

Domestic Fundamentals:

- Edible oil complex featured weak trend in various markets centers on Thursday.
- Soy oil and palm oil domestic futures prices rose on supply concerns rise in international benchmarks. BMD CPO rose on rise in crude oil prices and bargain buying. CBOT soy oil rose on rise in crude oil prices and higher Chinese demand of US soybean.
- 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	14.80	781.00	789.00	777.20	789.00	10,545	-17020	23230	-65
Jun-20	11.60	760.00	763.00	754.00	763.00	3,965	-3175	7240	430
Prices & Vol-OI are at 5:30 PM									

Spread	May-20	Jun-20
Spot	46.00	
May-20		-26.00
Jun-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Apr-20	8.10	632.70	637.00	620.00	636.20	718	-1132	2378	-178
May-20	7.00	616.00	628.00	607.50	622.20	812	-1298	3105	57

Spread	Apr-20	May-20
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Spot	5.8	
Apr-20		-14
MAY-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
May	0.57	25.58	26.16	25.58	26.14
Jul	0.58	26	26.58	25.98	26.57
Aug	0.55	26.16	26.75	26.16	26.71
Sep	0.47	26.32	26.81	26.32	26.81
Oct	0.27	26.59	26.84	26.59	26.75

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	11	2108	2140	2100	2669
Jun	41	2113	2135	2079	2626
Jul	42	2102	2125	2065	2585
Aug	48	2095	2124	2065	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
23/04/2020	7.08	15449	4.36	66.21	76.10	5.46	100.53	15.55

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-Apr-20	22-Apr-20	
Refined Soybean Oil	Indore	835	840	-5
	Indore (Soy Solvent Crude)	830	830	Unch
	Mumbai	845	845	Unch
	Mumbai (Soy Degum)	790	790	Unch
	Kandla/Mundra	810	810	Unch
	Kandla/Mundra (Soy Degum)	775	775	Unch
	Kolkata	830	830	Unch
	Delhi	855	840	15
	Nagpur	910	910	Unch
	Rajkot	800	800	Unch
	Kota	820	820	Unch

	Hyderabad	Unq	Unq	-
	Akola	865	865	Unch
	Amrawati	865	865	Unch
	Bundi	825	825	Unch
	Jalna	920	920	Unch
	Solapur	900	900	Unch
	Dhule	920	920	Unch
Palm Oil*	Kandla (Crude Palm Oil)	674	679	-5
	Kandla (RBD Palm oil)	714	735	-21
	Kandla RBD Pamolein	767	767	Unch
	Kakinada (Crude Palm Oil)	709	735	-26
	Kakinada RBD Pamolein	814	814	Unch
	Haldia Pamolein	798	809	-11
	Chennai RBD Pamolein	814	814	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	793	814	-21
	Mumbai RBD Pamolein	793	793	Unch
	Mangalore RBD Pamolein	803	819	-16
	Tuticorin (RBD Palmolein)	-	-	-
	Delhi	790	786	4
	Rajkot	730	735	-5
	Hyderabad	840	845	-5
	PFAD (Kandla)	494	494	Unch
	Refined Palm Stearin (Kandla)	709	735	-26
	Superolien (Kandla)	793	793	Unch
	Superolien (Mumbai)	798	798	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	930	940	-10
	Mumbai	925	925	Unch
	Mumbai(Expeller Oil)	850	850	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	905	915	-10
	Latur (Expeller Oil)	830	860	-30
	Chellakere (Expeller Oil)	835	865	-30
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	1300	1325	-25
	Chennai	1380	1400	-20
	Delhi	1350	1350	Unch
	Hyderabad *	1320	1350	-30
	Mumbai	1350	1350	Unch

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	871	850	21
	Jaipur (Kacchi Ghani Oil)	881	875	6
	Kota (Expeller Oil)	820	820	Unch
	Kota (Kacchi Ghani Oil)	865	865	Unch
	Neewai (Expeller Oil)	835	855	-20
	Neewai (Kacchi Ghani Oil)	845	860	-15
	Bharatpur (Kacchi Ghani Oil)	870	890	-20
	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	845	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1040	1040	Unch
	New Delhi (Expeller Oil)	850	830	20
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	950	950	Unch
	Agra (Kacchi Ghani Oil)	875	895	-20
Refined Cottonseed Oil	Rajkot	835	800	35
	Hyderabad	850	860	-10
	Mumbai	845	845	Unch
	New Delhi	785	760	25
Coconut Oil	Kangayan (Crude)	Closed	Closed	-
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1200	1200	Unch
	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	538	Unch
	CNF India	590	593	-3
Indonesia CPO USD/MT	FOB	558	558	Unch
	CNF India	580	583	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	535	535	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	568	568	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	660	660	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	525	525	Unch

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	675	-
Ukraine Origin CSFO USD/MT Kandla	CIF	765	765	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	705	690	15
Argentina FOB (\$/MT)		22-Apr-20	21-Apr-20	Change
Crude Soybean Oil Ship		581	581	Unch
Refined Soy Oil (Bulk) Ship		601	601	Unch
Sunflower Oil Ship		705	705	Unch
Cottonseed Oil Ship		561	561	Unch
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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