

**Domestic Fundamentals:**

- Edible oil complex featured mostly weak trend in various markets centers on Wednesday.
- Soy oil and palm oil domestic prices rose on demand prospects. BMD CPO fell on profit taking. CBOT soy oil fell on better than expected planting of soybean in US. Rise in crude oil prices will support edible oils prices.
- Palm oil international prices are expected to be supported by demand at lower levels, rise in exports of palm oil from Malaysia, slow rise in production of palm oil in Malaysia, Indonesia keeping it biodiesel policy intact, Malaysia reducing crude palm oil export duty to zero, depreciation of ringgit and rise in crude oil prices.
- Indonesia increased palm oil export levy by USD 5 per ton to finance it B30 biodiesel mandate. Indonesia is going to distribute USD 187 million for its B30 program. Indonesia Estate Fund has not got enough funds to fund program after 2020. This fund subsidizes producers of biodiesel with subsidies to fund gap between diesel fuel and biodiesel. Indonesia ambitious biodiesel mandate intends to reduce crude oil imports by increasing consumption of surplus palm oil production. Indonesia currently collects USD 50 per ton export levy on exports of crude palm oil if prices rise above USD 619 per ton.
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- India has contracted to purchase 2-3 lakh tons of crude palm oil (CPO) from Malaysia for June and July delivery. This comes after Malaysia reduced its CPO palm oil export duty to zero and India restricting refined palm oil imports by cancelling all the 29 licenses. India and Malaysia relations were strained for last some months when Malaysia raised Kashmir issue at UN. This led Indian government to restrict refined palm oil imports and advising importers not to purchase from Malaysia. In recent times Malaysia has purchased sugar, rice and buffalo meat in bulk from India to decrease tensions between both countries. Malaysian Prime Minister Mahatir Mohammad was ousted from power in March and since then new regime has vowed to reverse the policy of Mahatir Mohammad to reduced tensions.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's May 1-20 palm oil exports rose 11.6 percent to 772,145 tons compared to 691,910 tons in corresponding period last month. Top buyers were China at 144,715 tons (91,420 tons), European Union 199,245 tons (180,880 tons), and India & subcontinent 99,400 tons (87,250 tons). Values in brackets are figures of corresponding period last month.
- According to National Oilseed Processors Association (NOPA), U.S. April soybean crush fell by 5.30 percent m-o-m to 171.754 million bushels from 181.374 million bushels in March 2020, below market expectation. Crush of soybean in Apr was higher by 7.35 percent y-o-y compared to Apr 2019 figure of 159.990 million bushels. Soy oil stocks in U.S. at the end of Apr rose 11.16 percent m-o-m to 2.111 billion lbs compared to 1.899 billion lbs in end Mar 2020. Stocks of soy oil in end Apr was higher by 18.13 percent y-o-y compared to end Apr 2019, which was reported at 1.787 million lbs. Soy oil stocks was above trade expectation.

**Outlook:** Edible oil basket is expected to feature sideways to firm tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	0.40	776.00	778.00	771.00	776.60	10,665	-4070	25450	2475
Jun-20	2.00	759.40	764.00	755.20	762.00	2,175	-730	6160	525
Prices & Vol-OI are at 5:30 PM									

Spread	May-20	Jun-20
Spot	23.40	
May-20		-14.60
Jun-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	3.70	612.20	623.00	612.20	623.00	1154	-34	2765	-346
June-20	0.80	591.80	598.00	586.20	597.80	1332	327	2898	178

**Spread**
**May-20**
**June-20**
**Spot**

13.0

**May-20**

-25.2

**June-20**
**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	-0.08	27.07	27.12	26.99	27.01
Aug	-0.09	27.28	27.3	27.19	27.19
Sep	-0.06	27.44	27.46	27.35	27.37
Oct	-0.06	27.58	27.59	27.51	27.52
Dec	-0.08	27.88	27.91	27.79	27.81

0.23

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

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	-9	2212	2221	2188	2669
Jun	-23	2197	2200	2156	2626
Jul	-21	2183	2186	2144	2585
Aug	-26	2181	2182	2148	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
19/05/2020	7.10	14702	4.352	67.91	75.61	5.76	99.32	32.53

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-May-20	19-May-20	
Refined Soybean Oil	Indore	800	800	Unch
	Indore (Soy Solvent Crude)	770	770	Unch
	Mumbai	800	800	Unch
	Mumbai (Soy Degum)	775	775	Unch
	Kandla/Mundra	790	790	Unch
	Kandla/Mundra (Soy Degum)	755	760	-5
	Kolkata	790	790	Unch
	Delhi	825	830	-5
	Nagpur	880	880	Unch
	Rajkot	820	820	Unch
	Kota	815	815	Unch
	Hyderabad	Unq	Unq	-

	Akola	821	821	Unch
	Amrawati	827	827	Unch
	Bundi	820	820	Unch
	Jalna	890	890	Unch
	Solapur	870	870	Unch
	Dhule	890	890	Unch
Palm Oil*	Kandla (Crude Palm Oil)	665	659	5
	Kandla (RBD Palm oil)	709	704	5
	Kandla RBD Pamolein	740	740	Unch
	Kakinada (Crude Palm Oil)	656	656	Unch
	Kakinada RBD Pamolein	730	730	Unch
	Haldia Pamolein	735	735	Unch
	Chennai RBD Pamolein	740	740	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	-	-	-
	KPT (krishna patnam) Pamolein	740	740	Unch
	Mumbai RBD Pamolein	751	751	Unch
	Mangalore RBD Pamolein	751	751	Unch
	Tuticorin (RBD Palmolein)	746	746	Unch
	Delhi	770	770	Unch
	Rajkot	746	746	Unch
	Hyderabad	800	800	Unch
	PFAD (Kandla)	462	462	Unch
	Refined Palm Stearin (Kandla)	656	656	Unch
	Superolien (Kandla)	735	735	Unch
	Superolien (Mumbai)	756	756	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	910	910	Unch
	Mumbai	905	905	Unch
	Mumbai(Expeller Oil)	855	855	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	910	910	Unch
	Latur (Expeller Oil)	855	855	Unch
	Chellakere (Expeller Oil)	865	865	Unch
	Erode (Expeller Oil)	935	935	Unch
Groundnut Oil	Rajkot	1375	1375	Unch
	Chennai	1430	1430	Unch
	Delhi	1450	1460	-10
	Hyderabad *	1350	1350	Unch
	Mumbai	1450	1450	Unch
	Gondal	1365	1375	-10



	Jamnagar	1365	1375	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	920	920	Unch
	Jaipur (Kacchi Ghani Oil)	950	950	Unch
	Kota (Expeller Oil)	900	900	Unch
	Kota (Kacchi Ghani Oil)	940	940	Unch
	Neewai (Expeller Oil)	915	920	-5
	Neewai (Kacchi Ghani Oil)	925	930	-5
	Bharatpur (Kacchi Ghani Oil)	940	955	-15
	Sri-Ganga Nagar(Exp Oil)	900	900	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	940	940	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	910	910	Unch
	Hapur (Expeller Oil)	928	926	2
	Hapur (Kacchi Ghani Oil)	958	956	2
	Agra (Kacchi Ghani Oil)	945	960	-15
Refined Cottonseed Oil	Rajkot	820	820	Unch
	Hyderabad	825	825	Unch
	Mumbai	825	825	Unch
	New Delhi	775	785	-10
Coconut Oil	Kangayan (Crude)	1475	1475	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1150	1150	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	675	675	Unch
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	530	530	Unch
	CNF India	570	563	7
Indonesia CPO USD/MT	FOB	523	518	5
	CNF India	560	553	7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	528	528	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	530	535	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	680	685	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	505	505	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	670	-



Ukraine Origin CSFO USD/MT Kandla	CIF	800	798	2
Rapeseed Oil Rotterdam Euro/MT	FOB	738	740	-2
Argentina FOB (\$/MT)		19-May-20	18-May-20	Change
Crude Soybean Oil Ship		616	616	Unch
Refined Soy Oil (Bulk) Ship		638	638	Unch
Sunflower Oil Ship		690	690	Unch
Cottonseed Oil Ship		596	596	Unch
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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