

Soy Meal Fundamentals: Firm sentiments witnessed in the domestic soymeal after the stock prices of the major poultry companies started heading upwards. The confirmed reports of Bird flu in the states Delhi, Gujarat, Haryana, Himachal Pradesh, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh and Uttarakhand may eventually hit the soymeal demand for short-term.

Besides, the chicken and meat market of the capital, one of the largest consuming centre have re-opened after the samples revealed no traces of bird flu.

Improved overseas demand in soymeal in last couple of months and firm global market 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 exported 599,630 tonnes of soymeal in the December quarter, nearly 154% more than a year ago - SOPA.
- 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)		
	16-Jan-21	15-Jan-21	Parity To
Indore - 45%, Jute Bag	35200	34900	Gujarat, MP
Kota - 45%, PP Bag	36200	35500	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	37000	36800	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	35500	34600	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	36000	35000	Andhra, AP, Kar ,TN
Latur	36200	35500	-
Sangli	34800	34300	Local and South
Solapur	33700	33700	Local and South
Akola – 45%, PP Bag	35200	34500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	35500	34500	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	35800	35300	-

Soy DOC at Ports

Centers	Port Price		
	15-Jan-21	14-Jan-21	Change
Kandla (FOR) (INR/MT)	38000	37500	500
Kandla (FAS) (USD/MT)	540	545	-5
CNF Indonesia – Yellow SBM (USD/MT)	562	545	17

Rapeseed Meal	15-Jan-21	14-Jan-21	Change
FAS Kandla (USD/MT)	275	277	-2
FOR Kandla (Rs/MT)	19600	19900	-300
FOR Mundra (Rs/MT)	19900	20200	-300
CNF Indonesia (USD/MT)	328	330	-2

International Soy DOC

Argentina FOB USD/MT	15-Jan-21	14-Jan-21	Change
Soybean Pellets	540	546	-6
Soybean Cake Flour	540	546	-6
Soya Meal	544	546	-2
Soy Expellers	544	546	-2

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	16-Jan-21	15-Jan-21	Change
Adoni	25500	25500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	25000	25000	Unch

Groundnut Meal (Rs/MT)	16-Jan-21	15-Jan-21	Change
Basis 45%, Saurashtra	23500	23500	Unch
Basis 40%, Saurashtra	21000	21000	Unch
GN Cake, Gondal	24500	24500	Unch

Mustard DOC	16-Jan-21	15-Jan-21	Change
Jaipur (Plant delivery)	19000	19000	Unch
Kandla (FOR Rs/MT)	19600	19600	Unch

Mumbai Oil Meal Quotes:			
Rs/M.T.	16-Jan-21	15-Jan-21	Change
G.N. Extr (45%)	25000	24000	1000
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%	36522	35478	1044
Castor Extr.	4500	4500	Unch

Outlook: The domestic soymeal prices are expected to feature range-bound movement with weak bias on outbreak of bird flu in several Indian states, in near term.

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.