

Soy Meal Fundamentals: Steady to firm sentiments witnessed in the domestic soymeal. Improved overseas demand in soymeal in last couple of months remained supportive for the meal to some extent in recent while. Overall slack in poultry consumption due to COVID pandemic has hit the local soymeal demand. We expect the poultry demand to gradually improve in coming days.

International soymeal prices are appreciating due to the supply concerns and decline in Argentine soybean crushings and shipments in December 2020, following strike at crushing plants and export terminals. It has been over a fortnight since the workers have called on the strike on wage woes.

The Argentine soymeal prices have got dearer in last couple of months due to lean season, this has narrowed down the price spread of India vs Argentina, opening some exports window for India.

- India's soymeal exports improved by +28% to 6,36,981 metric tonnes during last seven months (Apr.-Nov.) of the financial year 2020-21 compared to 4,97,116 metric tonnes during the corresponding period last year.
- India's October 2020 soymeal exports improved by 89% to 120,290 metric tonnes compared to 63,800 metric tonnes in the same period last year. Further, it improved by 2.5% to 438,205 metric tonnes in aggregate, during the last six months (Apr.-Oct.) of financial year 2020-21 compared to 427,701 metric tonnes during the corresponding period last year.
- India's export of oilmeals for the month of October 2020 is reported at 317,394 metric tonnes compared to 238,992 metric tonnes in October 2019 i.e. up by 33%.
- The overall export of oilmeals during April to October 2020 is also reported up by 6% at 1,617,528 metric tonnes compared to 1,526,471 metric tonnes during the same period last year.
- US has turned out to be potential market for Indian organic soymeal. US was the largest importer of soymeal of Indian origin. In October 2020 India has shipped 131,394 metric tonnes of soymeal to the country. US is the largest producer of Genetic Modified (GM) soybean in the world, looking to India for supply of organic soybean meal.
- In-spite of tough competition in world market, export of rapeseed meal and ricebran extraction performed well, during the last seven months of financial year 2020-21.
- The export of rapeseed meal is reported at 729,799 metric tonnes against last year 607,786 metric tonnes during the same period i.e. up by 20%, and ricebran extraction is reported at 229,712 metric tonnes against last year 108,160 metric tonnes i.e. more than doubled (112%), higher processing of rapeseed oilcake and de-oiled ricebran increased availability for the export. The export of soybean meal is stagnant, while export of castorseed meal is still suffering.
- The global soy outlook is bullish with forecast of dry weather in Latin America and downward revision of the US 2020/21 crop which have been recently harvested and strong Chinese soy demand.

| Soy DOC Rates at Different Centers | | | |
|------------------------------------|---------------------------|-----------|---|
| Centres | Ex-factory rates (Rs/ton) | | |
| | 21-Dec-20 | 19-Dec-20 | Parity To |
| Indore - 45%, Jute Bag | 33000 | 32700 | Gujarat, MP |
| Kota - 45%, PP Bag | 34200 | 34200 | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 35200 | 35000 | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 34700 | 34500 | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 34500 | 34500 | Andhra, AP, Kar, TN |
| Latur | 36000 | 36000 | - |
| Sangli | 34300 | 34300 | Local and South |
| Solapur | 32700 | 32700 | Local and South |
| Akola – 45%, PP Bag | 34000 | 33700 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Hingoli | 34000 | 34000 | Andhra, Chattisgarh, Orissa, Jharkhand, WB |
| Bundi | 34000 | 34000 | - |

| Soy DOC at Ports | | | |
|-------------------------------------|------------|-----------|--------|
| Centers | Port Price | | |
| | 19-Dec-20 | 18-Dec-20 | Change |
| Kandla (FOR) (INR/MT) | 35500 | 35500 | Unch |
| Kandla (FAS) (USD/MT) | 495 | 495 | Unch |
| CNF Indonesia – Yellow SBM (USD/MT) | 505 | 505 | Unch |

| Rapeseed Meal | 19-Dec-20 | 18-Dec-20 | Change |
|------------------------|-----------|-----------|--------|
| FAS Kandla (USD/MT) | 275 | 272 | 3 |
| FOR Kandla (Rs/MT) | 19200 | 19000 | 200 |
| FOR Mundra (Rs/MT) | 19600 | 19400 | 200 |
| CNF Indonesia (USD/MT) | 315 | 312 | 3 |

| International Soy DOC | | | |
|-----------------------|-----------|-----------|--------|
| Argentina FOB USD/MT | 19-Dec-20 | 18-Dec-20 | Change |
| Soybean Pellets | Closed | 478 | - |
| Soybean Cake Flour | Closed | 478 | - |
| Soya Meal | Closed | 475 | - |
| Soy Expellers | Closed | 475 | - |

| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) | | |
|-----------------------|---------------------------|-----------|--------|
| Centers | 21-Dec-20 | 19-Dec-20 | Change |
| Adoni | 24300 | 24000 | 300 |
| Khamgaon | NA | NA | - |
| Parli | NA | NA | - |
| Latur | 23800 | 23600 | 200 |

| Groundnut Meal (Rs/MT) | 21-Dec-20 | 19-Dec-20 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | 25000 | 25000 | Unch |
| Basis 40%, Saurashtra | 22000 | 22000 | Unch |
| GN Cake, Gondal | 26000 | 26000 | Unch |

| Mustard DOC | 21-Dec-20 | 19-Dec-20 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 18700 | 18600 | 100 |
| Kandla (FOR Rs/MT) | 19700 | 19600 | 100 |

| Mumbai Oil Meal Quotes: | | | |
|-------------------------|-----------|-----------|--------|
| Rs/M.T. | 21-Dec-20 | 19-Dec-20 | Change |
| G.N. Extr (45%) | 24000 | 24500 | -500 |
| Kardi Extr | NA | NA | - |
| Undec Cottonseed Exp | 22500 | 22000 | 500 |
| Rice Bran Extr. | NA | NA | - |
| Sunflower Extr. | 24000 | 24000 | Unch |
| Rapeseed Extr. | NA | NA | - |
| Soymeal 48% | 34435 | 34435 | Unch |
| Castor Extr. | 4250 | 4250 | Unch |

Outlook: The domestic soymeal prices are expected to feature range-bound movement with firm bias on recovery in soymeal export sales in near term. However, sluggish local demand from poultry will limit the gains.

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