

January 28, 2021

Soy Meal Fundamentals: The domestic soymeal prices closed up amid improved demand today. However, the confirmed reports of Bird flu in the states Delhi, Gujarat, Haryana, Himachal Pradesh, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh and Uttarakhand may limit any major gain for short term. The oilmeal export figures of December 2020 are higher as compared to the same period last year.

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's December 2020 soymeal exports improved by +248% to 2,51,221 metric tonnes compared to 72,233 metric tonnes in the same period last year. Further, the soymeal shipments improved by +56% to 8,88,202 metric tonnes in aggregate, during the last eight months (Apr.-Dec.) of financial year 2020-21 compared to 5,69,349 metric tonnes during the corresponding period last year.
- India's export of oilmeals for the month of December 2020 is reported at 5,12,997 metric tonnes compared to 2,20,404 metric tonnes in December 2019 i.e. up by +13%.
- The overall export of oilmeals during April to December 2020 is also reported up by +26% at 24,61,696 metric tonnes compared to 19,55,276 metric tonnes during the same period last year.
- Of the total soymeal exports of 2,51,221 metric tonnes in December 2020, Bangladesh, Iran and US remained to top buyers with imports figures touching 43,794 metric tonnes, 42,000 metric tonnes and 26,051 metric tonnes respectively..
- In spite of tough competition in world market, export of rapeseed meal and ricebran extraction performed well, during the last eight months of financial year 2020-21.
- India's exports for rapeseed meal during April-December 2020 was up +24% at 9,16,715 metric tonnes compared to 7,41,199 metric tonnes during the same period previous marketing season.
- The export of rapeseed meal in December'20 is reported at 1,41,866 metric tonnes against last year 60,178 metric tonnes during the same period i.e. up by +136%, and ricebran extraction is reported at 59,470 metric tonnes against last year 43,891 metric tonnes i.e. +35% higher compared to the same period last year.
- The global soy outlook is bullish as the Latin America is hit by dry weather conditions, 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)		
	27-Jan-21	25-Jan-21	Parity To
Indore - 45%, Jute Bag	35600	34000	Gujarat, MP
Kota - 45%, PP Bag	36200	35000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	36700	36000	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	36500	35800	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	36000	35000	Andhra, AP, Kar, TN
Latur	36000	35500	-
Sangli	35500	35600	Local and South
Solapur	33700	33700	Local and South
Akola – 45%, PP Bag	35300	34800	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Hingoli	35000	35000	Andhra, Chattisgarh, Orissa, Jharkhand, WB
Bundi	36000	34800	-

Soy DOC at Ports			
Centers	Port Price		
	25-Jan-21	23-Jan-21	Change
Kandla (FOR) (INR/MT)	37000	37500	-500
Kandla (FAS) (USD/MT)	520	535	-15
CNF Indonesia – Yellow SBM (USD/MT)	560	560	Unch

Rapeseed Meal	25-Jan-21	23-Jan-21	Change
FAS Kandla (USD/MT)	290	290	Unch
FOR Kandla (Rs/MT)	20600	20600	Unch
FOR Mundra (Rs/MT)	20900	20900	Unch
CNF Indonesia (USD/MT)	335	335	Unch

International Soy DOC			
Argentina FOB USD/MT	25-Jan-21	23-Jan-21	Change
Soybean Pellets	500	491	9
Soybean Cake Flour	500	491	9
Soya Meal	487	485	2
Soy Expellers	487	485	2

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	27-Jan-21	25-Jan-21	Change
Adoni	26500	26500	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	26000	26000	Unch

Groundnut Meal (Rs/MT)	27-Jan-21	25-Jan-21	Change
Basis 45%, Saurashtra	24500	24500	Unch
Basis 40%, Saurashtra	22000	22000	Unch
GN Cake, Gondal	25500	25500	Unch

Mustard DOC	27-Jan-21	25-Jan-21	Change
Jaipur (Plant delivery)	19600	19700	-100
Kandla (FOR Rs/MT)	20300	20500	-200

Mumbai Oil Meal Quotes:			
Rs/M.T.	27-Jan-21	25-Jan-21	Change
G.N. Extr (45%)	25500	25000	500
Kardi Extr	NA	NA	-
Undec Cottonseed Exp	24500	24500	Unch
Rice Bran Extr.	NA	NA	-
Sunflower Extr.	24500	24500	Unch
Rapeseed Extr.	NA	NA	-
Soymeal 48%	36000	35478	522
Castor Extr.	4350	4350	Unch

Outlook: The domestic soymeal prices are expected to feature range-bound movement with weak bias on rains in South America and outbreak of bird flu in several Indian states, in near term. But strong overseas meal demand will limit any sharp fall in the same.

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.