

**Domestic Fundamentals:**

- Edible oil complex featured mostly weak trend in various markets centers on Tuesday.
- Soy oil and palm oil domestic prices rose on demand prospects. BMD CPO rose on technical buying, higher exports of palm oil from Malaysia and buying at lower quotes. CBOT soy oil fell on fall in crude oil prices. Lower crude oil prices will keep pressure on edible oils prices.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's April 1-25 palm oil exports rose 15.1 percent to 965,025 tons compared to 838,793 tons in corresponding period last month. Top buyers were European Union 293,835 tons (315,321 tons), China at 172,330 tons (145,840 tons) and India & subcontinent 87,250 tons (43,600 tons). Values in brackets are figures of corresponding period last month.
- Palm oil international prices are expected to be underpinned by expectation of rise in stocks of palm oil in Malaysia, rise in production 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 of palm oil will firm in Malaysia in April due to seasonal uptrend of production. MPOA reported 25 percent higher production of palm oil in Malaysia in April. This may lead to higher stocks despite higher exports from Malaysia. Palm oil exports are expected to remain firm from Malaysia in April-May due to firm demand from India and China. However, 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.
- 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 congestion, raw material shortage, labor shortage, packaging material shortage has led to refiners to run at 40-50% of their capacity.
- 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.

**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	9.60	773.40	786.00	767.40	786.00	8,735	-2230	22730	-390
Jun-20	8.40	738.00	752.00	736.00	752.00	5,780	955	10935	700
Prices & Vol-OI are at 5:30 PM									

Spread	May-20	Jun-20
Spot	49.00	
May-20		-34.00
Jun-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Apr-20	1.90	626.00	636.00	626.00	633.00	584	-2	1212	-481
May-20	-1.60	598.20	605.00	592.00	600.80	1494	193	3408	107

Spread	Apr-20	May-20
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Spot	-1.0	
Apr-20		-32.2
May-20		

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
May	-0.07	24.98	25.3	24.84	24.92
Jul	-0.08	25.47	25.77	25.31	25.39
Aug	-0.07	25.66	25.94	25.52	25.6
Sep	-0.09	25.93	26.09	25.74	25.75
Oct	-0.06	26.01	26.2	25.88	25.94

0.23

**Forex:**
**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	9	2025	2059	2018	2669
Jun	-	2020	2040	2000	2626
Jul	1	2006	2030	1988	2585
Aug	-	2009	2034	1994	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
28/04/2020	7.08	15406	4.363	66.44	75.86	5.65	99.47	10.88

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Apr-20	27-Apr-20	
Refined Soybean Oil	Indore	835	835	Unch
	Indore (Soy Solvent Crude)	830	830	Unch
	Mumbai	820	825	-5
	Mumbai (Soy Degum)	790	790	Unch
	Kandla/Mundra	800	800	Unch
	Kandla/Mundra (Soy Degum)	770	770	Unch
	Kolkata	830	830	Unch
	Delhi	840	845	-5
	Nagpur	895	910	-15
	Rajkot	805	805	Unch
	Kota	830	830	Unch

	Hyderabad	Unq	Unq	-
	Akola	850	865	-15
	Amrawati	850	865	-15
	Bundi	835	835	Unch
	Jalna	905	920	-15
	Solapur	885	900	-15
	Dhule	905	920	-15
Palm Oil*	Kandla (Crude Palm Oil)	664	664	Unch
	Kandla (RBD Palm oil)	714	714	Unch
	Kandla RBD Pamolein	740	751	-11
	Kakinada (Crude Palm Oil)	630	646	-16
	Kakinada RBD Pamolein	735	735	Unch
	Haldia Pamolein	751	751	Unch
	Chennai RBD Pamolein	746	746	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	735	735	Unch
	Mumbai RBD Pamolein	767	777	-11
	Mangalore RBD Pamolein	767	772	-5
	Tuticorin (RBD Palmolein)	-	-	-
	Delhi	770	785	-15
	Rajkot	735	735	Unch
	Hyderabad	810	820	-10
	PFAD (Kandla)	494	494	Unch
	Refined Palm Stearin (Kandla)	630	646	-16
	Superolien (Kandla)	788	788	Unch
	Superolien (Mumbai)	798	798	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	910	910	Unch
	Mumbai	910	915	-5
	Mumbai(Expeller Oil)	840	840	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	890	900	-10
	Latur (Expeller Oil)	835	830	5
	Chellakere (Expeller Oil)	840	835	5
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	1290	1300	-10
	Chennai	1350	1350	Unch
	Delhi	1350	1350	Unch
	Hyderabad *	1320	1320	Unch
	Mumbai	1340	1340	Unch

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
<b>Rapeseed Oil/Mustard Oil</b>	Jaipur (Expeller Oil)	877	850	27
	Jaipur (Kacchi Ghani Oil)	886	875	11
	Kota (Expeller Oil)	830	830	Unch
	Kota (Kacchi Ghani Oil)	865	865	Unch
	Neewai (Expeller Oil)	845	845	Unch
	Neewai (Kacchi Ghani Oil)	855	855	Unch
	Bharatpur (Kacchi Ghani Oil)	905	900	5
	Sri-Ganga Nagar(Exp Oil)	845	840	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	885	875	10
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1040	1040	Unch
	New Delhi (Expeller Oil)	865	850	15
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	950	950	Unch
	Agra (Kacchi Ghani Oil)	910	905	5
<b>Refined Cottonseed Oil</b>	Rajkot	825	835	-10
	Hyderabad	830	840	-10
	Mumbai	825	830	-5
	New Delhi	780	790	-10
<b>Coconut Oil</b>	Kangayan (Crude)	Closed	Closed	-
	Cochin	1530	1530	Unch
<b>Sesame Oil</b>	New Delhi	1200	1200	Unch
	Mumbai	Unq	Unq	-
<b>Kardi</b>	Mumbai	Unq	Unq	-
<b>Rice Bran Oil (40%)</b>	New Delhi	655	665	-10
<b>Rice Bran Oil (4%)</b>	Punjab	760	760	Unch
<b>Malaysia Palmolein USD/MT</b>	FOB	520	528	-8
	CNF India	560	568	-8
<b>Indonesia CPO USD/MT</b>	FOB	520	530	-10
	CNF India	550	558	-8
<b>RBD Palm oil (Malaysia Origin USD/MT)</b>	FOB	518	525	-7
<b>RBD Palm Stearin (Malaysia Origin USD/MT)</b>	FOB	540	555	-15
<b>RBD Palm Kernel Oil (Malaysia Origin USD/MT)</b>	FOB	630	655	-25
<b>Palm Fatty Acid Distillate (Malaysia Origin USD/MT)</b>	FOB	510	520	-10

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	650	-
Ukraine Origin CSFO USD/MT Kandla	CIF	770	765	5
Rapeseed Oil Rotterdam Euro/MT	FOB	700	700	Unch
Argentina FOB (\$/MT)		27-Apr-20	25-Apr-20	Change
Crude Soybean Oil Ship		568	Closed	-
Refined Soy Oil (Bulk) Ship		588	Closed	-
Sunflower Oil Ship		700	Closed	-
Cottonseed Oil Ship		548	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
* 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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