

Soy Meal Fundamentals: Domestic soymeal extended losses on reports of Avian-flu cases in North and Central Indian states, raising concern over poultry consumption and thus lower off-take in the meal from the sector. The state governments are conducting investigation to establish the facts of the flu after the deaths of birds in Himachal Pradesh, Haryana, Madhya Pradesh and Kerala. 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 crushing 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 November 2020 soymeal exports improved by +186% to 1,98,776 metric tonnes compared to 69,415 metric tonnes in the same period last year. Further, the soymeal shipments improved by +28% to 6,36,981 metric tonnes in aggregate, during the last seven months (Apr.-Nov.) of financial year 2020-21 compared to ,49,7116 metric tonnes during the corresponding period last year.
- India's export of oilmeals for the month of November 2020 is reported at 3,31,171 metric tonnes compared to 2,08,401 metric tonnes in November 2019 i.e. up by +59%.
- The overall export of oilmeals during April to November 2020 is also reported up by +12% at 19,48,699 metric tonnes compared to 17,34,875 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 November 2020 India has shipped 1,49,747 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 in November'20 is reported at 45,050 metric tonnes against last year 73,235 metric tonnes during the same period i.e. down by -45%, and ricebran extraction is reported at 50,089 metric tonnes against last year 12,157 metric tonnes i.e. more than quadrupled (312%), higher processing of de-oiled ricebran increased availability for the export. Bangladesh re-emerging large importer of rapeseed-meal and ricebran. extraction.
- 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)		
	08-Jan-21	07-Jan-21	Parity To
Indore - 45%, Jute Bag	32500	33500	Gujarat, MP
Kota - 45%, PP Bag	34000	34500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	35700	36000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	34500	34800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	35000	35000	Andhra, AP, Kar, TN
Latur	36000	36000	-
Sangli	34000	34500	Local and South
Solapur	33600	33600	Local and South
Akola – 45%, PP Bag	33900	34200	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	34500	35000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	33800	34300	-

Soy DOC at Ports			
Centers	Port Price		
	07-Jan-21	06-Jan-21	Change
Kandla (FOR) (INR/MT)	37500	37500	Unch
Kandla (FAS) (USD/MT)	525	535	-10
CNF Indonesia – Yellow SBM (USD/MT)	540	540	Unch

Rapeseed Meal	07-Jan-21	06-Jan-21	Change
FAS Kandla (USD/MT)	275	265	10
FOR Kandla (Rs/MT)	20300	18700	1600
FOR Mundra (Rs/MT)	20700	20900	-200
CNF Indonesia (USD/MT)	335	340	-5

International Soy DOC			
Argentina FOB USD/MT	07-Jan-21	06-Jan-21	Change
Soybean Pellets	510	516	-6
Soybean Cake Flour	510	516	-6
Soya Meal	516	509	7
Soy Expellers	516	509	7

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Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	08-Jan-21	07-Jan-21	Change
Adoni	25000	25000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	24500	24500	Unch

Groundnut Meal (Rs/MT)	08-Jan-21	07-Jan-21	Change
Basis 45%, Saurashtra	23500	23500	Unch
Basis 40%, Saurashtra	21000	21000	Unch
GN Cake, Gondal	24500	24500	Unch

Mustard DOC	08-Jan-21	07-Jan-21	Change
Jaipur (Plant delivery)	19800	20300	-500
Kandla (FOR Rs/MT)	20200	20800	-600

Mumbai Oil Meal Quotes:			
Rs/M.T.	08-Jan-21	07-Jan-21	Change
G.N. Extr (45%)	24000	24000	Unch
Kardi Extr	NA	NA	-
Undec Cottonseed Exp	23500	23500	Unch
Rice Bran Extr.	NA	NA	-
Sunflower Extr.	25000	25000	Unch
Rapeseed Extr.	NA	NA	-
Soymeal 48%	33913	34957	-1044
Castor Extr.	4450	4250	200

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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