

Domestic Fundamentals:

- Edible oil complex featured mixed trend in various markets centers on Friday.
- Soy oil and palm oil domestic markets rose on rise in international benchmarks. BMD CPO rose on global demand prospects and opening of many countries. CBOT soy oil rose on technical buying amid US-China setoff on coronavirus.
- 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.
- 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.
- 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	3.00	782.00	787.60	781.60	785.20	8,390	-1830	28140	-680
Jul-20	2.40	777.80	782.80	777.80	780.20	6,435	1650	16090	2245
Prices & Vol-OI are at 5:30 PM									

Spread	Jun -20	Jul-20
Spot	19.80	
Jun-20		-5.00
Jul-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-20	0.10	659.40	659.40	657.50	658.10	365	-34	366	-253
June-20	6.80	631.00	639.90	629.40	637.60	1442	-1201	2505	-222

Spread
May-20
June-20
Spot

-0.1

May-20

-20.5

June-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.06	27.35	27.51	27.14	27.45
Aug	0.07	27.53	27.68	27.31	27.64
Sep	0.05	27.7	27.85	27.53	27.79
Oct	-0.04	27.88	27.88	27.7	27.85
Dec	0.05	28.2	28.35	28	28.29

0.23

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
May	39	2336	2373	2336	2669
Jun	28	2285	2331	2274	2626
Jul	27	2261	2303	2248	2585
Aug	28	2255	2298	2248	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
29/05/2020	7.14	14618	4.347	68.37	75.56	5.41	98.03	32.87

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		29-May-20	28-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)	745	745	Unch
	Kolkata	790	790	Unch
	Delhi	825	825	Unch
	Nagpur	885	885	Unch
	Rajkot	780	780	Unch
	Kota	800	800	Unch
	Hyderabad	Unq	Unq	-

	Akola	823	823	Unch
	Amrawati	825	825	Unch
	Bundi	805	805	Unch
	Jalna	895	895	Unch
	Solapur	875	875	Unch
	Dhule	895	895	Unch
Palm Oil*	Kandla (Crude Palm Oil)	691	691	Unch
	Kandla (RBD Palm oil)	725	725	Unch
	Kandla RBD Pamolein	751	751	Unch
	Kakinada (Crude Palm Oil)	683	683	Unch
	Kakinada RBD Pamolein	746	746	Unch
	Haldia Pamolein	746	746	Unch
	Chennai RBD Pamolein	751	751	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	807	807	Unch
	KPT (krishna patnam) Pamolein	756	756	Unch
	Mumbai RBD Pamolein	761	761	Unch
	Mangalore RBD Pamolein	751	751	Unch
	Tuticorin (RBD Palmolein)	-	770	-
	Delhi	795	795	Unch
	Rajkot	756	756	Unch
	Hyderabad	785	785	Unch
	PFAD (Kandla)	462	462	Unch
	Refined Palm Stearin (Kandla)	683	683	Unch
	Superolien (Kandla)	772	772	Unch
	Superolien (Mumbai)	782	782	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	920	915	5
	Mumbai	910	910	Unch
	Mumbai(Expeller Oil)	870	855	15
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	920	920	Unch
	Latur (Expeller Oil)	845	845	Unch
	Chellakere (Expeller Oil)	855	855	Unch
	Erode (Expeller Oil)	940	940	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1370	1400	-30
	Delhi	1400	1400	Unch
	Hyderabad *	1380	1380	Unch
	Mumbai	1430	1430	Unch
	Gondal	1330	1330	Unch

	Jamnagar	1330	1330	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	960	963	-3
	Jaipur (Kacchi Ghani Oil)	987	993	-6
	Kota (Expeller Oil)	930	920	10
	Kota (Kacchi Ghani Oil)	985	980	5
	Neewai (Expeller Oil)	965	960	5
	Neewai (Kacchi Ghani Oil)	975	970	5
	Bharatpur (Kacchi Ghani Oil)	980	970	10
	Sri-Ganga Nagar(Exp Oil)	925	930	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	965	970	-5
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	930	930	Unch
	Hapur (Expeller Oil)	915	915	Unch
	Hapur (Kacchi Ghani Oil)	945	945	Unch
	Agra (Kacchi Ghani Oil)	985	975	10
Refined Cottonseed Oil	Rajkot	800	800	Unch
	Hyderabad	815	815	Unch
	Mumbai	820	820	Unch
	New Delhi	760	760	Unch
Coconut Oil	Kangayan (Crude)	1485	1485	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	685	685	Unch
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	560	550	10
	CNF India	605	605	Unch
Indonesia CPO USD/MT	FOB	548	545	3
	CNF India	595	595	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	558	553	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	550	548	2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	710	700	10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	510	510	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	710	-



Ukraine Origin CSFO USD/MT Kandla	CIF	823	823	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	734	741	-7
Argentina FOB (\$/MT)		28-May-20	27-May-20	Change
Crude Soybean Oil Ship		622	623	-1
Refined Soy Oil (Bulk) Ship		644	645	-1
Sunflower Oil Ship		715	700	15
Cottonseed Oil Ship		602	603	-1
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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