

Domestic Fundamentals:

- Edible oil complex featured mixed trend in various markets centers on Wednesday.
- Soy oil and palm oil domestic markets rose on demand prospects and rise in international benchmarks. BMD CPO rose on lower palm oil production in Malaysia estimate and higher global demand of palm oil. CBOT soy oil rose on firm global demand prospects and rise in crude oil prices.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's May 1-25 palm oil exports rose 5.1 percent to 1,014,000 tons compared to 965,025 tons in corresponding period last month. Top buyers were European Union 233,220 tons (293,835 tons), China at 193,715 tons (172,330 tons) and India & subcontinent 149,100 tons (87,250 tons). Values in brackets are figures of corresponding period last month.
- Palm oil international prices are expected to be supported by demand at lower levels, expectation of slow rise in end stocks of palm oil In Malaysia in May, expectation of fall in production of palm oil in Malaysia in May, rise in exports of palm oil from Malaysia, Higher palm oil demand from India and China, Indonesia keeping it biodiesel policy intact, Malaysia reducing crude palm oil export duty to zero, depreciation of ringgit and rise in crude oil prices.
- Palm oil stocks are expected to rise slowly in Malaysia in May due to higher seasonal production in April and rise in exports of palm oil from Malaysia in May.
- Production rose in Malaysia in April on seasonal uptrend of production. However, production is much higher than cycle indicating expectation of fall in prediction in May. Southern Peninsular Palm Oil Millers Association of Malaysia has estimated that production of palm oil in Malaysia in May 1-25 is expected to be 6 percent lower than April indication that production of Malaysia will end the month of May in red. Earlier, Malaysian palm oil Association estimated palm oil production to rise 11.8 percent in May in Malaysia.
- Exports of palm oil rose from Malaysia in May by 5 percent in higher imports by EU, China and India. Palm oil imports from all the destinations rose due to more than 30 percent fall in prices of palm oil from the beginning of 2020. Further, palm oil exports from Malaysia grew as various economies of world started to open their economies indicating that demand of palm oil will increase going ahead.
Exports of palm oil grew from Malaysia to China due to US-China tensions due to China's handling of coronavirus has led China to stock palm oil and it will continue in June also.
Exports of palm oil rose to India as Malaysia brought down crude palm oil export duty to zero and tempering down of India-Malaysia relations on Malaysia outing PM Mahatir Mohammed and vowing to reverse his policy by buying more Indian goods. Further, Malaysia CPO is trading at discount from Indonesia CPO.
Depreciation of ringgit and rise in crude oil prices will support palm oil prices.
- Indonesia continued palm oil biodiesel blending of B30 and it will move to B40 as per its initial plan. Malaysia also vowed to start its biodiesel policy in Sep. Both countries palm oil biodiesel plan was in danger due to fall in crude oil prices.
- Soy oil international prices are supported by demand at lower levels, firm demand of soybean from China, rise in crude oil prices and lower crop of soybean in South America. However, higher soy oil stocks of in US as reported by NOPA and better than expected soybean planting in US will cap gains in prices.
- Sunflower oil domestic market is supported by firm demand. Import demand of sunflower oil will slow due to negative import parity and negative margins. Demand may slow due to rise in its prices during lockdown.

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
Jun-20	9.80	779.80	788.00	777.40	785.40	16,390	5355	27950	-385
Jul-20	13.40	770.00	787.00	769.00	779.60	11,760	9260	13120	4215
Prices & Vol-OI are at 5:30 PM									

Spread	Jun -20	Jul-20
Spot	19.60	
Jun-20		-5.80
Jul-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	13.70	643.00	661.40	643.00	660.60	1049	306	862	-508
June-20	18.50	628.50	642.20	623.70	638.90	2562	1074	2934	-400

Spread	May-20	June-20
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Spot	-9.6	
May-20		-21.7
June-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.30	27.22	27.66	27.06	27.57
Aug	0.32	27.41	27.84	27.25	27.77
Sep	0.30	27.59	28.01	27.43	27.92
Oct	0.31	27.75	28.13	27.62	28.1
Dec	0.29	28.12	28.54	27.96	28.44

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	105	2280	2359	2280	2669
Jun	121	2234	2320	2220	2626
Jul	113	2210	2297	2199	2585
Aug	118	2210	2292	2199	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
27/05/2020	7.16	14727	4.348	68.19	75.64	5.35	98.90	33.86

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-May-20	26-May-20	
Refined Soybean Oil	Indore	805	805	Unch
	Indore (Soy Solvent Crude)	770	770	Unch
	Mumbai	800	800	Unch
	Mumbai (Soy Degum)	760	760	Unch
	Kandla/Mundra	790	790	Unch
	Kandla/Mundra (Soy Degum)	750	746	4
	Kolkata	790	790	Unch
	Delhi	825	820	5
	Nagpur	880	880	Unch
	Rajkot	780	805	-25
	Kota	800	800	Unch
	Hyderabad	Unq	Unq	-



	Akola	820	820	Unch
	Amrawati	820	820	Unch
	Bundi	805	805	Unch
	Jalna	890	890	Unch
	Solapur	870	870	Unch
	Dhule	890	890	Unch
Palm Oil*	Kandla (Crude Palm Oil)	684	675	8
	Kandla (RBD Palm oil)	709	709	Unch
	Kandla RBD Pamolein	746	740	5
	Kakinada (Crude Palm Oil)	646	646	Unch
	Kakinada RBD Pamolein	740	730	11
	Haldia Pamolein	740	735	5
	Chennai RBD Pamolein	751	740	11
	Chennai RBD Pamolein (Vitamin A&D Fortified)	799	793	6
	KPT (krishna patnam) Pamolein	751	740	11
	Mumbai RBD Pamolein	754	751	3
	Mangalore RBD Pamolein	751	751	Unch
	Tuticorin (RBD Palmolein)	-	746	-
	Delhi	795	790	5
	Rajkot	756	725	32
	Hyderabad	790	790	Unch
	PFAD (Kandla)	462	462	Unch
	Refined Palm Stearin (Kandla)	646	646	Unch
	Superolien (Kandla)	740	740	Unch
	Superolien (Mumbai)	761	761	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	915	910	5
	Mumbai	905	905	Unch
	Mumbai(Expeller Oil)	855	855	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	915	915	Unch
	Latur (Expeller Oil)	845	845	Unch
	Chellakere (Expeller Oil)	855	855	Unch
	Erode (Expeller Oil)	940	935	5
Groundnut Oil	Rajkot	1300	1325	-25
	Chennai	1380	1430	-50
	Delhi	1390	1450	-60
	Hyderabad *	1300	1350	-50
	Mumbai	1430	1430	Unch
	Gondal	1330	1350	-20



	Jamnagar	1330	1350	-20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	955	945	10
	Jaipur (Kacchi Ghani Oil)	985	975	10
	Kota (Expeller Oil)	920	910	10
	Kota (Kacchi Ghani Oil)	940	940	Unch
	Neewai (Expeller Oil)	957	950	7
	Neewai (Kacchi Ghani Oil)	967	960	7
	Bharatpur (Kacchi Ghani Oil)	970	960	10
	Sri-Ganga Nagar(Exp Oil)	926	915	11
	Sri-Ganga Nagar (Kacchi Ghani Oil)	966	955	11
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	920	920	Unch
	Hapur (Expeller Oil)	915	916	-1
	Hapur (Kacchi Ghani Oil)	945	946	-1
	Agra (Kacchi Ghani Oil)	975	965	10
Refined Cottonseed Oil	Rajkot	800	800	Unch
	Hyderabad	815	815	Unch
	Mumbai	820	820	Unch
	New Delhi	760	755	5
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	550	Closed	-
	CNF India	585	575	10
Indonesia CPO USD/MT	FOB	538	Closed	-
	CNF India	575	565	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	548	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	545	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	680	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	510	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	680	-



Ukraine Origin CSFO USD/MT Kandla	CIF	813	813	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	750	744	6
Argentina FOB (\$/MT)		26-May-20	25-May-20	Change
Crude Soybean Oil Ship		617	Unq	-
Refined Soy Oil (Bulk) Ship		639	Unq	-
Sunflower Oil Ship		700	Unq	-
Cottonseed Oil Ship		597	Unq	-
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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