

Domestic Fundamentals:

- Edible oil complex featured mostly firm trend in various markets centers on Tuesday.
- Soy oil and palm oil domestic markets fell on fall in international benchmarks. BMD CPO fell on India cancelling import licenses of RBD palmolein. CBOT soy oil fell ahead of USDA report which may show higher global supply of soy oil.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's April palm oil stocks rose 18.26 percent to 20.45 lakh tons compared to 17.30 lakh tons in Mar 2020. Production of palm oil in Apr rose 18.28 percent to 16.53 lakh tons compared to 13.97 lakh tons in Mar 2020. Exports of palm oil in Apr rose 4.38 percent to 12.36 lakh tons compared to 11.85 lakh tons in Mar 2020. Imports of palm oil in Apr fell 28.55 percent to 0.57 lakh tons compared to 0.79 lakh tons in Mar 2020. End stocks of palm oil rose more compared to trade expectation on higher rate of growth of production.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's May 1-10 palm oil exports rose 7.8 percent to 337,255 tons compared to 312,900 tons in corresponding period last month. Top buyers were China at 97,350 tons (28,200 tons), European Union 47,020 tons (60,265 tons), and India & subcontinent 29,900 tons (49,500 tons). Values in brackets are figures of corresponding period last month.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO), biodiesel and oleochemical exports from Indonesia fell 2.16 percent in Mar 2020 y-o-y to 2.72 MMT from 2.78 MMT in Mar 2019. Exports rose by 11.02 percent in Mar m-o-m to 2.72 MMT from 2.45 MMT in Feb 2020. Stocks of palm oil at the end of Mar was 3.42 MMT compared to Feb 2020 figure of 4.08 MMT, down 16.18 percent m-o-m.
- According to Malaysian Palm Oil Council (MPOC), production of crude palm oil production will fall by 1.0 percent in 2020 to 19.7 MMT. Dry weather in 2019 and lockdown of the country lead to fall in production. Less fertilizer use in 2019 due to low palm oil prices and dry weather in mid-2019 lead to fall in yields. Also, temporary halt to production on coronavirus in six districts in Sabah province is expected to lower production. Lockdown led to lower harvest, milling and labor shortage leading to supply chain problems and limited palm oil production. Palm oil stocks at the end of 2020 is expected to fall to 1.9 MMT compared to 2.0 MMT at the end of 2019. Palm oil global demand has fallen due to coronavirus leading to lockdown of 50 percent of global population.
- 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 raw material shortage, labor shortage, packaging material shortage and shortage of trucks has slowed demand. Moreover, transit problems faced by trucks are slowing down transport of products.

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	1.00	787.00	789.20	780.60	788.00	6,325	-1770	21970	-640
Jun-20	-1.20	758.00	759.00	748.80	755.60	8,080	-85	16430	5

Prices & Vol-OI are at 5:30 PM

Spread	May-20	Jun-20
Spot	12.00	
May-20		-32.40
Jun-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	-4.40	600.90	602.80	584.40	596.50	2070	1333	3949	-32
June-20	-0.80	586.00	587.30	570.90	584.00	765	270	1691	128

Spread
May-20
June-20
Spot

29.5

May-20

-12.5

June-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	-0.14	26.05	26.05	26.05	26.05
Aug	-0.35	26.45	26.54	26.12	26.14
Sep	-0.35	26.66	26.73	26.33	26.33
Oct	-0.32	26.82	26.89	26.49	26.52
Dec	-0.35	27.02	27.05	26.65	26.65

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	-30	2060	2060	2020	2669
Jun	-20	2022	2025	1986	2626
Jul	-22	2010	2017	1965	2585
Aug	-23	2010	2017	1968	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
11/05/2020	7.09	14889	4.326	67.30	75.24	5.81	99.88	25.54

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		12-May-20	11-May-20	
Refined Soybean Oil	Indore	800	800	Unch
	Indore (Soy Solvent Crude)	770	760	10
	Mumbai	800	800	Unch
	Mumbai (Soy Degum)	765	755	10
	Kandla/Mundra	780	780	Unch
	Kandla/Mundra (Soy Degum)	753	753	Unch
	Kolkata	780	780	Unch
	Delhi	825	835	-10
	Nagpur	875	875	Unch
	Rajkot	825	825	Unch
	Kota	815	815	Unch
	Hyderabad	Unq	Unq	-

	Akola	820	820	Unch
	Amrawati	820	825	-5
	Bundi	820	820	Unch
	Jalna	885	885	Unch
	Solapur	865	865	Unch
	Dhule	885	885	Unch
Palm Oil*	Kandla (Crude Palm Oil)	657	639	18
	Kandla (RBD Palm oil)	693	693	Unch
	Kandla RBD Pamolein	719	714	5
	Kakinada (Crude Palm Oil)	614	612	2
	Kakinada RBD Pamolein	704	704	Unch
	Haldia Pamolein	714	714	Unch
	Chennai RBD Pamolein	730	730	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1010	1010	Unch
	KPT (krishna patnam) Pamolein	709	709	Unch
	Mumbai RBD Pamolein	735	730	5
	Mangalore RBD Pamolein	735	735	Unch
	Tuticorin (RBD Palmolein)	716	-	-
	Delhi	765	765	Unch
	Rajkot	714	709	5
	Hyderabad	785	785	Unch
	PFAD (Kandla)	452	452	Unch
	Refined Palm Stearin (Kandla)	614	612	2
	Superolien (Kandla)	735	735	Unch
	Superolien (Mumbai)	756	756	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	900	900	Unch
	Mumbai	900	900	Unch
	Mumbai(Expeller Oil)	830	830	Unch
	Kandla (Ref.)	870	870	Unch
	Hyderabad (Ref)	890	890	Unch
	Latur (Expeller Oil)	835	835	Unch
	Chellakere (Expeller Oil)	845	845	Unch
	Erode (Expeller Oil)	930	930	Unch
Groundnut Oil	Rajkot	1400	1350	50
	Chennai	1420	1400	20
	Delhi	1340	1340	Unch
	Hyderabad *	1360	1330	30
	Mumbai	1380	1380	Unch
	Gondal	1400	1350	50

	Jamnagar	1400	1350	50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	919	914	5
	Jaipur (Kacchi Ghani Oil)	948	943	5
	Kota (Expeller Oil)	870	870	Unch
	Kota (Kacchi Ghani Oil)	890	890	Unch
	Neewai (Expeller Oil)	910	905	5
	Neewai (Kacchi Ghani Oil)	920	915	5
	Bharatpur (Kacchi Ghani Oil)	950	930	20
	Sri-Ganga Nagar(Exp Oil)	885	880	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	925	920	5
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	885	885	Unch
	Hapur (Expeller Oil)	920	916	4
	Hapur (Kacchi Ghani Oil)	950	946	4
	Agra (Kacchi Ghani Oil)	955	935	20
Refined Cottonseed Oil	Rajkot	830	830	Unch
	Hyderabad	840	840	Unch
	Mumbai	805	805	Unch
	New Delhi	770	770	Unch
Coconut Oil	Kangayan (Crude)	1475	1460	15
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1250	1250	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	665	665	Unch
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	526	Closed	-
	CNF India	560	560	Unch
Indonesia CPO USD/MT	FOB	510	Closed	-
	CNF India	550	550	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	518	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	525	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	655	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	498	Closed	-
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	745	733	12
Argentina FOB (\$/MT)		11-May-20	9-May-20	Change
Crude Soybean Oil Ship		573	Closed	-
Refined Soy Oil (Bulk) Ship		593	Closed	-
Sunflower Oil Ship		685	Closed	-
Cottonseed Oil Ship		553	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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