

Domestic Fundamentals:

- Edible oil complex featured weak trend in various markets centers on Wednesday.
- Soy oil domestic futures prices rose on supply concerns while palm oil domestic futures fell on demand concerns and fall in crude oil prices. BMD CPO rose on bargain buying. CBOT soy oil fell on fall in crude oil prices. Global crude oil prices will keep pressure on edible oils complex.
- There has been demand destruction in Indian edible oils complex with most of it in palm oil. However, demand destruction is mostly across imported oils India has been importing less edible oils in oil year 2019-2020. This has led to higher premium of these oils in the Indian markets. If supplies are not met with either higher imports or production then prices of edible oil will rise sharply in Indian markets. Imports of edible oils are expected to fall for the first time since records are kept due to weak demand. Most if the demand destruction is in palm oil which has fallen due to lockdown as it is mostly consumed in street food, joints and restaurant chains. Some demand destruction is expected in soy oil and sunflower oil due to supply chain breakdown while demand of rapeseed oil and groundnut oil is expected to rise.
- Soy oil domestic prices are expected to be supported by weak supply due to lower supply of Indian crushed soy oil as soybean is crushed in less quantity due to weak demand of soy meal on weak poultry demand. Further, supply bottlenecks faced on Indian ports due to closure of testing facilities, raw material shortage, labor shortage, packaging material shortage has led to refiners to run at 40-50% of their capacity. Moreover, shortage of trucks due to unavailability of drivers and problems face at various state borders has led to short supply of soy oil in Indian markets.
- Palm oil international prices are expected to be underpinned by expectation of rise in stocks of palm oil in Malaysia, fall in exports of palm oil from Malaysia, lower use of palm oil in biodiesel in Indonesia and fall in crude oil prices. Palm oil end stocks are expected to rise in Malaysia in April due to weak exports despite weak production. Production will remain weak in Malaysia in April due to closure of plantation in six districts infected by coronavirus. Palm oil exports are expected to remain weak from Malaysia in April-May due to closure of half of the world due to coronavirus leading to lower consumption of palm oil which is mostly consumed outside house. Palm oil imports from India is expected to remain weak from India due to lower consumption as palm oil is mostly consumed in street food, joints and restaurant chains. And due to lockdown of India the consumption of these food are not there. Further, due to supply chain disruption in India due to port problems, raw material shortage, labor shortage, packaging material shortage and shortage of trucks. Moreover, transit problems faced by trucks are slowing down transport of products. Palm oil imports from China is expected to resume after the opening of the country.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO), biodiesel and oleochemical exports from Indonesia fell 11.81 percent in Feb 2020 y-o-y to 2.54 MMT from 2.88 MMT in Feb 2019. Exports rose by 6.28 percent in Feb m-o-m to 2.54 MMT from 2.39 MMT in Jan 2020. Stocks of palm oil at the end of Feb was 4.08 MMT compared to Jan 2020 figure of 4.54 MMT, down 10.13 percent m-o-m.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's April 1-20 palm oil exports rose 7.4 percent to 691,910 tons compared to 644,421 tons in corresponding period last month. Top buyers were European Union 180,880 tons (215,869 tons), China at 91,420 tons (87,700 tons) and India & subcontinent 87,250 tons (35,000 tons). Values in brackets are figures of corresponding period last month.

Outlook: Edible oil basket is expected to feature sideways to weak tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	11.60	765.00	778.60	743.00	777.20	27,565	13515	23295	-290
Jun-20	12.60	742.60	753.60	720.20	753.60	7,140	4465	6810	215
Prices & Vol-OI are at 5:30 PM									

Spread	May-20	Jun-20
Spot	62.80	
May-20		-23.60
Jun-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Apr-20	-9.80	626.60	632.90	612.40	628.10	1850	1242	2556	-83
May-20	-16.70	625.00	627.80	606.70	615.20	2110	1621	3048	-315

Spread	Apr-20	May-20
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Spot	18.9	
Apr-20		-12.9
MAY-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
May	-0.05	25.18	25.47	25.18	25.3
Jul	-0.06	25.63	25.88	25.56	25.7
Aug	-0.08	25.91	26.06	25.81	25.88
Sep	0.10	26.02	26.24	26.02	26.24
Oct	-0.03	26.27	26.35	26.21	26.28

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	-3	2128	2138	2075	2669
Jun	10	2110	2128	2055	2626
Jul	12	2091	2114	2040	2585
Aug	11	2087	2109	2042	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/04/2020	7.08	15497	4.368	66.03	76.43	5.32	100.0	11.25

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-Apr-20	21-Apr-20	
Refined Soybean Oil	Indore	840	850	-10
	Indore (Soy Solvent Crude)	830	830	Unch
	Mumbai	845	865	-20
	Mumbai (Soy Degum)	790	800	-10
	Kandla/Mundra	810	835	-25
	Kandla/Mundra (Soy Degum)	775	775	Unch
	Kolkata	830	830	Unch
	Delhi	840	860	-20
	Nagpur	910	920	-10
	Rajkot	800	820	-20
	Kota	820	840	-20

	Hyderabad	Unq	Unq	-
	Akola	865	875	-10
	Amrawati	865	875	-10
	Bundi	825	845	-20
	Jalna	920	930	-10
	Solapur	900	910	-10
	Dhule	920	930	-10
Palm Oil*	Kandla (Crude Palm Oil)	679	698	-19
	Kandla (RBD Palm oil)	735	735	Unch
	Kandla RBD Pamolein	767	772	-5
	Kakinada (Crude Palm Oil)	735	735	Unch
	Kakinada RBD Pamolein	814	819	-5
	Haldia Pamolein	809	814	-5
	Chennai RBD Pamolein	814	819	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	814	819	-5
	Mumbai RBD Pamolein	793	809	-16
	Mangalore RBD Pamolein	819	824	-5
	Tuticorin (RBD Palmolein)	816	-	-
	Delhi	786	805	-19
	Rajkot	735	756	-21
	Hyderabad	845	865	-20
	PFAD (Kandla)	494	494	Unch
	Refined Palm Stearin (Kandla)	735	735	Unch
	Superolien (Kandla)	793	793	Unch
	Superolien (Mumbai)	798	819	-21
* inclusive of GST				
Refined Sunflower Oil	Chennai	940	940	Unch
	Mumbai	925	925	Unch
	Mumbai(Expeller Oil)	850	850	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	915	935	-20
	Latur (Expeller Oil)	860	860	Unch
	Chellakere (Expeller Oil)	865	865	Unch
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	1325	1325	Unch
	Chennai	1400	1400	Unch
	Delhi	1350	1380	-30
	Hyderabad *	1350	1350	Unch
	Mumbai	1350	1350	Unch

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	850	875	-25
	Jaipur (Kacchi Ghani Oil)	875	900	-25
	Kota (Expeller Oil)	820	840	-20
	Kota (Kacchi Ghani Oil)	865	885	-20
	Neewai (Expeller Oil)	855	855	Unch
	Neewai (Kacchi Ghani Oil)	860	860	Unch
	Bharatpur (Kacchi Ghani Oil)	890	890	Unch
	Sri-Ganga Nagar(Exp Oil)	815	840	-25
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	865	-20
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1040	1040	Unch
	New Delhi (Expeller Oil)	815	840	-25
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	950	950	Unch
	Agra (Kacchi Ghani Oil)	895	895	Unch
Refined Cottonseed Oil	Rajkot	800	825	-25
	Hyderabad	860	890	-30
	Mumbai	845	865	-20
	New Delhi	760	810	-50
Coconut Oil	Kangayan (Crude)	Closed	Closed	-
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1200	1300	-100
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	655	655	Unch
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	538	548	-10
	CNF India	593	605	-12
Indonesia CPO USD/MT	FOB	558	573	-15
	CNF India	583	595	-12
RBD Palm oil (Malaysia Origin USD/MT)	FOB	535	545	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	568	588	-20
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	660	690	-30
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	525	545	-20

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	685	-
Ukraine Origin CSFO USD/MT Kandla	CIF	765	785	-20
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	705	-
Argentina FOB (\$/MT)		21-Apr-20	20-Apr-20	Change
Crude Soybean Oil Ship		581	594	-13
Refined Soy Oil (Bulk) Ship		601	615	-14
Sunflower Oil Ship		705	705	Unch
Cottonseed Oil Ship		561	574	-13
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including GST				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons).

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