

Soy Meal Fundamentals:

Today's Update- Soymeal Indore prices went up by 2.3% at INR 45,000/MT as compared to previous day in tandem with soybean prices. In other markets soymeal traded with steady bias. Month-to-date Soymeal prices are up by 1.1% and Year-to-date down by 26%. Soymeal prices in the domestic market are expected to trade range bound with steady bias in the range of 42,000-45,000 in near term tracking weakness in soybean seed and soy oil prices.



Total Soy meal exports in Oct- Feb'23 went up by 256% to 6.66 Lakh tonnes vs 1.87 Lakh tonnes previous year same period. However, Soymeal exports up by 582% to 2.30 Lakh tonnes in Feb'23 Vs 0.34 Lakh tonnes previous year same period. Soymeal exports went up for the sixth straight month on good soymeal export demand from south east Asia tracking competitive prices in global markets. In upcoming month too soymeal exports likely to go up on good demand.

There is a significant jump in export of rapeseed meal in Feb'23 and reported at 1.4 Lakh tons compared to 0.43 Lakh tons previous year same period i.e., up by 13%. Upon record crop of rapeseed and crushing resulted in the highest processing, availability of rapeseed meal and export. Currently India is the most competitive supplier of rapeseed meal to South Korea, Vietnam, Thailand and other Far East Countries. In upcoming months too, we expect good exports amid firm demand from South east Asia.

According to the report by SOPA, the crushing of soybean has increased by 48% between October 2022 and February 2023, reaching 52.5 lakh tonnes. This represents a significant increase from the same period the previous year, which saw 35.5 lakh tonnes crushed. Additionally, arrivals have increased by 29% to 71 lakh tonnes, up from 55 lakh tonnes during the same period last year. Domestic and export demand of soymeal encouraged soybean crushing for the aforementioned period. For the month of Feb'23 crush to arrival ratio stood at 90% and soymeal production projected at 79.82 Lt Vs. 67.05 Lt prev year. Crushing projected at 100 Lt. Vs 84 Lt prev year. Soymeal export projected at 14 Lt vs 6.44 Lt prev year.

According to USDA Mar'23 report, 2022/23, India's Soybean crush is estimated to be at 9.7 MMT as compared to previous year at 9.9 MMT and country's domestic Soymeal consumption is estimated to be at 6.66 MMT Vs 7.02 MMT previous year. Moreover, Soymeal exports is projected at 1.2 MMT as compared to 0.94 MMT previous year.

India's soymeal exports likely to double in the 2022/23 marketing year, as drought in top exporter Argentina lifted global prices, prompting buyers to turn to the south Asian country like India with cheaper rates. The revival in Soymeal exports has boosted soybean crushing in India and soy oil availability could limit the import of soy oil and palm oil. Exports demand for Indian soymeal has been reviving since it is cheaper than supplies from Argentina. India's soymeal exports in the current marketing year could rise to 15- 20 Lakh tonnes, from 644,000 tonnes a year ago. India's soymeal exports in the first three months of the 2022/23 marketing year, which started on Oct. 1, jumped 223% to 325,409 tonnes, according to trade body the Solvent Extractors' Association of India.

| Centres | Ex-factory rates (Rs/ton) | | | Parity To |
|----------------------------|---------------------------|-----------|--------|---|
| | 30-Mar-23 | 29-Mar-23 | Change | |
| Indore - 45%, Jute Bag | 45000 | 44500 | ▲ 500 | Gujarat, MP |
| Kota - 45%, PP Bag | 46000 | 46000 | Unch | Rajasthan, Del, Punjab, Haryana |
| Dhulia/Jalna - 45%, PP Bag | 47000 | 47000 | Unch | Mumbai, Maharashtra |
| Nagpur - 45%, PP Bag | 46000 | 46000 | Unch | Chattisgarh, Orissa, Bihar, Bangladesh, AP, Kar, TN |
| Nanded | 46000 | 46000 | Unch | Andhra, AP, Kar, TN |
| Latur | 46000 | 46000 | Unch | - |
| Sangli | 42500 | 42500 | Unch | Local and South |
| Solapur | 46000 | 46000 | Unch | Local and South |
| Akola – 45%, PP Bag | 44500 | 44500 | Unch | Andhra, Chattisgarh, Orrisa, Jharkhand, WB |
| Hingoli | 45500 | 45500 | Unch | Andhra, Chattisgarh, Orrisa, Jharkhand, WB |
| Bundi | 45800 | 45800 | Unch | - |

| Soy DOC at Ports | | | |
|-------------------------------------|------------|-----------|--------|
| Centers | Port Price | | |
| | 29-Mar-23 | 28-Mar-23 | Change |
| Kandla (FOR) (INR/MT) | 46000 | 46000 | Unch |
| Kandla (FAS) (USD/MT) | 565 | 565 | Unch |
| CNF Indonesia – Yellow SBM (USD/MT) | 587 | 582 | ▲ 5 |

| Rapeseed Meal | 29-Mar-23 | 28-Mar-23 | Change |
|------------------------|-----------|-----------|--------|
| FAS Kandla (USD/MT) | 260 | 260 | Unch |
| FOR Kandla (Rs/MT) | 20600 | 20600 | Unch |
| FOR Mundra (Rs/MT) | NA | NA | - |
| CNF Indonesia (USD/MT) | 285 | 281 | ▲ 4 |

| International Soy DOC | | | |
|-----------------------|-----------|-----------|--------|
| Argentina FOB USD/MT | 29-Mar-23 | 28-Mar-23 | Change |
| Soybean Pellets | 519 | 518 | ▲ 1 |
| Soybean Cake Flour | 519 | 518 | ▲ 1 |
| Soya Meal | NR | NR | - |
| Soy Expellers | NR | NR | - |

| Sunflower (DOC) Rates | Ex-factory rates (Rs/ton) |
|-----------------------|---------------------------|
|-----------------------|---------------------------|

| Centers | 30-Mar-23 | 29-Mar-23 | Change |
|----------|-----------|-----------|--------|
| Adoni | 32000 | 32000 | Unch |
| Khamgaon | NA | NA | - |
| Parli | NA | NA | - |
| Latur | NA | NA | - |

| Groundnut Meal (Rs/MT) | 30-Mar-23 | 29-Mar-23 | Change |
|------------------------|-----------|-----------|--------|
| Basis 45%, Saurashtra | - | Closed | - |

| Mustard DOC | 30-Mar-23 | 29-Mar-23 | Change |
|-------------------------|-----------|-----------|--------|
| Jaipur (Plant delivery) | 20300 | 20300 | Unch |
| Kandla (FOR Rs/MT) | 21000 | 21000 | Unch |

| Mumbai Oil Meal Quotes: | | | |
|-------------------------|-----------|-----------|--------|
| Rs/M.T. | 30-Mar-23 | 29-Mar-23 | Change |
| G.N. Extr (45%) | 37000 | 37000 | Unch |
| Kardi Extr | NA | NA | - |
| Undec Cottonseed Exp | 31000 | 31000 | Unch |
| Rice Bran Extr. | NA | NA | - |
| Sunflower Extr. | 28000 | 28000 | Unch |
| Rapeseed Extr. | NA | NA | - |
| Soymeal 48% | 46696 | 46696 | Unch |
| Castor Extr. | 7300 | 7300 | Unch |

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