

**Soy Meal Fundamentals:** Steady to weak sentiments are seen in the domestic soymeal on less demand, Saturday. Dull demand continues from major consuming sectors like poultry and feed manufacturers which may put more pressure on prices. 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) prices declined at Rs. 28,700/MT compared to the previous trading day record i.e. Rs.29,100/MT.

- In a major blow to the domestic soymeal market, which was already reeling under pressure, DGFT has blocked the online registration of Merchandise Export from India Scheme Claims (MEIS), this week, on its portal from exports undertaken 01.04.2020 onwards.
- This will result in further decline in soymeal exports from India, as MEIS benefit of 5% is a significant incentive to compete in the world market. SOPA has made a representation to the government to revoke the suspension of the MEIS benefit immediately. The revenue department have argued against continuing the MEIS, calling it wasteful and inefficient.
- The export of oilmeals from India during May 2020 is provisionally reported at 247,879 tons compared to 201,768 tons in May, 2019 i.e. up by 23%. The main reason in increased of oilmeals in May 2020 is sharpened increased in export of rapeseed meal to 144,244 tons from 72,895 tons in May 2019. The overall export of oilmeals during April and May 2020 is provisionally reported at 349,880 tons compared to 456,353 tons during the same period of previous year i.e. down by 23% - SEA.
- 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.
- 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.
- During the week (July 24 to July 30, 2020) US net sales of 104,100 MT for 2019/2020 were down 60 percent from the previous week and 32 percent from the prior 4-week average. Increases primarily for Colombia (37,300 MT, including decreases of 1,400 MT), Mexico (28,500 MT), Venezuela (20,000 MT), Canada (10,300 MT, including decreases of 600 MT), and Panama (3,000 MT), and were offset by reductions for unknown destinations (2,800 MT), Costa Rica (1,300 MT), and the Philippines (1,100 MT). For 2020/2021, net sales of 428,100 MT were primarily for the Philippines (224,200 MT), Spain (94,000 MT), Vietnam (50,000 MT), Colombia (29,000 MT), and Canada (10,300 MT). Exports of 232,500 MT were up 25 percent from the previous week and 3 percent from the prior 4-week average. The destinations were primarily to the Philippines (76,500 MT), Mexico (38,500 MT), Colombia (33,800 MT), Australia (25,000 MT), and Canada (23,700 MT).
- In the July 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.

August 10, 2020

**Soy DOC Rates at Different Centers**

Centres	Ex-factory rates (Rs/ton)		
	8-Aug-20	7-Aug-20	Parity To
Indore - 45%, Jute Bag	28700	29100	Gujarat, MP
Kota - 45%, PP Bag	31200	31200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	31300	31500	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	31200	31500	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	32400	32300	Andhra, AP, Kar, TN
Latur	32600	33000	-
Sangli	31000	31000	Local and South
Solapur	31400	31400	Local and South
Akola – 45%, PP Bag	31000	30800	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Hingoli	31800	31800	Andhra, Chattisgarh, Orrisa, Jharkhand, WB
Bundi	31000	31000	-

**Soy DOC at Ports**

Centers	Port Price		
	7-Aug-20	6-Aug-20	Change
Kandla (FOR) (INR/MT)	32500	32500	Unch
Kandla (FAS) (USD/MT)	445	445	Unch
CNF Indonesia – Yellow SBM (USD/MT)	425	420	5

Rapeseed Meal	7-Aug-20	6-Aug-20	Change
FAS Kandla (USD/MT)	223	222	1
FOR Kandla (Rs/MT)	16900	16800	100
FOR Mundra (Rs/MT)	17300	17200	100
CNF Indonesia (USD/MT)	252	250	2

**International Soy DOC**

Argentina FOB USD/MT	7-Aug-20	6-Aug-20	Change
Soybean Pellets	327	329	-2
Soybean Cake Flour	327	329	-2
Soya Meal	324	328	-4
Soy Expellers	324	328	-4

**Sunflower (DOC) Rates**

Centers	8-Aug-20	7-Aug-20	Change
Adoni	22800	22700	100

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Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	22400	22300	100

Groundnut Meal (Rs/MT)	8-Aug-20	7-Aug-20	Change
Basis 45%, Saurashtra	27500	27500	Unch
Basis 40%, Saurashtra	25000	25000	Unch
GN Cake, Gondal	28000	28000	Unch

Mustard DOC	8-Aug-20	7-Aug-20	Change
Jaipur (Plant delivery)	16300	16000	300
Kandla (FOR Rs/MT)	17000	16700	300

Mumbai Oil Meal Quotes:			
Rs/M.T.	8-Aug-20	7-Aug-20	Change
G.N. Extr (45%)	26000	26000	Unch
Kardi Extr	NA	NA	-
Undec Cottonseed Exp	21500	22000	-500
Rice Bran Extr.	NA	NA	-
Sunflower Extr.	18500	18500	Unch
Rapeseed Extr.	NA	NA	-
Soymeal 48%	30052	30365	-313
Castor Extr.	4800	4850	-50

**Outlook:** The domestic soymeal prices will continue to feature range-bound movement with weak bias on weak demand in poultry amidst COVID-19 concerns in near-to-medium term.

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