

Domestic Fundamentals:

- Edible oil complex featured mixed trend in various markets centers on Wednesday.
- Soy oil and palm oil domestic markets rose on rise in international benchmarks. BMD CPO rose on technical buying and demand at lower levels. CBOT soy oil rose on lower than expected rise in end stocks of US as reported by USDA.
- 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 rose on in Malaysia in April due higher production amid lower rise in exports. Production of palm oil will firm in Malaysia in coming months due to seasonal uptrend of production. This will pressurize palm oils stocks in Malaysia.
Palm oil exports are expected to remain firm from Malaysia in May due to firm demand from 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 Indian restricting refined palmolein imports, 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.
- 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.

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	6.00	790.00	795.20	787.20	794.00	5,695	-630	19540	-2430
Jun-20	8.00	758.00	765.80	754.20	763.40	10,160	2080	17155	725
Prices & Vol-OI are at 5:30 PM									

Spread	May-20	Jun-20
Spot	6.00	
May-20		-30.60
Jun-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	11.80	599.40	609.40	594.20	607.50	1465	-605	3959	10
June-20	12.40	586.00	598.00	580.00	595.30	549	-216	1811	120

Spread
May-20
June-20
Spot

8.5

May-20

-12.2

June-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.12	26.24	26.46	26.09	26.38
Aug	0.13	26.43	26.64	26.29	26.58
Sep	0.08	26.55	26.79	26.46	26.69
Oct	0.09	26.85	26.94	26.84	26.86
Dec	0.13	27.05	27.27	26.91	27.2

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	24	2060	2060	2060	2669
Jun	35	2016	2052	2016	2626
Jul	38	1985	2038	1979	2585
Aug	34	1988	2039	1986	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
13/05/2020	7.09	14851	4.327	67.36	75.23	5.89	99.76	25.98

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-May-20	12-May-20	
Refined Soybean Oil	Indore	800	800	Unch
	Indore (Soy Solvent Crude)	770	770	Unch
	Mumbai	800	800	Unch
	Mumbai (Soy Degum)	760	765	-5
	Kandla/Mundra	780	780	Unch
	Kandla/Mundra (Soy Degum)	750	753	-3
	Kolkata	770	780	-10
	Delhi	825	825	Unch
	Nagpur	875	875	Unch
	Rajkot	825	825	Unch
	Kota	815	815	Unch
	Hyderabad	Unq	Unq	-

	Akola	820	820	Unch
	Amrawati	820	820	Unch
	Bundi	820	820	Unch
	Jalna	885	885	Unch
	Solapur	865	865	Unch
	Dhule	885	885	Unch
Palm Oil*	Kandla (Crude Palm Oil)	647	657	-11
	Kandla (RBD Palm oil)	688	693	-5
	Kandla RBD Pamolein	719	719	Unch
	Kakinada (Crude Palm Oil)	614	614	Unch
	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	735	Unch
	Mangalore RBD Pamolein	735	735	Unch
	Tuticorin (RBD Palmolein)	716	716	Unch
	Delhi	765	765	Unch
	Rajkot	714	714	Unch
	Hyderabad	785	785	Unch
	PFAD (Kandla)	452	452	Unch
	Refined Palm Stearin (Kandla)	614	614	Unch
	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	1400	Unch
	Chennai	1420	1420	Unch
	Delhi	1400	1340	60
	Hyderabad *	1400	1360	40
	Mumbai	1450	1380	70
	Gondal	1425	1400	25

	Jamnagar	1435	1400	35
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	923	919	4
	Jaipur (Kacchi Ghani Oil)	952	948	4
	Kota (Expeller Oil)	880	870	10
	Kota (Kacchi Ghani Oil)	890	890	Unch
	Neewai (Expeller Oil)	915	910	5
	Neewai (Kacchi Ghani Oil)	925	920	5
	Bharatpur (Kacchi Ghani Oil)	950	950	Unch
	Sri-Ganga Nagar(Exp Oil)	885	885	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	925	925	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	885	885	Unch
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	950	950	Unch
	Agra (Kacchi Ghani Oil)	955	955	Unch
Refined Cottonseed Oil	Rajkot	820	830	-10
	Hyderabad	830	840	-10
	Mumbai	825	805	20
	New Delhi	770	770	Unch
Coconut Oil	Kangayan (Crude)	1475	1475	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1200	1250	-50
	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	518	526	-8
	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	518	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	525	525	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	640	655	-15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	498	498	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	650	-



Ukraine Origin CSFO USD/MT Kandla	CIF	775	770	5
Rapeseed Oil Rotterdam Euro/MT	FOB	745	745	Unch
Argentina FOB (\$/MT)		12-May-20	11-May-20	Change
Crude Soybean Oil Ship		567	573	-6
Refined Soy Oil (Bulk) Ship		587	593	-6
Sunflower Oil Ship		685	685	Unch
Cottonseed Oil Ship		547	553	-6
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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