

Domestic Fundamentals:

- Edible oil complex featured firm trend in various markets centers on Tuesday.
- Soy oil and palm oil domestic markets rose on demand prospects as confidence rose as India opened its economy in first phase implying that demand will surge here on. However, imports of edible oil will be under control as India is expected to get good monsoons which will lead to higher production of summer sowed oilseeds. Further, rise in international benchmark supported prices. BMD CPO rose on global demand prospects and lower production estimates. CBOT soy oil rose on technical buying amid US-China setoff on coronavirus.
- According to Indonesia trade ministry, Indonesia will not charge export duty on crude palm oil for June. Reference prices of June was set at USD 568.94 per ton compared to USD 635.15 per ton last month, below threshold price of USD 750 per ton. Export duty on CPO was brought down to zero ton in April due to fall in threshold price of USD 750 per ton. Indonesia charges export levy on CPO above USD 570 per ton. Earlier in the month Indonesia increased export levy by USD 5 per ton to fund ambitious biodiesel program after 2020.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's May palm oil exports rose 7.0 percent to 1,256,395 tons compared to 1,174,285 tons last month. Top buyers were European Union 269,125 tons (375,350 tons), China at 233,015 tons (207,530 tons) and India & subcontinent 197,600 tons (87,250 tons). Values in brackets are figures of 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 its 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 production 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 ousting 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.

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	19.40	797.60	815.00	797.60	814.60	13,155	2030	26255	-2705
Jul-20	21.60	791.00	809.40	791.00	808.00	14,365	6480	19895	2335

Prices & Vol-OI are at 5:30 PM

Spread	Jun -20	Jul-20
Spot	-9.60	
Jun-20		-6.60
Jul-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-20	21.00	647.20	669.70	647.20	667.50	2536	510	2442	165
July-20	18.70	645.00	654.30	639.00	654.00	278	-301	850	45

Spread	June-20	July-20
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Spot	3.5	
June-20		-13.5
July-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.29	27.6	27.92	27.48	27.89
Aug	0.30	27.79	28.1	27.66	28.08
Sep	0.29	27.97	28.28	27.84	28.25
Oct	0.30	28.01	28.43	28	28.42
Dec	0.30	28.39	28.76	28.32	28.74

0.23
Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	72	2386	2460	2386	2669
Jul	59	2314	2384	2302	2626
Aug	52	2285	2347	2270	2585
Sep	43	2278	2336	2269	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
02/06/2020	7.10	14440	4.277	68.45	75.12	5.37	97.62	36.23

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		02-Jun-20	01-Jun-20	
Refined Soybean Oil	Indore	805	805	Unch
	Indore (Soy Solvent Crude)	770	770	Unch
	Mumbai	800	800	Unch
	Mumbai (Soy Degum)	775	765	10
	Kandla/Mundra	800	800	Unch
	Kandla/Mundra (Soy Degum)	765	755	10
	Kolkata	800	800	Unch
	Delhi	850	845	5
	Nagpur	888	885	3
	Rajkot	795	775	20
	Kota	820	800	20
	Hyderabad	Unq	Unq	-



	Akola	827	825	2
	Amrawati	828	825	3
	Bundi	825	805	20
	Jalna	898	895	3
	Solapur	878	875	3
	Dhule	898	895	3
Palm Oil*	Kandla (Crude Palm Oil)	705	697	7
	Kandla (RBD Palm oil)	725	725	Unch
	Kandla RBD Pamolein	767	756	11
	Kakinada (Crude Palm Oil)	693	693	Unch
	Kakinada RBD Pamolein	767	751	16
	Haldia Pamolein	767	756	11
	Chennai RBD Pamolein	777	761	16
	Chennai RBD Pamolein (Vitamin A&D Fortified)	823	814	9
	KPT (krishna patnam) Pamolein	777	761	16
	Mumbai RBD Pamolein	777	767	11
	Mangalore RBD Pamolein	777	761	16
	Tuticorin (RBD Palmolein)	800	793	7
	Delhi	805	805	Unch
	Rajkot	782	761	21
	Hyderabad	800	785	15
	PFAD (Kandla)	462	462	Unch
	Refined Palm Stearin (Kandla)	693	693	Unch
	Superolien (Kandla)	772	772	Unch
	Superolien (Mumbai)	782	782	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	925	Unch
	Mumbai	920	920	Unch
	Mumbai(Expeller Oil)	870	870	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	925	920	5
	Latur (Expeller Oil)	870	865	5
	Chellakere (Expeller Oil)	880	875	5
	Erode (Expeller Oil)	950	950	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1370	1350	20
	Delhi	1340	1400	-60
	Hyderabad *	1375	1350	25
	Mumbai	1430	1430	Unch
	Gondal	1280	1275	5

	Jamnagar	1275	1275	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	987	970	17
	Jaipur (Kacchi Ghani Oil)	1015	998	17
	Kota (Expeller Oil)	950	940	10
	Kota (Kacchi Ghani Oil)	990	990	Unch
	Neewai (Expeller Oil)	995	970	25
	Neewai (Kacchi Ghani Oil)	1005	980	25
	Bharatpur (Kacchi Ghani Oil)	1000	990	10
	Sri-Ganga Nagar(Exp Oil)	970	940	30
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1010	980	30
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	975	965	10
	Hapur (Expeller Oil)	915	915	Unch
	Hapur (Kacchi Ghani Oil)	945	945	Unch
	Agra (Kacchi Ghani Oil)	1005	995	10
Refined Cottonseed Oil	Rajkot	810	800	10
	Hyderabad	820	815	5
	Mumbai	820	820	Unch
	New Delhi	775	770	5
Coconut Oil	Kangayan (Crude)	1400	1400	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	715	700	15
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	583	580	3
	CNF India	625	615	10
Indonesia CPO USD/MT	FOB	560	560	Unch
	CNF India	615	605	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	578	575	3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	565	565	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	735	740	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	525	525	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	710	-

Ukraine Origin CSFO USD/MT Kandla	CIF	825	823	2
Rapeseed Oil Rotterdam Euro/MT	FOB	734	734	Unch
Argentina FOB (\$/MT)		1-Jun-20	30-May-20	Change
Crude Soybean Oil Ship		651	Closed	-
Refined Soy Oil (Bulk) Ship		674	Closed	-
Sunflower Oil Ship		725	Closed	-
Cottonseed Oil Ship		631	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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