

April 27, 2020

Soy Meal Fundamentals: Soy meal (Indore) was quoted same as the previous day at Rs. 32,500/MT on steady demand.

- Dull trade activity is witnessed on nation-wide COVID-19 lockdown.
- According to trade source, one vessel (SMART LISA) are expected to arrive at Tuticorin port for sunflower seed meal with total capacity of 29700 tons.
- As per recent SEA report, India shipped Oilmeals lower by 74% to 76,017 tons in February 2020 against 294,510 tons in February 2019. India shipped total 20,309 tons of soymeal, 40,585 tons of Rapeseed meal, 3500 tons of Rice Bran Ext., 11,623 tons of castor seed meal in Feb 2020. The overall export of oilmeals during April-Feb. 2020 is reported 25% lower to 2,200,690 tons compared to 2,941,971 tons in April-Feb.2019 on account of 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 50% to 505,194 against 359,351 tons in Apr-to Feb 2020 compared to last season.
- 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.
- During April-February 2020, the export from Kandla is reported at 754,590 tons (34%), followed by Mundra handled 703,303 tons (32%), and Mumbai including JNPT handled 172,169 tons (8%) and Kolkata handled 131,269 tons (6%) and Others Ports handled 439,359 tons (20%).
- Indian Soymeal premium quoted higher side by \$96 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.
- During the week (Apr.10 to April 16, 2020) US sold lower 35% lower soybean cake and meal to 102,900 MT for 2019/2020 against the previous week and 44% lower from prior 4-week average. Increases primarily for Mexico (32,700 MT, including decreases of 400 MT), Canada (21,300 MT, including decreases of 100 MT), Israel (8,800 MT, including 8,500 MT switched from Ireland), Taiwan (7,900 MT), and Japan (6,200 MT), were offset by reductions for Ireland (8,500 MT) and Morocco (2,600 MT). Net sales of 15,500 MT for 2020/2021 were for Mexico (15,000 MT) and Japan (500 MT). Exports of 335,300 MT were up 72 percent from the previous week and 24 percent from the prior 4-week average. The destinations were primarily to Mexico (50,600 MT), the Dominican Republic (44,600 MT), Morocco (32,400 MT), Ecuador (32,200 MT), and Colombia (27,600 MT).
- As per recent report of USDA, Soymeal production of India is kept unchanged at 6.6 million tonnes for 2019/2020 in April month report however lower from 7.6 million tonnes in 2018/19 season. Domestic consumption is also placed unchanged at 5.49 million tonnes for this season like last month however higher from 5.2 million tonnes in previous year record.
- As per USDA, U.S. soybean meal export bids in March averaged \$361/ton, higher \$27 from February on supply concern in Argentina. Brazil Paranagua FOB averaged \$337/ton, up \$20 from February, and Argentina Up River FOB averaged higher by \$18 to \$348/ton.

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	25-Apr-20	24-Apr-20	Parity To
Indore - 45%, Jute Bag	32500	32500	Gujarat, MP
Kota - 45%, PP Bag	32700	32700	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	34200	34000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34000	34000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	35000	Andhra, AP, Kar ,TN
Latur	34500	34500	-
Sangli	34300	34500	Local and South
Solapur	33900	33900	Local and South
Akola – 45%, PP Bag	33000	33200	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	34500	34500	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	32500	32500	-

Soy DOC at Ports			
Centers	Port Price		
	24-Apr-20	23-Apr-20	Change
Kandla (FOR) (INR/MT)	35500	Unq	-
Kandla (FAS) (USD/MT)	445	Unq	-
CNF Indonesia – Yellow SBM (USD/MT)	Unq	Unq	-

Rapeseed Meal	24-Apr-20	23-Apr-20	Change
FAS Kandla (USD/MT)	Unq	Unq	-
FOR Kandla (Rs/MT)	Unq	Unq	-
FOR Mundra (Rs/MT)	Unq	Unq	-
CNF Indonesia (USD/MT)	Unq	Unq	-

International Soy DOC			
Argentina FOB USD/MT	24-Apr-20	23-Apr-20	Change
Soybean Pellets	314	315	-1
Soybean Cake Flour	314	315	-1
Soya Meal	316	316	Unch
Soy Expellers	316	316	Unch

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)
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Centers	25-Apr-20	24-Apr-20	Change
Adoni	23200	23300	-100
Khamgaon	Unq	Unq	-
Parli	Unq	Unq	-
Latur	22800	22700	100

Groundnut Meal (Rs/MT)	25-Apr-20	24-Apr-20	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC	25-Apr-20	24-Apr-20	Change
Jaipur (Plant delivery)	16500	16500	Unch
Kandla (FOR Rs/MT)	17000	17000	Unch

Mumbai Oil Meal Quotes:			
Rs/M.T.	25-Apr-20	24-Apr-20	Change
G.N. Extr (45%)	28000	28000	Unch
Kardi Extr	Unq	Unq	-
Undec Cottonseed Exp	23500	23500	Unch
Rice Bran Extr.	Unq	Unq	-
Sunflower Extr.	21000	21000	Unch
Rapeseed Extr.	Unq	Unq	-
Soymeal 48%	33913	33913	Unch
Castor Extr.	Unq	Unq	-

Outlook: The domestic soy meal prices will continue to featured range-bound with weak bias on COVID-19 concerns in near-term.

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