

**Domestic Fundamentals:**

- Edible oil complex featured weak trend in various markets centers on Wednesday.
- Soy oil and palm oil domestic markets fell on demand concerns and fall in international benchmarks. BMD CPO fell on rinsing global supply concerns. CBOT soy oil fell on US-China trade dispute concerns. Escalating US-China trade tensions will keep edible oils complex under pressure in coming days.
- 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 exports from Malaysia and lower use of palm oil in biodiesel in Indonesia. 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.
- 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.
- 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	-8.60	769.00	775.60	761.00	763.00	13,775	5295	20310	1120
Jun-20	-11.20	742.00	751.00	731.20	733.40	8,470	3320	15835	680

Prices & Vol-OI are at 5:30 PM

Spread	May-20	Jun-20
Spot	52.00	
May-20		-29.60
Jun-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	-8.80	578.00	588.40	570.00	571.50	2627	1117	3735	28
June-20	-8.60	567.00	579.00	560.00	561.60	509	138	1385	110

Spread	May-20	June-20
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Spot	42.5	
May-20		-9.9
June-20		

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

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
May	-0.22	25.82	25.82	25.75	25.75
Jul	-0.32	26.31	26.36	25.94	25.99
Aug	-0.29	26.47	26.54	26.14	26.2
Sep	-0.30	26.68	26.68	26.31	26.38
Oct	-0.30	26.62	26.62	26.54	26.54

0.23

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

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	-38	2014	2020	2000	2669
Jun	-32	2001	2015	1950	2626
Jul	-28	1987	2005	1939	2585
Aug	-22	1984	2006	1944	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/05/2020	7.10	15071	4.323	66.93	75.84	5.57	100.01	24.54

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		06-May-20	05-May-20	
Refined Soybean Oil	Indore	815	815	Unch
	Indore (Soy Solvent Crude)	775	775	Unch
	Mumbai	820	820	Unch
	Mumbai (Soy Degum)	765	770	-5
	Kandla/Mundra	785	790	-5
	Kandla/Mundra (Soy Degum)	750	760	-10
	Kolkata	785	785	Unch
	Delhi	820	830	-10
	Nagpur	885	885	Unch
	Rajkot	810	820	-10
	Kota	820	830	-10
	Hyderabad	Unq	Unq	-

	Akola	835	835	Unch
	Amrawati	835	835	Unch
	Bundi	825	835	-10
	Jalna	895	895	Unch
	Solapur	875	875	Unch
	Dhule	895	895	Unch
Palm Oil*	Kandla (Crude Palm Oil)	645	655	-11
	Kandla (RBD Palm oil)	693	714	-21
	Kandla RBD Pamolein	730	730	Unch
	Kakinada (Crude Palm Oil)	609	620	-11
	Kakinada RBD Pamolein	709	725	-16
	Haldia Pamolein	725	735	-11
	Chennai RBD Pamolein	740	740	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	719	725	-5
	Mumbai RBD Pamolein	735	740	-5
	Mangalore RBD Pamolein	735	740	-5
	Tuticorin (RBD Palmolein)	716	742	-26
	Delhi	755	760	-5
	Rajkot	704	714	-11
	Hyderabad	790	805	-15
	PFAD (Kandla)	452	494	-42
	Refined Palm Stearin (Kandla)	609	620	-11
	Superolien (Kandla)	735	788	-53
	Superolien (Mumbai)	756	798	-42
* inclusive of GST				
Refined Sunflower Oil	Chennai	890	920	-30
	Mumbai	900	900	Unch
	Mumbai(Expeller Oil)	835	840	-5
	Kandla (Ref.)	870	880	-10
	Hyderabad (Ref)	870	890	-20
	Latur (Expeller Oil)	830	830	Unch
	Chellakere (Expeller Oil)	835	835	Unch
	Erode (Expeller Oil)	830	830	Unch
Groundnut Oil	Rajkot	1325	1300	25
	Chennai	1350	1350	Unch
	Delhi	1340	1360	-20
	Hyderabad *	1300	1320	-20
	Mumbai	1350	1350	Unch
	Gondal	1300	1300	Unch

	Jamnagar	1300	1300	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	886	895	-9
	Jaipur (Kacchi Ghani Oil)	905	913	-8
	Kota (Expeller Oil)	850	850	Unch
	Kota (Kacchi Ghani Oil)	895	895	Unch
	Neewai (Expeller Oil)	Closed	880	-
	Neewai (Kacchi Ghani Oil)	Closed	890	-
	Bharatpur (Kacchi Ghani Oil)	920	920	Unch
	Sri-Ganga Nagar(Exp Oil)	855	860	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	885	890	-5
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	855	865	-10
	Hapur (Expeller Oil)	908	908	Unch
	Hapur (Kacchi Ghani Oil)	938	938	Unch
	Agra (Kacchi Ghani Oil)	925	925	Unch
Refined Cottonseed Oil	Rajkot	810	820	-10
	Hyderabad	815	825	-10
	Mumbai	825	825	Unch
	New Delhi	755	765	-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	640	650	-10
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	518	525	-7
	CNF India	550	560	-10
Indonesia CPO USD/MT	FOB	505	510	-5
	CNF India	540	550	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	515	520	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	528	535	-7
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	645	645	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	500	500	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	630	-



Ukraine Origin CSFO USD/MT Kandla	CIF	770	770	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	705	-
Argentina FOB (\$/MT)		5-May-20	4-May-20	Change
Crude Soybean Oil Ship		572	576	-4
Refined Soy Oil (Bulk) Ship		592	596	-4
Sunflower Oil Ship		685	690	-5
Cottonseed Oil Ship		552	556	-4
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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