

**Domestic Fundamentals:**

- Edible oil complex featured firm trend in various markets centers on Wednesday.
- 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 lower global production estimates and rise in global crude oil prices. CBOT soy oil rose on higher Chinese demand of soybean and rise in crude oil prices.
- 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 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.

**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	1.20	816.00	821.00	809.40	814.80	11,940	-1215	25305	-950
Jul-20	0.40	809.40	815.00	802.00	808.00	14,480	115	20865	970
Prices & Vol-OI are at 5:30 PM									

Spread	Jun -20	Jul-20
Spot	5.20	
Jun-20		-6.80
Jul-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-20	-0.80	667.00	670.00	656.60	663.30	2488	-48	2726	284
July-20	1.70	652.00	658.50	644.00	653.00	468	190	992	142

Spread	June-20	July-20
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Spot	15.7	
June-20		-10.3
July-20		

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.10	27.97	28.14	27.93	28.04
Aug	0.10	28.18	28.31	28.11	28.22
Sep	0.09	28.35	28.47	28.3	28.38
Oct	0.10	28.55	28.64	28.45	28.55
Dec	0.10	28.82	28.95	28.76	28.87

0.1

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

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	9	2435	2470	2432	2669
Jul	62	2396	2441	2373	2626
Aug	59	2361	2400	2333	2585
Sep	55	2345	2385	2321	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/06/2020	7.11	14141	4.262	68.50	75.48	5.20	97.59	36.02

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		03-Jun-20	02-Jun-20	
Refined Soybean Oil	Indore	820	805	15
	Indore (Soy Solvent Crude)	785	770	15
	Mumbai	810	800	10
	Mumbai (Soy Degum)	780	775	5
	Kandla/Mundra	800	800	Unch
	Kandla/Mundra (Soy Degum)	775	765	10
	Kolkata	800	800	Unch
	Delhi	855	850	5
	Nagpur	900	888	12
	Rajkot	810	795	15
	Kota	825	820	5
	Hyderabad	Unq	Unq	-

	Akola	840	827	13
	Amrawati	840	828	12
	Bundi	830	825	5
	Jalna	910	898	12
	Solapur	890	878	12
	Dhule	910	898	12
Palm Oil*	Kandla (Crude Palm Oil)	713	705	8
	Kandla (RBD Palm oil)	725	725	Unch
	Kandla RBD Pamolein	777	767	11
	Kakinada (Crude Palm Oil)	698	693	5
	Kakinada RBD Pamolein	777	767	11
	Haldia Pamolein	777	767	11
	Chennai RBD Pamolein	788	777	11
	Chennai RBD Pamolein (Vitamin A&D Fortified)	830	823	6
	KPT (krishna patnam) Pamolein	782	777	5
	Mumbai RBD Pamolein	790	777	13
	Mangalore RBD Pamolein	788	777	11
	Tuticorin (RBD Palmolein)	794	800	-6
	Delhi	825	805	20
	Rajkot	788	782	5
	Hyderabad	810	800	10
	PFAD (Kandla)	494	462	32
	Refined Palm Stearin (Kandla)	698	693	5
	Superolien (Kandla)	772	772	Unch
	Superolien (Mumbai)	782	782	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	925	Unch
	Mumbai	925	920	5
	Mumbai (Expeller Oil)	875	870	5
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	925	925	Unch
	Latur (Expeller Oil)	870	870	Unch
	Chellakere (Expeller Oil)	880	880	Unch
	Erode (Expeller Oil)	950	950	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1350	1370	-20
	Delhi	1330	1340	-10
	Hyderabad *	1375	1375	Unch
	Mumbai	1430	1430	Unch
	Gondal	1280	1280	Unch



	Jamnagar	1275	1275	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	987	987	Unch
	Jaipur (Kacchi Ghani Oil)	1015	1015	Unch
	Kota (Expeller Oil)	960	950	10
	Kota (Kacchi Ghani Oil)	1010	990	20
	Neewai (Expeller Oil)	995	995	Unch
	Neewai (Kacchi Ghani Oil)	1005	1005	Unch
	Bharatpur (Kacchi Ghani Oil)	1010	1000	10
	Sri-Ganga Nagar(Exp Oil)	970	970	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1010	1010	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	985	975	10
	Hapur (Expeller Oil)	908	915	-7
	Hapur (Kacchi Ghani Oil)	938	945	-7
	Agra (Kacchi Ghani Oil)	1015	1005	10
Refined Cottonseed Oil	Rajkot	820	810	10
	Hyderabad	820	820	Unch
	Mumbai	825	820	5
	New Delhi	775	775	Unch
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	725	715	10
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	595	583	12
	CNF India	635	625	10
Indonesia CPO USD/MT	FOB	578	560	18
	CNF India	625	615	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	590	578	12
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	575	565	10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	750	735	15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	533	525	8
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	745	-



Ukraine Origin CSFO USD/MT Kandla	CIF	830	825	5
Rapeseed Oil Rotterdam Euro/MT	FOB	744	734	10
Argentina FOB (\$/MT)		2-Jun-20	1-Jun-20	Change
Crude Soybean Oil Ship		661	651	10
Refined Soy Oil (Bulk) Ship		684	674	10
Sunflower Oil Ship		725	725	Unch
Cottonseed Oil Ship		641	631	10
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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