

Domestic Fundamentals:

- Edible oil complex featured weak trend at various markets centers on Monday.
- Soy oil and palm oil domestic prices fell on demand concerns and fall in international benchmarks. BMD CPO fell on rising global palm oil production and slowing palm oil global demand. CBOT soy oil fell on concerns of second wave of coronavirus in US and conducive weather conditions of soybean in US Midwest. Markets are awaiting quarterly US soybean acreage and stock report. Favorable US soybean crop report as reported by USDA will support losses.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's June1-25 palm oil exports rose 37.2 percent to 1,390,860 tons compared to 1,014,000 tons in corresponding period last month. Top buyers were European Union 385,915 tons (233,220 tons), China at 337,200 tons (193,715 tons) and India & subcontinent 281,425 tons (149,100 tons). Values in brackets are figures of corresponding period last month.
- In the weekly USDA crop progress report released this week; The US Soybeans planting is reported at 96% up from 83% same period last year and 93% from 5 year average. Soybean emerged is reported at 89% up from 66% same period last year and 85% from 5 year average. About 58% of the crop is under good condition, 12% at excellent condition and 25% at fair condition.
- Edible oil consumption is expected to fall in oil year 2018-19 on lower out of house consumption contributing 27% of total edible oil demand. Lower demand from biscuits, noodles and frying, confectionary, bakery, HoReCa, and non food sector led to lower demand. Lower out of house demand will cut India's consumption by 1.5-2 MMT. Most of the cut in demand will be due to lower demand of palm oil. Palm oil use in out of home is high and cut in consumption will cut palm oil import by 1.5-2 MMT to 7-7.5 MMT from 9-9.5 MMT last year.
- India is expected to import 15% more sunflower oil due to firm demand from households as markets were closed due to lockdown. Further, Ukraine is expected to produce higher sunflower oil in 2019-20 compared to 2018-19. Global sunflower oil is expected to remain firm on firm global demand. However, import parity of sunflower oil is negative and refining margins are in disparity.
- Palm oil international priced are expected supported by expectation of fall in end stocks of palm oil in Malaysia and Indonesia, rise in exports of palm oil from Malaysia, firm demand of palm oil from India and China, higher use of palm oil in biodiesel in Indonesia and Malaysia and rise in crude oil prices.
- Palm oil exports from Malaysia surged due to firm demand from all major locations. Demand of China firmed as it started to stock palm oil after opening of lockdown and US-China dispute on China's handling of coronavirus and political condition in Hong Kong. Demand of palm oil is expected to firm from India as Malaysia removed export duty on crude palm oil and restocking of palm oil due to lower imports in 2020 and India restricting RBD palmolein imports.
- Palm oil end stocks are expected to fall in Malaysia in June due to surge in exports of palm oil and slower rate of growth of production of palm oil in Malaysia in June.
- Global soy oil prices are expected to be supported by fall in stocks of soy oil in US as reported by NOPA, less water in Parana River in Argentina, gradual opening of economies in the world, higher demand of soybean by China and rise in crude oil prices. US soybean planting is progressing at pace higher than last year and 5-year average and crop condition is better than last year and 5-year average. Water in Parana river is down in Argentina leading to delay in shipments of soy oil leading to rise in basis of soy oil over CBOT.

Outlook: Edible oil basket is expected to feature sideways to weak tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jul-20	-13.50	811.20	811.30	799.10	801.00	16,110	650	24320	-2165
Aug-20	-12.30	800.50	800.50	788.00	792.00	7,820	-115	13870	2225
Prices & Vol-OI are at 5:30 PM									

Spread	Jul -20	Aug1-20
Spot	39.00	
Jul-20		-9.00
Aug-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-20	-9.50	704.10	708.50	697.10	700.00	759	119	1578	-99
July-20	-18.10	662.00	662.00	644.10	649.00	2074	-33	4658	220

Spread	June-20	July-20
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Spot	9.0	
June-20		-51
July-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	-0.13	27.21	27.3	27.05	27.07
Aug	-0.14	27.44	27.5	27.26	27.27
Sep	-0.13	27.57	27.68	27.43	27.45
Oct	-0.13	27.75	27.84	27.6	27.62
Dec	-0.15	28.08	28.17	27.92	27.93

-0.12

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	-46	2411	2430	2396	2669
Jul	-42	2410	2411	2360	2626
Aug	-32	2353	2358	2313	2585
Sep	-25	2333	2334	2298	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
29/06/2020	7.07	14276	4.286	70.17	75.48	5.49	97.17	38.73

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		29-Jun-20	27-Jun-20	
Refined Soybean Oil	Indore	840	840	Unch
	Indore (Soy Solvent Crude)	810	805	5
	Mumbai	830	840	-10
	Mumbai (Soy Degum)	783	785	-2
	Kandla/Mundra	815	835	-20
	Kandla/Mundra (Soy Degum)	785	785	Unch
	Kolkata	820	830	-10
	Delhi	845	855	-10
	Nagpur	904	907	-3
	Rajkot	800	820	-20
	Kota	845	845	Unch
	Hyderabad	Unq	Unq	-

	Akola	840	843	-3
	Amrawati	842	845	-3
	Bundi	850	850	Unch
	Jalna	914	917	-3
	Solapur	894	897	-3
	Dhule	914	917	-3
Palm Oil*	Kandla (Crude Palm Oil)	744	750	-5
	Kandla (RBD Palm oil)	814	830	-16
	Kandla RBD Pamolein	840	840	Unch
	Kakinada (Crude Palm Oil)	704	714	-11
	Kakinada RBD Pamolein	814	830	-16
	Haldia Pamolein	819	851	-32
	Chennai RBD Pamolein	830	840	-11
	Chennai RBD Pamolein (Vitamin A&D Fortified)	878	901	-23
	KPT (krishna patnam) Pamolein	819	840	-21
	Mumbai RBD Pamolein	851	856	-5
	Mangalore RBD Pamolein	840	845	-5
	Tuticorin (RBD Palmolein)	#VALUE!	832	-
	Delhi	850	860	-10
	Rajkot	803	819	-16
	Hyderabad	780	790	-10
	PFAD (Kandla)	509	525	-16
	Refined Palm Stearin (Kandla)	704	714	-11
	Superolien (Kandla)	830	872	-42
	Superolien (Mumbai)	840	882	-42
* inclusive of GST				
Refined Sunflower Oil	Chennai	930	935	-5
	Mumbai	940	950	-10
	Mumbai(Expeller Oil)	895	900	-5
	Kandla (Ref.)	915	925	-10
	Hyderabad (Ref)	940	940	Unch
	Latur (Expeller Oil)	885	885	Unch
	Chellakere (Expeller Oil)	895	895	Unch
	Erode (Expeller Oil)	970	970	Unch
Groundnut Oil	Rajkot	1370	1350	20
	Chennai	1320	1350	-30
	Delhi	1400	1400	Unch
	Hyderabad *	1350	1350	Unch
	Mumbai	1370	1400	-30
	Gondal	1350	1350	Unch

	Jamnagar	1350	1350	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1017	1022	-5
	Jaipur (Kacchi Ghani Oil)	1045	1050	-5
	Kota (Expeller Oil)	1000	1000	Unch
	Kota (Kacchi Ghani Oil)	1020	1030	-10
	Neewai (Expeller Oil)	1010	1013	-3
	Neewai (Kacchi Ghani Oil)	1020	1023	-3
	Bharatpur (Kacchi Ghani Oil)	1010	1030	-20
	Sri-Ganga Nagar(Exp Oil)	980	980	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1020	1020	Unch
	Mumbai (Expeller Oil)	980	980	Unch
	Kolkata(Expeller Oil)	1020	1020	Unch
	New Delhi (Expeller Oil)	965	970	-5
	Hapur (Expeller Oil)	937	935	2
	Hapur (Kacchi Ghani Oil)	967	965	2
	Agra (Kacchi Ghani Oil)	1015	1035	-20
Refined Cottonseed Oil	Rajkot	815	825	-10
	Hyderabad	810	810	Unch
	Mumbai	845	845	Unch
	New Delhi	790	795	-5
Coconut Oil	Kangayan (Crude)	1520	1520	Unch
	Cochin	1520	1530	-10
Sesame Oil	New Delhi	1550	1550	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	735	750	-15
Rice Bran Oil (4%)	Punjab	770	770	Unch
Malaysia Palmolein USD/MT	FOB	608	615	-7
	CNF India	625	630	-5
Indonesia CPO USD/MT	FOB	590	595	-5
	CNF India	615	620	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	605	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	590	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	695	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	515	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-

Ukraine Origin CSFO USD/MT Kandla	CIF	850	850	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	759	Closed	-
Argentina FOB (\$/MT)		27-Jun-20	26-Jun-20	Change
Crude Soybean Oil Ship		Closed	652	-
Refined Soy Oil (Bulk) Ship		Closed	675	-
Sunflower Oil Ship		Closed	760	-
Cottonseed Oil Ship		Closed	632	-
Refined Linseed Oil (Bulk) Ship		Closed	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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