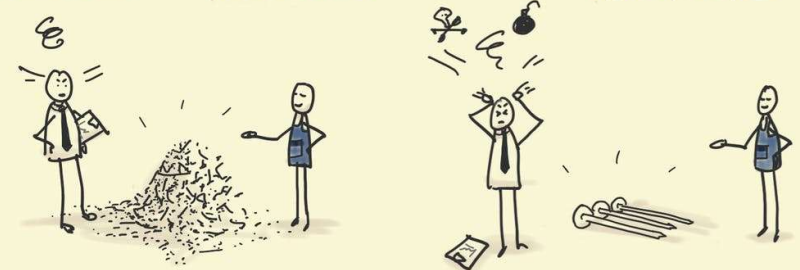
NUMBER OF
NAILS MADE

WEIGHT OF
NAILS MADE

THEN YOU
MIGHT GET

1000'S OF
TINY NAILS

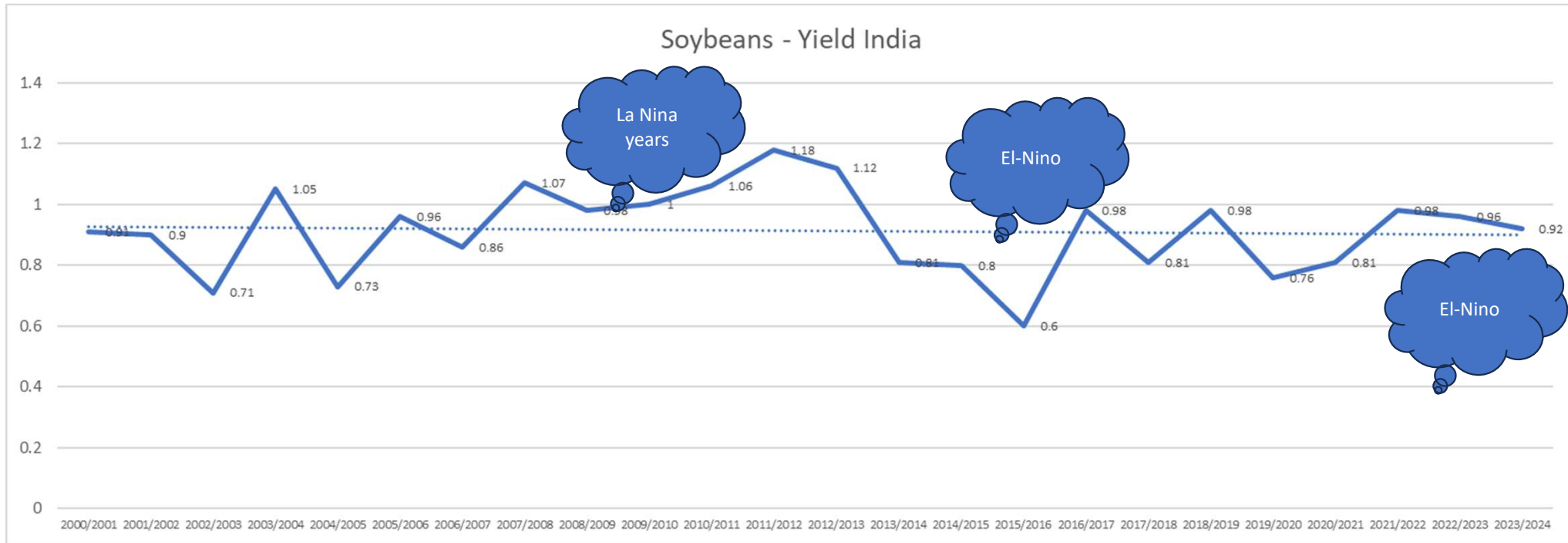
A FEW GIANT,
HEAVY NAILS



sketchplanations

In India wheat target for every state is the measure of production and hence we falter on production forecast

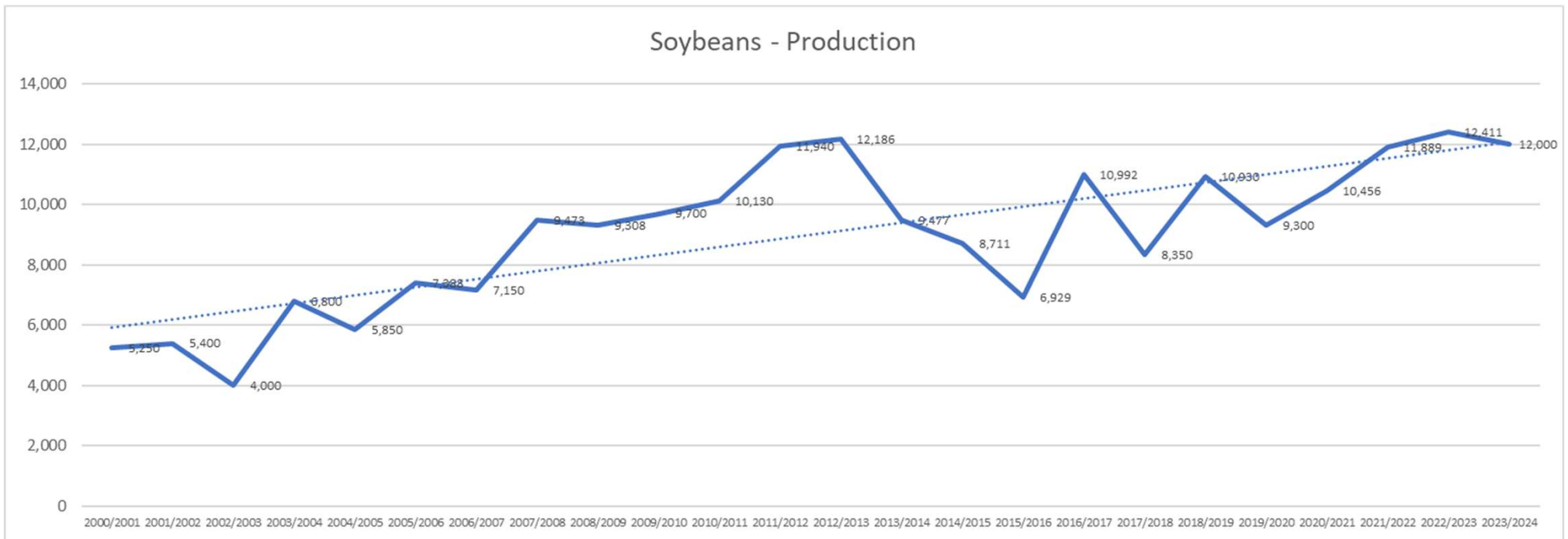
Indian Soybean- Case of Stagnant Production



Yield is stagnant.. Heavily Weather dependent

Soya Production..

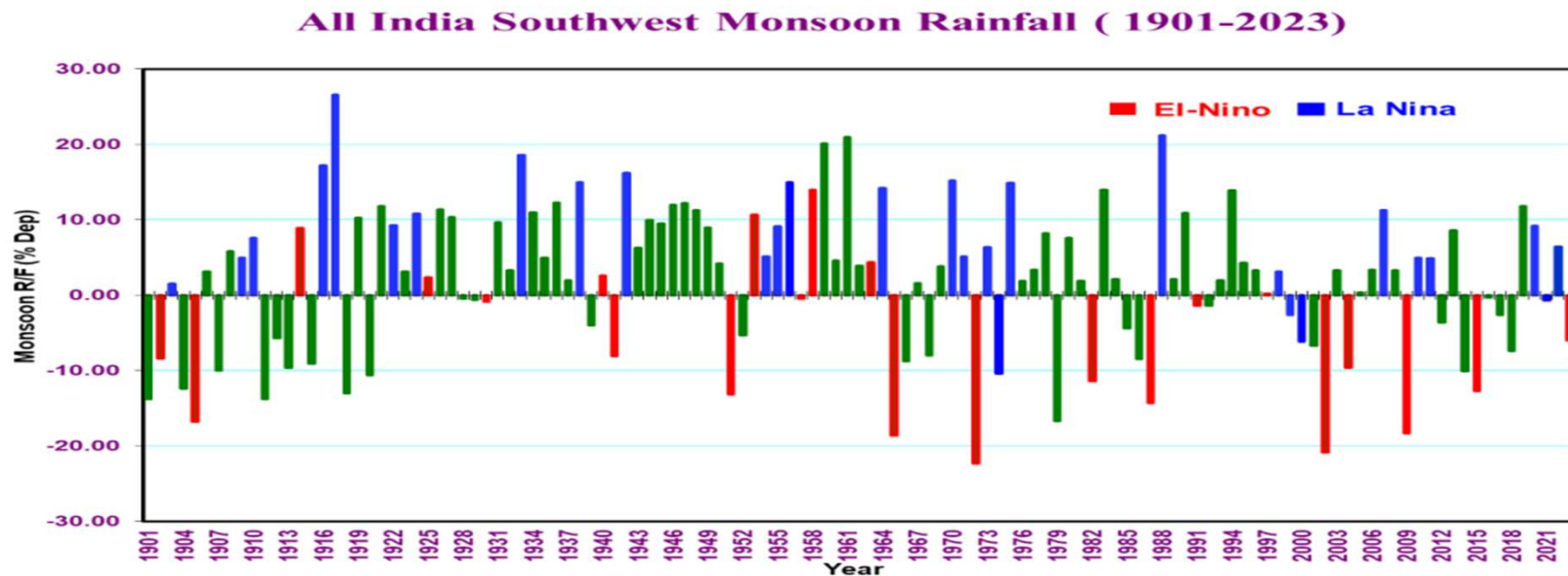
How long Acreage compensate for Yield non responsiveness



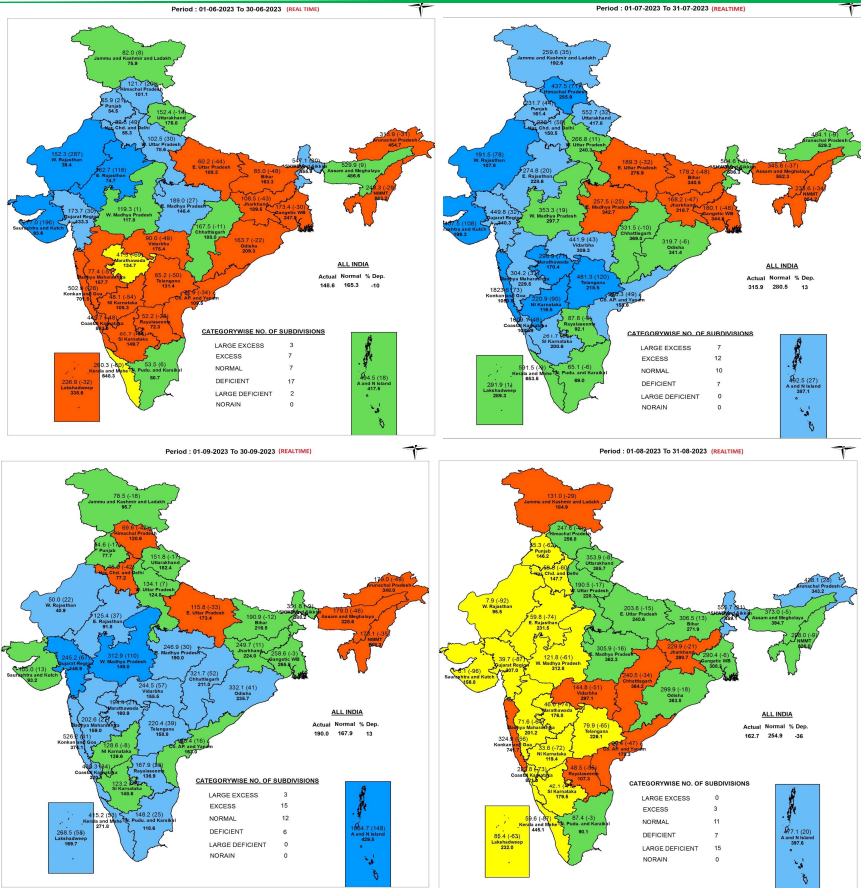
Production marginal gains only...

El Nino Year's

Historically, El Niño events have often been linked to below-average rainfall in India, while most La Niña years correlate with above-average precipitation.



Monsoon (Jun-Sep)

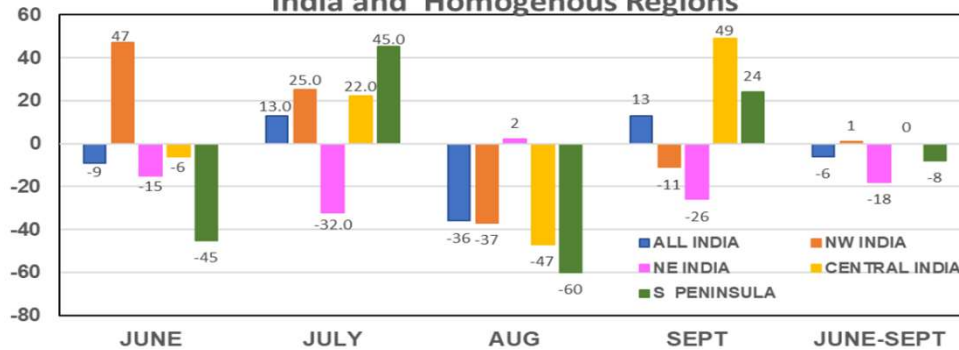


- Rainfall over the country as a whole during Monsoon 2023 season (June-September), was 94% of its long period average (LPA). (
- **Onset** in over Kerala on 8th June, **7 days** behind the normal date and **covered** the entire country by 2nd July, **6 days** ahead of normal date.

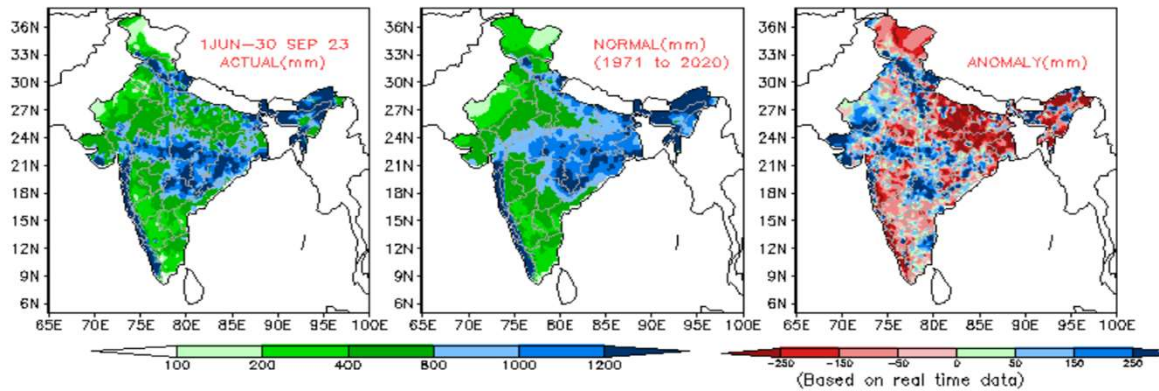
Source: IMD

Monsoon : Is All Good?

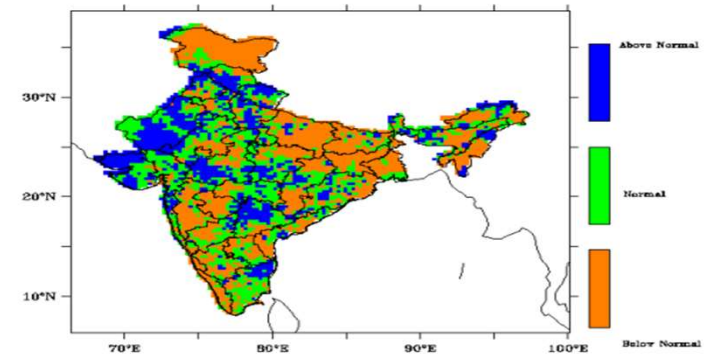
Monthly and Seasonal rainfall of Monsoon 2023-All India and Homogenous Regions



- The All-India weekly rainfall anomalies during 10 of the 17 weeks of the monsoon season were negative.
- All weeks from August and the first week of September received negative rainfall anomalies.



Observed Rainfall Category Year 2023 (JJAS)



Source: IMD

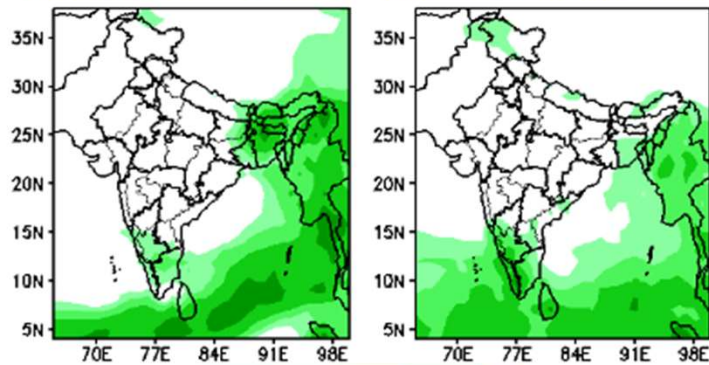
12/10/2023

McDonald Pelz Global Commodities India Pvt. Ltd. & Agnomics Analytics Lab Pvt Ltd.

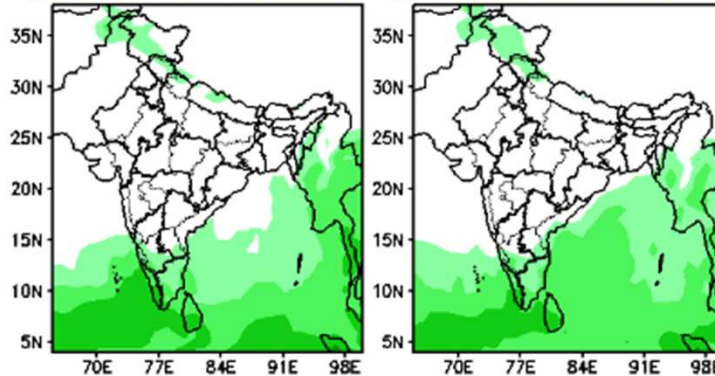
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Next Four Weeks..Crucial

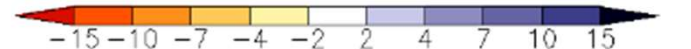
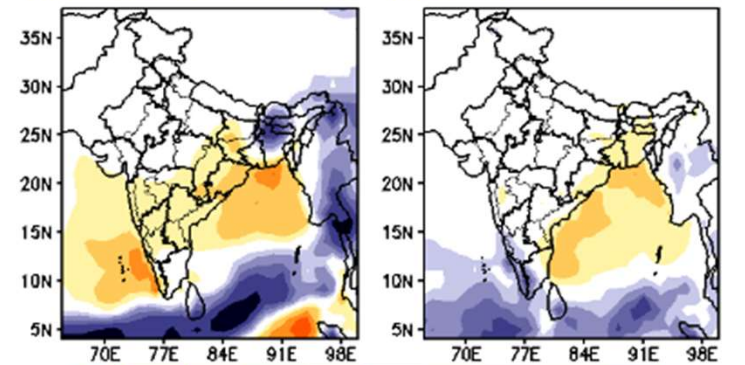
Forecast Rainfall (mm/day) (00Z=0530 hrs IST)
 (Week1:00Z05Oct-00Z12Oct) (Week2:00Z12Oct-00Z19Oct)



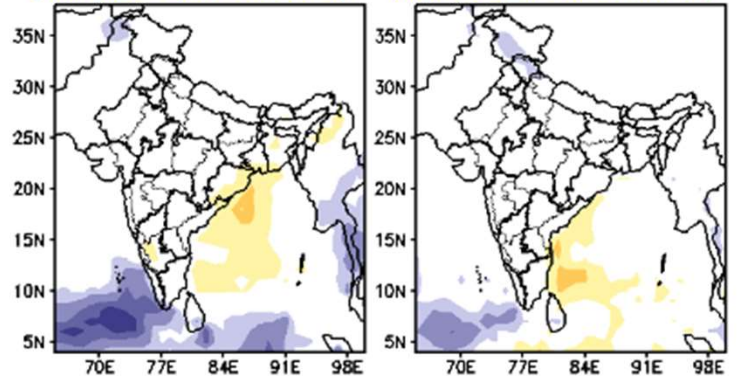
(Week3:00Z19Oct-00Z26Oct) (Week4:00Z26Oct-00Z02Nov)



Forecast Rainfall Anomaly (mm/day) (00Z=0530 hrs IST)
 (Week1:00Z05Oct-00Z12Oct) (Week2:00Z12Oct-00Z19Oct)



(Week3:00Z19Oct-00Z26Oct) (Week4:00Z26Oct-00Z02Nov)



Source: IMD

12/10/2023

GDP Growth and Protein Consumption is directly correlated

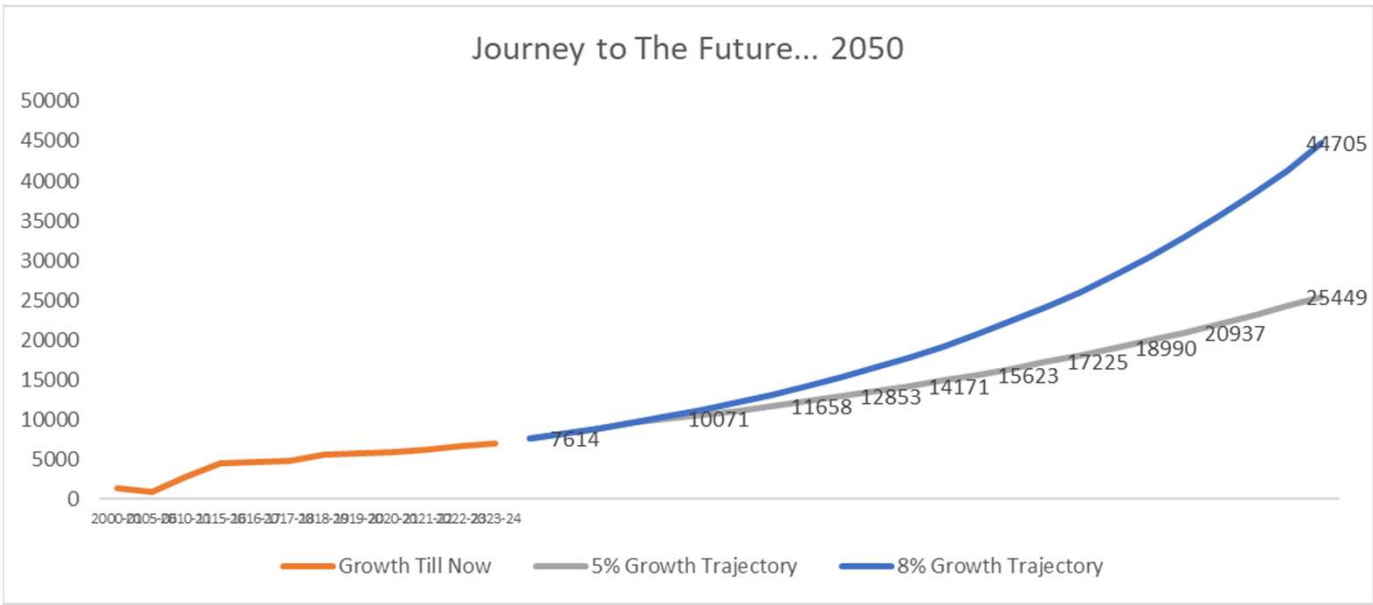


It has happened in Past and in other Places

Country	2000-01	2005-06	2010-11	2015-16	2020-21	2021-22	2022-23	2023-24	Growth Rate
Bangladesh	200	279	587	1,072	2,454	2,504	2,404	2,425	12%
China	14,995	27,776	43,300	62,620	72,875	69,630	72,150	75,182	8%
India	1,305	835	2,775	4,460	5,850	6,273	6,725	7,050	8%
Vietnam	432	1,722	3,105	5,565	6,330	6,385	6,285	6,445	13%

- Soymeal demand consumption rate is directly proportional to GDP Growth
- Protein consumption goes up with Income Growth
- India lags far behind on protein consumption Growth Curve

Let us Get our Numbers Correct



	Meal	Beans eq
2000-01	1305	1591
2005-06	835	1018
2010-11	2775	3384
2015-16	4460	5439
2016-17	4674	5700
2017-18	4739	5779
2018-19	5530	6744
2019-20	5780	7049
2020-21	5850	7134
2021-22	6273	7650
2022-23	6725	8201
2023-24	7050	8598
2024-25	7614	9285
2025-26	8223	10028
2026-27	8881	10830
2030-31	9591	11697

	Meal			Soybeans		
	3%	5%	8%	3%	5%	8%
	9879	10071	10359	12048	12282	12633
	10176	10575	11187	12409	12896	13643
	10481	11103	12082	12782	13541	14735
	10795	11658	13049	13165	14218	15913
	11119	12241	14093	13560	14929	17187
	11453	12853	15220	13967	15675	18561
	11796	13496	16438	14386	16459	20046
	12150	14171	17753	14817	17282	21650
	12515	14879	19173	15262	18146	23382
	12890	15623	20707	15720	19053	25253
	13277	16405	22364	16191	20006	27273
	13675	17225	24153	16677	21006	29455
	14085	18086	26085	17177	22056	31811
	14508	18990	28172	17693	23159	34356
	14943	19940	30426	18223	24317	37105
	15391	20937	32860	18770	25533	40073
	15853	21984	35489	19333	26809	43279
	16329	23083	38328	19913	28150	46741
	16819	24237	41394	20511	29557	50480
	17323	25449	44705	21126	31035	54519

Fasten your seatbelts... we are in for a big Bull Ride...Demand

About Mcdonald Pelz

- Mcdonald Pelz Global Commodities LLC was incorporated in 1983 by Bobby Pelz and his partner Mick McDonald in Colorado, US as a brokerage and Research firm.
- The company since then has expanded in various parts of the globe facilitating grain and oilseed trade. The company is registered with Commodity Futures Trading Commission (CFTC) and is a member of the National Futures Association (NFA).
- Mcdonald Pelz has presence in more than 16 countries globally, including offices in India, Singapore, China, Argentina, and Australia. It is now considered as one of the largest brokerage firm of farm and derivatives products.
- The Mcdonald Pelz Global Commodities has a strength of around 100 employees which is spread over the respective locations mentioned above. All employees in the organization have vast experience in the grains, pulses and oilseed trading and brokerage.
- Vision of the company is to serve as the key facilitator in commodity trading, providing real time market Insights to aid their investment strategies.



McDonald
Pelz