

Tuesday, 18th January, 2022

- **Soy Meal Fundamentals:** Indore soymeal prices went down as compared to previous day in tandem with soybean prices amid sluggish soymeal export demand due to non- competitive prices in global market. In upcoming months too soymeal export is expected to remain slacked.
- 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. Slacked 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 slacked 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.

Tuesday, 18th January, 2022

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 |
| | 17-Jan-22 | 15-Jan-22 | Change | |
| Indore - 45%, Jute Bag | 51500 | 52000 | -500 | Gujarat, MP |
| Kota - 45%, PP Bag | 54200 | 54700 | -500 | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 56000 | 56000 | Unch | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 55000 | 57000 | -2000 | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 55000 | 55500 | -500 | Andhra, AP, Kar, TN |
| Latur | 56000 | 56500 | -500 | - |
| Sangli | 52500 | 53800 | -1300 | Local and South |
| Solapur | 56000 | 56000 | Unch | Local and South |
| Akola – 45%, PP Bag | 52000 | 53000 | -1000 | Andhra, Chattisgarh, Orrisa, Jharkhand, WB |
| Hingoli | 54500 | 55500 | -1000 | Andhra, Chattisgarh, Orrisa, Jharkhand, WB |
| Bundi | 54000 | 54500 | -500 | - |

| Soy DOC at Ports | | | |
|------------------|------------|-----------|--------|
| Centers | Port Price | | |
| | 15-Jan-22 | 14-Jan-22 | Change |

Tuesday, 18th January, 2022

| | | | |
|-------------------------------------|-------|-------|------|
| Kandla (FOR) (INR/MT) | 54600 | 54600 | Unch |
| Kandla (FAS) (USD/MT) | NA | NA | - |
| CNF Indonesia – Yellow SBM (USD/MT) | NA | NA | - |

| Rapeseed Meal | 15-Jan-22 | 14-Jan-22 | Change |
|------------------------|-----------|-----------|--------|
| FAS Kandla (USD/MT) | 290 | 290 | Unch |
| FOR Kandla (Rs/MT) | 21500 | 21500 | Unch |
| FOR Mundra (Rs/MT) | NA | NA | - |
| CNF Indonesia (USD/MT) | 342 | 342 | Unch |

| International Soy DOC | | | |
|-----------------------|-----------|-----------|--------|
| Argentina FOB USD/MT | 15-Jan-22 | 14-Jan-22 | Change |
| Soybean Pellets | Closed | 470 | - |
| Soybean Cake Flour | Closed | 470 | - |
| Soya Meal | Closed | NR | - |
| Soy Expellers | Closed | NR | - |

| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) | | |
|-----------------------|---------------------------|-----------|--------|
| Centers | 17-Jan-22 | 15-Jan-22 | Change |
| Adoni | 30000 | 30000 | Unch |
| Khamgaon | NA | NA | - |
| Parli | NA | NA | - |
| Latur | 29500 | 29500 | Unch |

| Groundnut Meal (Rs/MT) | 17-Jan-22 | 15-Jan-22 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | 38000 | Closed | - |
| Basis 40%, Saurashtra | 33000 | Closed | - |
| GN Cake, Gondal | 38000 | Closed | - |

| Mustard DOC | 17-Jan-22 | 15-Jan-22 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 24800 | 24500 | 300 |
| Kandla (FOR Rs/MT) | 25800 | 25400 | 400 |

| Mumbai Oil Meal Quotes: | | | |
|-------------------------|-----------|-----------|--------|
| Rs/M.T. | 17-Jan-22 | 15-Jan-22 | Change |
| G.N. Extr (45%) | 38000 | 38000 | Unch |
| Kardi Extr | NA | NA | - |
| Undec Cottonseed Exp | 37000 | 37000 | Unch |
| Rice Bran Extr. | NA | NA | - |

Tuesday, 18th January, 2022

| | | | |
|-----------------|-------|-------|------|
| Sunflower Extr. | 32000 | 32000 | Unch |
| Rapeseed Extr. | NA | NA | - |
| Soymeal 48% | 54783 | 55304 | -521 |
| Castor Extr. | 10950 | 10950 | Unch |

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