

Soy Meal Fundamentals: Steady to firm tone are featured in the domestic soymeal markets, Saturday. Soybean production estimate for 2020/21, weak soymeal exports and fall in local demand from poultry sector, and suspension of MEIS benefit/ incentive of 5% for soymeal exports by the Indian government may curb any major gain in the market. Soymeal (Indore) prices closed steady at Rs. 29500/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 (August 7 to August 13, 2020) US net sales reductions of 12,700 MT for 2019/2020--a marketing-year low--were down noticeably from the previous week and from the prior 4-week average. Increases primarily for the Netherlands (137,000 MT, including 132,000 MT switched from unknown destinations and decreases of 3,200 MT), Indonesia (88,800 MT, including 49,800 MT switched from unknown destinations and decreases of 600 MT), Spain (40,000 MT, switched from unknown destinations), Japan (38,700 MT, including 36,200 MT switched from unknown destinations and decreases of 200 MT), and France (23,000 MT, including 25,000 MT switched from unknown destinations and decreases of 2,000 MT), were offset by reductions for unknown destinations (342,800 MT) and China (32,800 MT). For 2020/2021, net sales of 2,573,200 MT were primarily for China (1,654,000 MT), unknown destinations (701,000 MT), Pakistan (66,000 MT), Bangladesh (55,000 MT), and Taiwan (24,000 MT). Exports of 899,000 MT were down 19 percent from the previous week, but up 22 percent from the prior 4-week average. The destinations were primarily to China (411,500 MT), the Netherlands (137,000 MT), Mexico (80,000 MT), Indonesia (77,600 MT), and Japan (41,600 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.

Soy DOC Rates at Different Centers			
Centres	Ex-factory rates (Rs/ton)		
	22-Aug-20	21-Aug-20	Parity To
Indore - 45%, Jute Bag	29500	29500	Gujarat, MP
Kota - 45%, PP Bag	31200	31200	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	32000	31800	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	31800	31400	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	32500	32400	Andhra, AP, Kar ,TN
Latur	32300	32300	-
Sangli	32300	32300	Local and South
Solapur	32000	32000	Local and South
Akola – 45%, PP Bag	31000	30300	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	32500	32000	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	31000	31000	-

Soy DOC at Ports			
Centers	Port Price		
	21-Aug-20	20-Aug-20	Change
Kandla (FOR) (INR/MT)	32500	32500	Unch
Kandla (FAS) (USD/MT)	445	445	Unch
CNF Indonesia – Yellow SBM (USD/MT)	400	400	Unch

Rapeseed Meal	21-Aug-20	20-Aug-20	Change
FAS Kandla (USD/MT)	221	221	Unch
FOR Kandla (Rs/MT)	16650	16650	Unch
FOR Mundra (Rs/MT)	17000	17000	Unch
CNF Indonesia (USD/MT)	248	248	Unch

International Soy DOC			
Argentina FOB USD/MT	21-Aug-20	20-Aug-20	Change
Soybean Pellets	339	341	-2
Soybean Cake Flour	339	341	-2
Soya Meal	337	341	-4
Soy Expellers	337	341	-4

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	22-Aug-20	21-Aug-20	Change

August 24, 2020

Adoni	Closed	22700	-
Khamgaon	Closed	NA	-
Parli	Closed	NA	-
Latur	Closed	22200	-

Groundnut Meal (Rs/MT)	22-Aug-20	21-Aug-20	Change
Basis 45%, Saurashtra	Closed	27500	-
Basis 40%, Saurashtra	Closed	24000	-
GN Cake, Gondal	Closed	28000	-

Mustard DOC	22-Aug-20	21-Aug-20	Change
Jaipur (Plant delivery)	Closed	16100	-
Kandla (FOR Rs/MT)	Closed	16600	-

Mumbai Oil Meal Quotes:			
Rs/M.T.	22-Aug-20	21-Aug-20	Change
G.N. Extr (45%)	Closed	26000	-
Kardi Extr	Closed	NA	-
Undec Cottonseed Exp	Closed	22500	-
Rice Bran Extr.	Closed	NA	-
Sunflower Extr.	Closed	18200	-
Rapeseed Extr.	Closed	NA	-
Soymeal 48%	Closed	30783	-
Castor Extr.	Closed	4350	-

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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