NCDEX launches Soybean meal contract, thereby offering a complete hedging solution

Soy basket – Soybean, Ref Soy Oil and Soybean meal

Mumbai, January 10, 2017: The National Commodity and Derivatives Exchange Ltd. (NCDEX), India’s leading commodity exchange, today announced the commencement of trading in Soybean meal futures.

Since Soybean crushing yields about 80% Soybean meal, the Soybean meal price becomes a complete reference for the entire Soy complex. India, being the 5th largest Soybean producer and exporter of Soymeal, the availability of a national price benchmark will help the entire Soy value chain from farmers, traders to millers, exporters and the entire feed industry which is the biggest demand driver for Soybean meal. The feed industry – poultry, livestock and dairy will now have an effective tool to manage their price risk and get transparent and relevant price signals.

Samir Shah, Managing Director and CEO, NCDEX, said, “This launch completes the Soy basket on the Exchange platform – comprising of Soybean, Refined Soy Oil and now Soybean meal. It has been our constant endeavour to provide a stronger, broad based product offering, which adds economic value to Agri businesses. We are encouraged by the continued support of the industry and look forward to a successful launch of the contract.”

India has over the years assiduously built an export market for soybean meal. In recent times, erratic production of the bean, declining Soymeal exports have caused considerable pressure on the oil milling industry, who are heavily exposed to price risks. The availability of the Soybean meal contract now provides the value chain participants with a -complete hedging solution.

An intention matching contract, it enables the participants to trade and hedge based on their crush parity. The Soybean meal contract, being included in the “List B” commodities, with a transaction charge of Rs. 2/lakh of trade and no risk management fee, makes it a highly cost effective contract for the trade.

Yellow Soybean meal contract (Symbol : SBMEALIDR), grade- expander type grade, expiring in the months of March 2017 and April 2017 would be available for trading from January 10, 2017. The contract specifications are available on www.ncdex.com.
About NCDEX:

As India’s leading online exchange, NCDEX is where customers repose trust. It offers the widest range of benchmark products across agriculture, metals and precious metals. NCDEX brings buyers and sellers together through its electronic trading platform. With a widely held shareholding, it enjoys the distinction of being the only exchange in the country promoted by national-level institutions. The institutional promoters and shareholders of NCDEX are prominent players in their respective fields and bring with them institutional building experience, trust, nation-wide reach, technology and risk management skills.

For further details contact

Shalaka Kagathra - 9820572798
Corporate Communications
NCDEX

Mr. Bhuwan Bhaskar-09560473332
Corporate Communications
NCDEX