

Domestic Fundamentals:

- Edible oil complex featured weak trend in various markets centers on Tuesday.
- Soy oil and palm oil domestic markets fell on demand concerns. BMD CPO was rose in rise in global crude oil prices. CBOT soy oil rose on rise in crude oil prices. Escalating US-China trade tensions will keep edible oils complex under pressure in coming days.
- 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. Further, there is shortage of trucks and trucks are facing problems in transit due to lockdown.
- Soy oil international prices are expected to be supported by rise in crude oil prices, rise in import demand of soybean from China, fall in stocks of soy oil in US and lower soybean crop in Argentina and Brazil. However, adverse effect of coronavirus will underpin gains.
- Crude oil prices surged this week due to lower rise in inventory in US supporting soy oil prices as soy oil competes with crude in biodiesel. China placed major orders of soybean from US this week. However, US has said that it will impose more duties on Chinese goods to punish China on its role in coronavirus spread. If US goes ahead and imposes higher trade duties on China than soybean exports from US will suffer and will underpin soybean complex prices.
- 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 higher production amid firm exports. 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.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's April palm oil exports rose 3.8 percent to 1,174,285 tons compared to 1,131,283 tons last month. Top buyers were European Union 375,350 tons (381,956 tons), China at 207,530 tons (189,740 tons) and India & subcontinent 87,250 tons (71,150 tons). Values in brackets are figures of last month.
- According to Indonesia trade ministry, Indonesia will not charge export duty on crude palm oil for May. Reference prices of April was set at USD 635.15 per ton below threshold price of USD 750 per ton. Export duty on CPO was brought down to zero ton in April due to fall in threshold price of USD 750 per ton.

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	-14.40	783.00	785.80	769.00	769.00	8,480	695	19190	-290
Jun-20	-8.00	751.80	755.00	743.00	743.00	5,150	1570	15155	285

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
May-20	-13.30	591.90	594.90	577.50	577.90	1510	-434	3707	14
June-20	-13.90	585.00	586.60	567.40	569.50	371	-254	1275	32

Spread	May-20	June-20
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Spot	46.1	
May-20		-8.4
June-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
May	0.15	25.95	25.95	25.95	25.95
Jul	0.06	26.18	26.3	26.09	26.21
Aug	0.07	26.46	26.49	26.28	26.42
Sep	0.07	26.66	26.66	26.51	26.6
Oct	0.04	26.7	26.83	26.7	26.74

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	5	2030	2040	2020	2669
Jun	-5	2014	2025	1987	2626
Jul	-6	2002	2012	1972	2585
Aug	-5	1998	2008	1970	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/05/2020	7.06	15089	4.305	66.88	75.70	5.54	99.84	22.43

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		05-May-20	04-May-20	
Refined Soybean Oil	Indore	815	825	-10
	Indore (Soy Solvent Crude)	775	785	-10
	Mumbai	820	820	Unch
	Mumbai (Soy Degum)	770	780	-10
	Kandla/Mundra	790	795	-5
	Kandla/Mundra (Soy Degum)	760	768	-8
	Kolkata	785	795	-10
	Delhi	830	840	-10
	Nagpur	885	885	Unch
	Rajkot	820	820	Unch
	Kota	830	830	Unch
	Hyderabad	Unq	Unq	-

	Akola	835	835	Unch
	Amrawati	835	837	-2
	Bundi	835	835	Unch
	Jalna	895	895	Unch
	Solapur	875	875	Unch
	Dhule	895	895	Unch
Palm Oil*	Kandla (Crude Palm Oil)	655	660	-5
	Kandla (RBD Palm oil)	714	714	Unch
	Kandla RBD Pamolein	730	735	-5
	Kakinada (Crude Palm Oil)	620	620	Unch
	Kakinada RBD Pamolein	725	725	Unch
	Haldia Pamolein	735	735	Unch
	Chennai RBD Pamolein	740	740	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	725	725	Unch
	Mumbai RBD Pamolein	740	746	-5
	Mangalore RBD Pamolein	740	751	-11
	Tuticorin (RBD Palmolein)	742	742	Unch
	Delhi	760	765	-5
	Rajkot	714	714	Unch
	Hyderabad	805	805	Unch
	PFAD (Kandla)	494	494	Unch
	Refined Palm Stearin (Kandla)	620	620	Unch
	Superolien (Kandla)	788	788	Unch
	Superolien (Mumbai)	798	798	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	920	920	Unch
	Mumbai	900	905	-5
	Mumbai(Expeller Oil)	840	840	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	890	890	Unch
	Latur (Expeller Oil)	830	830	Unch
	Chellakere (Expeller Oil)	835	835	Unch
	Erode (Expeller Oil)	830	830	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1350	1350	Unch
	Delhi	1360	1360	Unch
	Hyderabad *	1320	1320	Unch
	Mumbai	1350	1340	10
	Gondal	1300	1300	Unch

	Jamnagar	1300	1300	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	895	895	Unch
	Jaipur (Kacchi Ghani Oil)	913	913	Unch
	Kota (Expeller Oil)	850	850	Unch
	Kota (Kacchi Ghani Oil)	895	865	30
	Neewai (Expeller Oil)	880	880	Unch
	Neewai (Kacchi Ghani Oil)	890	890	Unch
	Bharatpur (Kacchi Ghani Oil)	920	920	Unch
	Sri-Ganga Nagar(Exp Oil)	860	860	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	890	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	865	865	Unch
	Hapur (Expeller Oil)	908	915	-7
	Hapur (Kacchi Ghani Oil)	938	945	-7
	Agra (Kacchi Ghani Oil)	925	925	Unch
Refined Cottonseed Oil	Rajkot	820	820	Unch
	Hyderabad	825	825	Unch
	Mumbai	825	825	Unch
	New Delhi	765	775	-10
Coconut Oil	Kangayan (Crude)	1460	1460	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1200	1200	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	650	650	Unch
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	525	533	-8
	CNF India	560	570	-10
Indonesia CPO USD/MT	FOB	510	523	-13
	CNF India	550	560	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	520	528	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	535	545	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	645	655	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	500	510	-10
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	640	-

Ukraine Origin CSFO USD/MT Kandla	CIF	770	770	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	708	-
Argentina FOB (\$/MT)		4-May-20	2-May-20	Change
Crude Soybean Oil Ship		576	Closed	-
Refined Soy Oil (Bulk) Ship		596	Closed	-
Sunflower Oil Ship		690	Closed	-
Cottonseed Oil Ship		556	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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