

Soy Meal Fundamentals: Steady to weak tone are witnessed in the domestic soymeal markets, Thursday. 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 closed steady at Rs. 29,000/T.

- 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 14, 2020

Soy DOC Rates at Different Centers

Centres	Ex-factory rates (Rs/ton)		
	13-Aug-20	11-Aug-20	Parity To
Indore - 45%, Jute Bag	29000	29000	Gujarat, MP
Kota - 45%, PP Bag	30700	30800	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	31300	31000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	30700	31200	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	31500	32000	Andhra, AP, Kar ,TN
Latur	32000	32000	-
Sangli	31000	31000	Local and South
Solapur	31400	31400	Local and South
Akola – 45%, PP Bag	30500	30500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	31700	31800	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	30500	30600	-

Soy DOC at Ports

Centers	Port Price		
	11-Aug-20	10-Aug-20	Change
Kandla (FOR) (INR/MT)	32500	32500	Unch
Kandla (FAS) (USD/MT)	445	445	Unch
CNF Indonesia – Yellow SBM (USD/MT)	420	415	5

Rapeseed Meal	11-Aug-20	10-Aug-20	Change
FAS Kandla (USD/MT)	220	222	-2
FOR Kandla (Rs/MT)	16500	16900	-400
FOR Mundra (Rs/MT)	16900	17300	-400
CNF Indonesia (USD/MT)	248	250	-2

International Soy DOC

Argentina FOB USD/MT	11-Aug-20	10-Aug-20	Change
Soybean Pellets	327	327	Unch
Soybean Cake Flour	327	327	Unch
Soya Meal	324	324	Unch
Soy Expellers	324	324	Unch

Sunflower (DOC) Rates

Centers	13-Aug-20	11-Aug-20	Change
Adoni	22700	22800	-100

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Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	22200	22400	-200

Groundnut Meal (Rs/MT)	13-Aug-20	11-Aug-20	Change
Basis 45%, Saurashtra	Closed	Closed	-
Basis 40%, Saurashtra	Closed	Closed	-
GN Cake, Gondal	Closed	Closed	-

Mustard DOC	13-Aug-20	11-Aug-20	Change
Jaipur (Plant delivery)	16000	16000	Unch
Kandla (FOR Rs/MT)	16300	16300	Unch

Mumbai Oil Meal Quotes:			
Rs/M.T.	13-Aug-20	11-Aug-20	Change
G.N. Extr (45%)	26000	26000	Unch
Kardi Extr	NA	NA	-
Undec Cottonseed Exp	22500	22500	Unch
Rice Bran Extr.	NA	NA	-
Sunflower Extr.	18500	18500	Unch
Rapeseed Extr.	NA	NA	-
Soymeal 48%	30260	30052	208
Castor Extr.	4650	4800	-150

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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