

**Soy Meal Fundamentals:** Weak trend witnessed in the domestic soymeal market on sluggish demand Wednesday. Slack in demand in poultry have led to the decline in domestic soymeal demand. Currently there is no sign of recovery in soymeal demand. Soymeal consumption is severely hit due to the slack in demand from poultry sector with subsequent fall in poultry demand mainly due to coronavirus pandemic. Soymeal (Indore) further decline and was quoted at Rs. 31,500/MT compared to 32,000/MT previous day.

- There is weak overseas demand of the Indian origin soymeal. India's oilmeal exports during the 2019-20 fiscal year beginning April declined 27% to 2.43 million tonnes, said the Solvent Extractors' Association of India. India's oilmeal shipments fell 60% in April from a year earlier, as higher government-set oilseed MSP made the shipments uncompetitive. India exported 102,001 tonnes of oilmeal in April 2020, said the Solvent Extractors' Association of India.
- India's mustard meal exports fell 14% to 961,312 tonnes in 2019-20 (Apr-Mar) due to weak purchases by major buyers, according to data released by The Solvent Extractors' Association of India.
- 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.
- 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.
- US soymeal shipments in April fell to 890,931 tons, from 973,741 tons in March. In April 2019, soymeal exports were 763,203 tons, according to NOPA.
- During the week (May 22 to May 28, 2020) US net sales of 558,900 MT for 2019/2020 were up noticeably from the previous week and from the prior 4-week average. Increases primarily for the Philippines (392,700 MT, including 246,000 MT switched from unknown destinations), Libya (60,000 MT), Colombia (48,500 MT, including decreases of 2,600 MT and late 32,300 MT – see below), the Dominican Republic (27,300 MT, including decreases of 100 MT), and Venezuela (19,400 MT and late 10,400 MT – see below), were offset by reductions for unknown destinations (30,000 MT), Guatemala (7,900 MT), and Australia (7,000 MT). For 2020/2021, net sales of 25,000 MT for Colombia (19,300 MT), Thailand (3,200 MT), Guatemala (2,500 MT), El Salvador (1,800 MT), and Mexico (1,400 MT), were offset by reductions for unknown destinations (3,200 MT). Exports of 291,500 MT were up 30 percent from the previous week and 34 percent from the prior 4-week average. The destinations were primarily to the Philippines (81,300 MT), Colombia (65,800 MT), Guatemala (31,400 MT), Mexico (27,900 MT), and Canada (19,400 MT).
- In the May'20 report, USDA has kept India's soymeal production at 6.64 million tonnes for 2019/20 in lower from 7.68 million tonnes in 2018/19 season. Domestic consumption is also placed unchanged at 5.49 million tonnes for this season which was estimated at 5.28 million tonnes last season.

June 11, 2020

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	10-Jun-20	09-Jun-20	Parity To
Indore - 45%, Jute Bag	31500	32000	Gujarat, MP
Kota - 45%, PP Bag	32000	32800	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	33400	33700	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	33000	33000	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	33500	33500	Andhra, AP, Kar, TN
Latur	33200	33500	-
Sangli	32500	33000	Local and South
Solapur	31700	32000	Local and South
Akola – 45%, PP Bag	32000	32500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	33500	33500	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	31800	32600	-

Soy DOC at Ports			
Centers	Port Price		
	09-Jun-20	08-Jun-20	Change
Kandla (FOR) (INR/MT)	33600	33600	Unch
Kandla (FAS) (USD/MT)	445	445	Unch
CNF Indonesia – Yellow SBM (USD/MT)	Unq	Unq	-

Rapeseed Meal	09-Jun-20	08-Jun-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	09-Jun-20	08-Jun-20	Change
Soybean Pellets	320	322	-2
Soybean Cake Flour	320	322	-2
Soya Meal	321	322	-1
Soy Expellers	321	322	-1

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	10-Jun-20	09-Jun-20	Change
Adoni	23000	23000	Unch

June 11, 2020

Khamgaon	Unq	Unq	-
Parli	Unq	Unq	-
Latur	22500	22500	Unch

Groundnut Meal (Rs/MT)	10-Jun-20	09-Jun-20	Change
Basis 45%, Saurashtra	28000	28000	Unch
Basis 40%, Saurashtra	25500	25500	Unch
GN Cake, Gondal	29500	29500	Unch

Mustard DOC	10-Jun-20	09-Jun-20	Change
Jaipur (Plant delivery)	14500	15200	-700
Kandla (FOR Rs/MT)	15000	15600	-600

Mumbai Oil Meal Quotes:			
Rs/M.T.	10-Jun-20	09-Jun-20	Change
G.N. Extr (45%)	27500	27500	Unch
Kardi Extr	Unq	Unq	-
Undec Cottonseed Exp	24500	24500	Unch
Rice Bran Extr.	Unq	Unq	-
Sunflower Extr.	20000	20000	Unch
Rapeseed Extr.	Unq	Unq	-
Soymeal 48%	32870	33391	-521
Castor Extr.	Unq	Unq	-

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

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