

Jan 29, 2020

- Weak tone are extended in soymeal complex on dull demand of south based traders today. Weak global current sentiments that (a coronavirus outbreak in China will spread in world) is affecting on demand.
- During the week (Jan.10 to 16 Jan, 2020) US sold higher soybean cake and meal by 71% to 641,900 MT for 2019/2020 from the previous week and also higher from prior 4-week average. Increases primarily for the Philippines (184,500 MT), Mexico (82,300 MT, including decreases of 100 MT), Spain (60,000 MT), Germany (55,000 MT), and unknown destinations (33,700 MT), were offset by reductions for the Dominican Republic (300 MT) and Leeward Windward Islands (100 MT). Exports of 231,600 MT were primarily to the Philippines (46,900 MT), Mexico (38,600 MT), Morocco (32,000 MT), Ecuador (31,700 MT), and the Dominican Republic (20,700 MT).
- As per to Container Corporation of India Ltd (CONCOR), export consignment of soybean derivatives declined to almost half in December 2019 as compared to previous year in the corresponding period of time. Total shipments of soybean derivatives has fallen to 3000 containers during September to December 2019 compared to 3417 containers in last year in the same period of time. A lot of export consignment goes through road directly to the port however volumes was reported lower due to limited supplies and high prices in international market.
- As per NOPA recent data, NOPA members have crushed total 174.81 million bushels of Soybeans in December 2019 which is higher from 164.90 million bushels in November 2019. It is also higher from 171.75 million bushels in December 2018. Crushing is above than the average trade estimate of 171.64 million bushels, based on data gathered by Reuters from 8 analysts. It was also above all trade estimates that ranged from 168.21 million to 174.03 million bushels, with a median of 171.5 million. Soybean oil stocks rose to 1.75 billion pounds at the end of December against 1.44 billion pounds in November month and 1.498 billion pounds at the end of December 2018. Soymeal exports has been reported higher in December 2019 at 902,534 tons against 868,769 tons in November 2019 and 826,404 tons exported in December 2018.
- As per SOPA, Soymeal production of the country is likely to stand at 62.78 lakh tonnes. Carry over stock of Soymeal is estimated at 1.59 lakh tonnes and 1.37 lakh tons of carry forward stocks. While export sea and land may stand at 10 lakh tonnes lower output and noncompetitive prices in world market. India had exported total 22 lakh tonnes in last year in 2018-19 season. Domestic consumption of Soymeal (Food) is estimated at 5.50 lakh tonnes and 47.50 lakh tonnes for Feed. In October month, India has exported total 0.50 lakh tonnes of Soymeal lower against 1.31 in Oct 2018 on lower overseas demand.
- As per USDA, U.S. soybean meal export bids in December averaged \$344/ton, up \$5 from November. Brazil Paranagua FOB averaged \$326/ton, up \$7 from November, and Argentina Up River FOB averaged \$331/ton, up \$12. The U.S. and Brazil FOB soybean price spread has narrowed as Brazil's FOB soybean price averaged 2 percent above U.S. prices, slightly less than 3 percent last month.
- As per recent report of USDA, India may produce lower Soymeal to 6.4 million tonnes in 2019/20 compared to 7.6 million tonnes in 2018/19 season. The estimate is unchanged from Dec. month. Domestic consumption is forecast at 5.35 million tonnes for this season higher from 5.2 million tonnes in previous year record.
- As per recent SEA report, India shipped Oilmeals lower by 79% to 67,562 tons in December 2019 against 324,927 tons in December 2018. The overall export of oilmeals during April-Dec. 2019 is reported at 1,802,434 tons compared to 2,411,248 tons in April-Dec.2018 i.e. down by 25%. This is mainly due to disparity in export of oilmeals, specifically soybean meal due to higher MSP of beans which makes the domestic soybean meal expensive in international market compared to other origin. However, the export of castor seed meal has increased by 60% to 469,248 against 292,511 tons.
- During April-December 2019, Vietnam imported 228,553 tons of oilmeals (compared to 473,010 tons); consisting of 5316 tons of soybean meal, 144,570 tons of rapeseed meal and 78,667 tons of De-oiled Rice Bran Extraction. South Korea imported 709,312 tons of oilmeals (compared to 578,443 tons); consisting 37,616 tons of soybean meal, 294,758 tons of rapeseed meal and 376,938 tons of castor seed meal. Thailand imported 176,555 tons of oilmeals (compared to 258,400 tons) consisting 155,959 tons of rapeseed meal, 17,581 tons of Rice Bran Extractions and 3015 tons of soybean meal.
- During April-December 2019, the export from Kandla is reported at 656,067 tons lower (36%), followed by Mundra handled 588,547 tons (33%), and Mumbai including JNPT handled 130,267 tons (7%) and Kolkata handled 105,786 tons (6%) and Others Ports handled 321,767 tons (18%).
- Indian Soymeal premium quoted higher side by \$147 per ton over Argentinean meal with Indian meal bullishness producing the premium rather than Argentinean meal bearishness. Such premiums may limit bookings of Indian Soymeal for forward as well as spot market.

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	28-Jan-20	27-Jan-20	Parity To
Indore - 45%, Jute Bag	32500	32700	Gujarat, MP
Kota - 45%, PP Bag	33500	33500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34200	34300	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34000	34000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	34500	Andhra, AP, Kar, TN
Latur	34500	35200	-
Sangli	34500	35000	Local and South
Solapur	34200	34200	Local and South
Akola – 45%, PP Bag	34500	34700	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	35600	34500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	33300	33000	-

Soy DOC at Ports			
Centers	Port Price		
	27-Jan-20	25-Jan-20	Change
Kandla (FOR) (INR/MT)	34000	34000	Unch
Kandla (FAS) (USD/MT)	485	487	-2
CNF Indonesia – Yellow SBM (USD/MT)	Unq	Unq	-

Rapeseed Meal	27-Jan-20	25-Jan-20	Change
FAS Kandla (USD/MT)	218	218	Unch
FOR Kandla (Rs/MT)	15750	15800	-50
FOR Mundra (Rs/MT)	16100	16200	-100
CNF Indonesia (USD/MT)	243	244	-1

International Soy DOC			
Argentina FOB USD/MT	27-Jan-20	25-Jan-20	Change
Soybean Pellets	340	339	1
Soybean Cake Flour	340	339	1
Soya Meal	338	339	-1
Soy Expellers	338	339	-1

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)
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Jan 29, 2020

Centers	28-Jan-20	27-Jan-20	Change
Adoni	23600	23600	Unch
Khamgaon	Unq	Unq	-
Parli	Unq	Unq	-
Latur	23500	23500	Unch

Groundnut Meal (Rs/MT)	28-Jan-20	27-Jan-20	Change
Basis 45%, Saurashtra	28000	28000	Unch
Basis 40%, Saurashtra	26000	26000	Unch
GN Cake, Gondal	29000	29000	Unch

Mustard DOC	28-Jan-20	27-Jan-20	Change
Jaipur (Plant delivery)	15000	15100	-100
Kandla (FOR Rs/MT)	15800	15800	Unch

Mumbai Oil Meal Quotes:			
Rs/M.T.	28-Jan-20	27-Jan-20	Change
G.N. Extr (45%)	26000	26500	-500
Kardi Extr	Unq	Unq	-
Undec Cottonseed Exp	21700	22800	-1100
Rice Bran Extr.	Unq	Unq	-
Sunflower Extr.	21000	21000	Unch
Rapeseed Extr.	Unq	Unq	-
Soymeal 48%	34434	34017	417
Castor Extr.	4500	4700	-200

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