

**Soy Meal Fundamentals:** Steady to slightly weak tone witnessed in the domestic soymeal cash market Friday. Soymeal (Indore) witnessed steady sentiments on need based buying and was quoted at Rs. 32,300/MT. No major developments happened in the soymeal cash markets. Limited buying activity continues to be in the market due to the nationwide COVID-19 lockdown to contain the spread of coronavirus pandemic. Soymeal demand have severely hit due to the slack in demand from poultry sector with subsequent fall in poultry demand mainly due to coronavirus pandemic.

- In the SEA- Globoil second Webinar on Demand – supply situation of oilmeals and future outlook Dr. Davish Jain and Dr. BV Mehta said raised concern on the oversupply of the soymeal in the remaining marketing season.
- Mr. Balram Singh Yadav, MD Godrej Agrovet Ltd. said that if the COVID situation improves the poultry demand can bounce back to 60-65% by July'20.
- 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.
- SEA has not released the March and April exports data yet. SEA had reported that, 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.24 to April 30, 2020) US sold 131,400 MT for 2019/2020 were down 20 percent from the previous week and 15 percent from the prior 4-week average. Increases primarily for Colombia (21,100 MT, including decreases of 4,100 MT), Honduras (19,900 MT, including 6,000 MT switched from El Salvador), Ecuador (17,200 MT, including decreases of 5,500 MT), El Salvador (15,200 MT, including 8,400 MT switched from Guatemala ), and Peru (12,000 MT), were offset by reductions for Canada (10,400 MT). For 2020/2021, net sales of 39,800 MT were for unknown destinations (30,000 MT) and Panama (9,800 MT). Exports of 260,200 MT were up 27 percent from the previous week and 3 percent from the prior 4-week average. The destinations were primarily to the Philippines (92,000 MT), Colombia (47,500 MT), Ecuador (31,700 MT), Canada (23,300 MT), and Guatemala (13,200 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.

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	15-May-20	14-May-20	Parity To
Indore - 45%, Jute Bag	32300	32300	Gujarat, MP
Kota - 45%, PP Bag	33000	33000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33700	34000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	33500	33500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	34000	34500	Andhra, AP, Kar, TN
Latur	33500	33700	-
Sangli	33500	33500	Local and South
Solapur	32300	32300	Local and South
Akola – 45%, PP Bag	32300	32200	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	34000	33500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	32800	32800	-

Soy DOC at Ports			
Centers	Port Price		
	14-May-20	12-May-20	Change
Kandla (FOR) (INR/MT)	34750	34750	Unch
Kandla (FAS) (USD/MT)	443	443	Unch
CNF Indonesia – Yellow SBM (USD/MT)	Unq	0	-

Rapeseed Meal	14-May-20	12-May-20	Change
FAS Kandla (USD/MT)	Unq	0	-
FOR Kandla (Rs/MT)	Unq	0	-
FOR Mundra (Rs/MT)	Unq	0	-
CNF Indonesia (USD/MT)	Unq	0	-

International Soy DOC			
Argentina FOB USD/MT	14-May-20	12-May-20	Change
Soybean Pellets	321	325	-4
Soybean Cake Flour	321	325	-4
Soya Meal	323	327	-4
Soy Expellers	323	327	-4

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	15-May-20	14-May-20	Change
Adoni	22800	23200	-400
Khamgaon	Unq	Unq	-
Parli	Unq	Unq	-
Latur	22000	22800	-800

Groundnut Meal (Rs/MT)	15-May-20	14-May-20	Change
Basis 45%, Saurashtra	29000	29000	Unch
Basis 40%, Saurashtra	26500	26500	Unch
GN Cake, Gondal	30500	30500	Unch

Mustard DOC	15-May-20	14-May-20	Change
Jaipur (Plant delivery)	15700	15700	Unch
Kandla (FOR Rs/MT)	16500	16500	Unch

Mumbai Oil Meal Quotes:			
Rs/M.T.	15-May-20	14-May-20	Change
G.N. Extr (45%)	28000	28000	Unch
Kardi Extr	Unq	Unq	-
Undec Cottonseed Exp	24500	24500	Unch
Rice Bran Extr.	Unq	Unq	-
Sunflower Extr.	20000	19500	500
Rapeseed Extr.	Unq	Unq	-
Soymeal 48%	33704	33704	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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