

Friday, 14th January, 2022

- **Soy Meal Fundamentals:** Indore soymeal prices went down as compared to previous day amid sluggish soymeal export demand due to non- competitive prices in global market. In upcoming months too soymeal export is expected to remain slack.
- According to SOPA, Oct-Dec'21 soy crush went down by 37% at 21 lakh tonnes as compared to 33.5 lakh tonne previous year same period, while arrival too remained low by 23% at 40 lakh tonnes as compared to 52 lakh tonne previous year same period. Additionally, estimated December'21 stock is at 90.86 lakh tonne vs 65.93 lakh tonne previous year. Slack soymeal export demand and low crush margin has triggered tight crushing and kept prices soy prices checked in first quarter of this season.
- It is inferred from SOPA data that arrivals are slower as farmers are expecting better prices for soybean, but on the other hand industry is unable to find sufficient demand for soybean deoiled cake even at current prices. This has resulted into prices of soybean DOC as well as those of soybean declining despite of low arrivals.
- Currently India is outpriced for soybean meal export as Ex. Kandla quoted at US\$ 760/MT against Brazil origin US\$ 473/MT and Argentina US\$ 471/MT, USA US\$ 484/MT. India's Soymeal export likely to remain slack due to higher prices.
- Department of consumer affairs, food and public distribution has imposed stock limit on soymeal till June 30, 2022. Soymeal millers, processors or plants are allowed to hold stocks only up to 90 days of production, the limits were imposed after amending the Essential Commodities Act of 1955 to include soymeal in the category.
- As per Agriwatch estimates, total availability of soymeal in the country for MY 2021-22 is likely to be 88.80 lakh tonnes. Annual soymeal consumption stands between 60-65 lakh tonnes while 15-18 lakh tonnes soymeal is exported annually. So, demand and supply of soymeal in the country seems balanced.
- According to Solvent extractor association of india, India's November'2021 soymeal exports declined by 78% to 42,951 metric tonnes compared to 1,98,776 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 66% to 2,19,077 metric tonnes in aggregate, during the months (April-Nov.) of financial year 2020-21 compared to 6,36,981 metric tonnes during the corresponding period last year.
- Additionally, Export of oilmeals for the month of November'2021 provisionally reported at 1,62,442 tons compared to 3,32,336 tons last year same period i.e. down by 51%. The overall export of oilmeals during April – Nov'2021 is reported at 15,96,131 tons compared to 19,51,558 tons i.e. down by 18%.
- Further, India's exports for rapeseed meal during April-Nov'2021 was down 10% at 7,00,613 metric tonnes compared to 7,74,849 metric tonnes during the same period previous marketing season.
- The export of rapeseed meal in November'21 is reported at 42,383 metric tonnes against last year 45,050 metric tonnes during the same period i.e. down by 6%.
- According to USDA Jan'21 report, India's 2021/22 soymeal production is estimated higher at 8 million tonnes vs 7.6 million tonnes last year while ending stock is estimated higher at 6.37 lakh tonnes vs 6.67 lakh tonne previous month while last year it was 3.82 lakh tonnes.

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Previous Update

- According to Solvent extractor association of india, India's October'2021 soymeal exports declined by 88% to 14,538 metric tonnes compared to 120,290 metric tonnes in the same period last year. Further, the soymeal shipments too declined by 60% to 176,126 metric tonnes in aggregate, during the months (April-Oct.) of financial year 2020-21 compared to 438,205 metric tonnes during the corresponding period last year.
- Additionally, Export of oilmeals for the month of October'2021 provisionally reported at 157,467 tons compared to 318,706 tons in 2020 i.e. down by 51%. The overall export of oilmeals during April – October 2021 is reported at 14,33231 tons compared to 161,9222 tons i.e. down by 11%.
- Further, India's exports for rapeseed meal during April-Oct'2021 was down 10% at 658,230 metric tonnes compared to 729,799 metric tonnes during the same period previous marketing season.
- The export of rapeseed meal in October'21 is reported at 52,875 metric tonnes against last year 101,909 metric tonnes during the same period i.e. down by 48%.

Soy DOC Rates at Different Centers				
Centres	Ex-factory rates (Rs/ton)			Parity To
	13-Jan-22	12-Jan-22	Change	
Indore - 45%, Jute Bag	52500	53500	-1000	Gujarat, MP
Kota - 45%, PP Bag	54700	55700	-1000	Rajasthan, Del, Punjab, Haryana
Dhulia/Jalna - 45%, PP Bag	57500	57500	Unch	Mumbai, Maharashtra
Nagpur - 45%, PP Bag	57000	57000	Unch	Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN
Nanded	55500	55500	Unch	Andhra, AP, Kar ,TN
Latur	57000	57000	Unch	-
Sangli	53800	54000	-200	Local and South
Solapur	56000	56000	Unch	Local and South
Akola – 45%, PP Bag	53000	53000	Unch	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Hingoli	56000	56000	Unch	Andhra, Chattisgarh, Orrisa,Jharkhand, WB
Bundi	54500	55500	-1000	-

Soy DOC at Ports	
Centers	Port Price

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	12-Jan-22	11-Jan-22	Change
Kandla (FOR) (INR/MT)	57000	57000	Unch
Kandla (FAS) (USD/MT)	NA	NA	-
CNF Indonesia – Yellow SBM (USD/MT)	NA	NA	-

Rapeseed Meal	12-Jan-22	11-Jan-22	Change
FAS Kandla (USD/MT)	291	291	Unch
FOR Kandla (Rs/MT)	21500	22500	-1000
FOR Mundra (Rs/MT)	NA	NA	-
CNF Indonesia (USD/MT)	345	345	Unch

International Soy DOC			
Argentina FOB USD/MT	12-Jan-22	11-Jan-22	Change
Soybean Pellets	475	465	10
Soybean Cake Flour	475	465	10
Soya Meal	NR	NR	-
Soy Expellers	NR	NR	-

Sunflower (DOC) Rates	Ex-factory rates (Rs/ton)		
Centers	13-Jan-22	12-Jan-22	Change
Adoni	30000	30000	Unch
Khamgaon	NA	NA	-
Parli	NA	NA	-
Latur	29500	29500	Unch

Groundnut Meal (Rs/MT)	13-Jan-22	12-Jan-22	Change
Basis 45%, Saurashtra	38000	38000	Unch
Basis 40%, Saurashtra	32000	32000	Unch
GN Cake, Gondal	38000	38000	Unch

Mustard DOC	13-Jan-22	12-Jan-22	Change
Jaipur (Plant delivery)	23500	24000	-500
Kandla (FOR Rs/MT)	24200	24600	-400

Mumbai Oil Meal Quotes:			
Rs/M.T.	13-Jan-22	12-Jan-22	Change
G.N. Extr (45%)	38000	38000	Unch
Kardi Extr	NA	NA	-
Undec Cottonseed Exp	37500	38000	-500

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Rice Bran Extr.	NA	NA	-
Sunflower Extr.	32000	32000	Unch
Rapeseed Extr.	NA	NA	-
Soymeal 48%	55826	55826	Unch
Castor Extr.	10950	10650	300

Outlook: Soymeal prices in domestic market expected to trade range bound amid slacked soymeal export demand. Soymeal indore prices are likely to trade between 50,000-55,000 in near term.

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