

Domestic Fundamentals:

- Edible oil complex featured mostly sideways to mixed trend in various markets centers on Friday.
- Soy oil domestic prices rose on rise in international benchmarks while palm oil fell on weak demand prospects as data from SEA showed more than expected fall in imports of palm oil by India. Edible oil imports by India fell to 10 year low in May on the back of weak domestic demand on coronavirus shutdown. HoReCa segment is the most hit segment which lead to fall in demand of palm oil. BMD CPO rose on Malaysia removing export duties on CPO until Dec. CBOT soy oil rose on higher soybean demand by China and rise in crude oil prices.
- 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.
- 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.

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	808.60	810.00	802.40	807.00	5,735	-3185	23965	310
Jul-20	3.60	799.80	802.00	793.20	798.60	9,135	-1735	22265	1000

Prices & Vol-OI are at 5:30 PM

Spread	Jun -20	Jul-20
Spot	13.00	
Jun-20		-8.40
Jul-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-20	-4.50	656.10	658.50	645.00	649.20	2687	722	3178	308
July-20	-4.00	648.00	648.40	636.90	640.00	697	-84	1613	270

Spread	June-20	July-20
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Spot	30.8	
June-20		-9.2
July-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.23	27.72	28.1	27.67	28.05
Aug	0.23	27.91	28.28	27.86	28.24
Sep	0.22	28.1	28.45	28.08	28.41
Oct	0.26	28.3	28.61	28.3	28.61
Dec	0.22	28.58	28.94	28.57	28.9

0.1

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	9	2410	2440	2395	2669
Jul	19	2374	2420	2327	2626
Aug	25	2342	2396	2298	2585
Sep	29	2331	2381	2289	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/06/2020	7.03	13900	4.266	68.81	75.65	5.12	96.76	38.31

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		05-Jun-20	04-Jun-20	
Refined Soybean Oil	Indore	820	820	Unch
	Indore (Soy Solvent Crude)	785	785	Unch
	Mumbai	810	810	Unch
	Mumbai (Soy Degum)	775	780	-5
	Kandla/Mundra	800	800	Unch
	Kandla/Mundra (Soy Degum)	775	775	Unch
	Kolkata	800	800	Unch
	Delhi	850	855	-5
	Nagpur	892	892	Unch
	Rajkot	805	800	5
	Kota	825	825	Unch
	Hyderabad	Unq	Unq	-



	Akola	833	833	Unch
	Amrawati	838	838	Unch
	Bundi	830	830	Unch
	Jalna	902	902	Unch
	Solapur	882	882	Unch
	Dhule	902	902	Unch
Palm Oil*	Kandla (Crude Palm Oil)	714	717	-3
	Kandla (RBD Palm oil)	725	725	Unch
	Kandla RBD Pamolein	777	777	Unch
	Kakinada (Crude Palm Oil)	696	696	Unch
	Kakinada RBD Pamolein	777	777	Unch
	Haldia Pamolein	777	777	Unch
	Chennai RBD Pamolein	788	788	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	830	830	Unch
	KPT (krishna patnam) Pamolein	782	782	Unch
	Mumbai RBD Pamolein	790	790	Unch
	Mangalore RBD Pamolein	788	788	Unch
	Tuticorin (RBD Palmolein)	804	804	Unch
	Delhi	820	825	-5
	Rajkot	788	788	Unch
	Hyderabad	810	810	Unch
	PFAD (Kandla)	494	494	Unch
	Refined Palm Stearin (Kandla)	696	696	Unch
	Superolien (Kandla)	772	772	Unch
	Superolien (Mumbai)	782	782	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	925	Unch
	Mumbai	925	925	Unch
	Mumbai(Expeller Oil)	875	875	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	930	930	Unch
	Latur (Expeller Oil)	875	875	Unch
	Chellakere (Expeller Oil)	885	885	Unch
	Erode (Expeller Oil)	950	950	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1300	1300	Unch
	Delhi	1320	1330	-10
	Hyderabad *	1340	1340	Unch
	Mumbai	1430	1430	Unch
	Gondal	1300	1300	Unch

	Jamnagar	1300	1300	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	987	984	3
	Jaipur (Kacchi Ghani Oil)	1015	1012	3
	Kota (Expeller Oil)	960	960	Unch
	Kota (Kacchi Ghani Oil)	1010	1010	Unch
	Neewai (Expeller Oil)	990	990	Unch
	Neewai (Kacchi Ghani Oil)	1000	1000	Unch
	Bharatpur (Kacchi Ghani Oil)	1000	1000	Unch
	Sri-Ganga Nagar(Exp Oil)	960	960	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1000	1000	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	985	985	Unch
	Hapur (Expeller Oil)	913	913	Unch
	Hapur (Kacchi Ghani Oil)	943	943	Unch
	Agra (Kacchi Ghani Oil)	1005	1005	Unch
Refined Cottonseed Oil	Rajkot	820	795	25
	Hyderabad	810	810	Unch
	Mumbai	825	825	Unch
	New Delhi	780	775	5
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1250	1150	100
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	720	725	-5
Rice Bran Oil (4%)	Punjab	760	760	Unch
Malaysia Palmolein USD/MT	FOB	598	595	3
	CNF India	625	640	-15
Indonesia CPO USD/MT	FOB	578	580	-2
	CNF India	615	630	-15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	593	593	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	573	578	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	750	745	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	528	535	-7
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	740	-



Ukraine Origin CSFO USD/MT Kandla	CIF	835	830	5
Rapeseed Oil Rotterdam Euro/MT	FOB	744	747	-3
Argentina FOB (\$/MT)		4-Jun-20	3-Jun-20	Change
Crude Soybean Oil Ship		654	658	-4
Refined Soy Oil (Bulk) Ship		677	681	-4
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		634	638	-4
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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