

Soy Meal Fundamentals: No major developments happened in the soymeal cash markets, Friday's. Soy meal (Indore) edged up to Rs.32,000/MT compared to Rs 31,800/MT.

- Dull trade activity is witnessed due to the nationwide COVID-19 lockdown to contain the spread of coronavirus pandemic. Soymeal demand have badly hit due to the slack in demand from poultry sector with subsequent fall in poultry demand mainly due to coronavirus pandemic.
- India's soymeal shipments may fall to around 500,000 tonnes in 2019-20 (Oct-Sep), less than one fourth of the year-ago figure of 2.1 million tonnes due to slack in demand from traditional overseas buyers amid ongoing lockdowns, said, Soybean Processors Association of India Chairman Davish Jain.
- 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.
- SOPA reported that, India's 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 non-competitive 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.
- 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.17 to April 23, 2020) US sold 29,800 MT for 2019/2020 were primarily for Morocco (9,000 MT), the Dominican Republic (4,900 MT, including decreases of 200 MT), Colombia (4,700 MT), Jamaica (3,500 MT), and South Korea (3,000 MT). Exports of 13,300 MT were down 54 percent from the previous week and 52 percent from the prior 4-week average. The destinations were primarily to Mexico (5,600 MT), El Salvador (3,300 MT), Nicaragua (2,000 MT), Colombia (1,800 MT), and Canada (500 MT).
- As per recent report of USDA, Soymeal production of India is kept unchanged at 6.6 million tonnes for 2019/20 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) | | |
| | 08-May-20 | 07-May-20 | Parity To |
| Indore - 45%, Jute Bag | 32000 | 31800 | Gujarat, MP |
| Kota - 45%, PP Bag | 33200 | 33000 | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 34000 | 34000 | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 33200 | 33000 | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 34000 | 34000 | Andhra, AP, Kar ,TN |
| Latur | 34300 | 34300 | - |
| Sangli | 33500 | 33500 | Local and South |
| Solapur | 33000 | 33000 | Local and South |
| Akola – 45%, PP Bag | 32000 | 32000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | 34000 | 34000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Bundi | 33000 | 32800 | - |

| Soy DOC at Ports | | | |
|-------------------------------------|------------|-----------|--------|
| Centers | Port Price | | |
| | 07-May-20 | 06-May-20 | Change |
| Kandla (FOR) (INR/MT) | 34000 | 34000 | Unch |
| Kandla (FAS) (USD/MT) | 445 | 445 | Unch |
| CNF Indonesia – Yellow SBM (USD/MT) | Unq | Unq | - |

| Rapeseed Meal | 07-May-20 | 06-May-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 | 07-May-20 | 06-May-20 | Change |
| Soybean Pellets | 315 | 315 | Unch |
| Soybean Cake Flour | 315 | 315 | Unch |
| Soya Meal | 314 | 313 | 1 |
| Soy Expellers | 314 | 313 | 1 |

| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) |
|-----------------------|---------------------------|
|-----------------------|---------------------------|

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| Centers | 08-May-20 | 07-May-20 | Change |
|----------|-----------|-----------|--------|
| Adoni | 23000 | 23000 | Unch |
| Khamgaon | Unq | Unq | - |
| Parli | Unq | Unq | - |
| Latur | 22600 | 22600 | Unch |

| Groundnut Meal (Rs/MT) | 08-May-20 | 07-May-20 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | 28500 | 28500 | Unch |
| Basis 40%, Saurashtra | 26000 | 26000 | Unch |
| GN Cake, Gondal | 30000 | 30000 | Unch |

| Mustard DOC | 08-May-20 | 07-May-20 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 15800 | 16000 | -200 |
| Kandla (FOR Rs/MT) | 16500 | 16700 | -200 |

| Mumbai Oil Meal Quotes: | | | |
|-------------------------|-----------|-----------|--------|
| Rs/M.T. | 08-May-20 | 07-May-20 | Change |
| G.N. Extr (45%) | 27500 | 27750 | -250 |
| Kardi Extr | Unq | Unq | - |
| Undec Cottonseed Exp | 23500 | 23500 | Unch |
| Rice Bran Extr. | Unq | Unq | - |
| Sunflower Extr. | 19000 | 19000 | Unch |
| Rapeseed Extr. | Unq | Unq | - |
| Soymeal 48% | 33183 | 33183 | 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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