

Domestic Fundamentals:

- Edible oil complex featured weak trend at various markets centers on Tuesday.
- 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 Indonesia trade ministry, Indonesia will not charge export duty on crude palm oil for July. Reference prices of July was set at USD 622.47 per ton compared to USD 568.94 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 of USD 55 per ton on CPO prices above USD 570 per ton.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's June palm oil exports rose 29.1 percent to 1,622,432 tons compared to 1,256,395 tons last month. Top buyers were European Union 420,065 tons (269,125 tons), China at 365,300 tons (233,015 tons) and India & subcontinent 349,725 tons (197,600 tons). Values in brackets are figures of last month.
- 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 underpinned by expectation of rise in production of palm oil in Malaysia and Indonesia, slow rise in exports of palm oil from Malaysia and slowing demand top importing destinations,
- Palm oil end stocks are expected to rise in Malaysia in in coming months due to rise in production of palm oil and slower rate of growth of exports of palm oil in Malaysia in coming months.
- Palm oil exports from Malaysia is expected to slow to all major locations. Demand of China will slow as record imports of soybean by then country will increase the supply of soy oil in the country thereby slowing demand of palm oil. Demand of palm oil is expected to slow from India due to rise in prices of palm oil in international markets. India restricting refined palm oil imports will slow imports of palm oil by the country.
- 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	-4.30	808.80	812.00	796.30	803.00	11,910	-4200	23840	-480
Aug-20	-3.20	800.00	802.00	786.60	794.00	6,785	-1035	14085	215
Prices & Vol-OI are at 5:30 PM									

Spread	Jul -20	Aug1-20
Spot	17.00	
Jul-20		-9.00
Aug-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
July-20	-8.50	660.00	662.50	641.50	648.70	3519	1445	4791	133
Aug-20	-0.50	641.00	643.00	626.00	636.00	326	-54	969	94

Spread	July-20	Aug-20
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Spot	50.3	
July-20		-12.7
Aug-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.13	27.62	27.75	27.61	27.75
Aug	0.14	27.73	27.97	27.73	27.92
Sep	0.17	27.94	28.14	27.92	28.12
Oct	0.15	28.12	28.27	28.11	28.27
Dec	0.15	28.44	28.65	28.42	28.61

-0.12

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	-48	2440	2440	2379	2669
Jul	-49	2412	2412	2336	2626
Aug	-43	2358	2367	2293	2585
Sep	-37	2336	2349	2276	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
30/06/2020	7.07	14251	4.285	70.35	75.54	5.40	97.73	39.27

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		30-Jun-20	29-Jun-20	
Refined Soybean Oil	Indore	820	840	-20
	Indore (Soy Solvent Crude)	785	810	-25
	Mumbai	820	830	-10
	Mumbai (Soy Degum)	780	783	-3
	Kandla/Mundra	805	815	-10
	Kandla/Mundra (Soy Degum)	772	785	-13
	Kolkata	800	820	-20
	Delhi	840	845	-5
	Nagpur	904	904	Unch
	Rajkot	795	800	-5
	Kota	830	845	-15
	Hyderabad	Unq	Unq	-

	Akola	837	840	-3
	Amrawati	842	842	Unch
	Bundi	835	850	-15
	Jalna	914	914	Unch
	Solapur	894	894	Unch
	Dhule	914	914	Unch
Palm Oil*	Kandla (Crude Palm Oil)	734	744	-11
	Kandla (RBD Palm oil)	814	814	Unch
	Kandla RBD Pamolein	819	840	-21
	Kakinada (Crude Palm Oil)	688	704	-16
	Kakinada RBD Pamolein	793	814	-21
	Haldia Pamolein	809	819	-11
	Chennai RBD Pamolein	809	830	-21
	Chennai RBD Pamolein (Vitamin A&D Fortified)	865	878	-13
	KPT (krishna patnam) Pamolein	798	819	-21
	Mumbai RBD Pamolein	835	851	-16
	Mangalore RBD Pamolein	830	840	-11
	Tuticorin (RBD Palmolein)	800	-	-
	Delhi	845	850	-5
	Rajkot	793	803	-11
	Hyderabad	775	780	-5
	PFAD (Kandla)	509	509	Unch
	Refined Palm Stearin (Kandla)	688	704	-16
	Superolien (Kandla)	830	830	Unch
	Superolien (Mumbai)	840	840	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	930	-5
	Mumbai	940	940	Unch
	Mumbai (Expeller Oil)	895	895	Unch
	Kandla (Ref.)	900	915	-15
	Hyderabad (Ref)	935	940	-5
	Latur (Expeller Oil)	875	885	-10
	Chellakere (Expeller Oil)	885	895	-10
	Erode (Expeller Oil)	960	970	-10
Groundnut Oil	Rajkot	1350	1350	Unch
	Chennai	1350	1350	Unch
	Delhi	1400	1400	Unch
	Hyderabad *	1350	1350	Unch
	Mumbai	1370	1370	Unch
	Gondal	1350	1350	Unch

	Jamnagar	1350	1350	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1012	1017	-5
	Jaipur (Kacchi Ghani Oil)	1040	1045	-5
	Kota (Expeller Oil)	980	1000	-20
	Kota (Kacchi Ghani Oil)	1025	1020	5
	Neewai (Expeller Oil)	1005	1010	-5
	Neewai (Kacchi Ghani Oil)	1015	1020	-5
	Bharatpur (Kacchi Ghani Oil)	1010	1010	Unch
	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)	1050	1020	30
	New Delhi (Expeller Oil)	960	965	-5
	Hapur (Expeller Oil)	938	937	1
	Hapur (Kacchi Ghani Oil)	968	967	1
	Agra (Kacchi Ghani Oil)	1015	1015	Unch
Refined Cottonseed Oil	Rajkot	810	815	-5
	Hyderabad	800	810	-10
	Mumbai	835	845	-10
	New Delhi	785	790	-5
Coconut Oil	Kangayan (Crude)	1530	1520	10
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1550	1550	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	725	735	-10
Rice Bran Oil (4%)	Punjab	760	770	-10
Malaysia Palmolein USD/MT	FOB	608	608	Unch
	CNF India	630	625	5
Indonesia CPO USD/MT	FOB	588	590	-2
	CNF India	620	615	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	603	605	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	590	590	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	690	695	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	515	515	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	745	-

Ukraine Origin CSFO USD/MT Kandla	CIF	840	850	-10
Rapeseed Oil Rotterdam Euro/MT	FOB	765	759	6
Argentina FOB (\$/MT)		29-Jun-20	27-Jun-20	Change
Crude Soybean Oil Ship		660	Closed	-
Refined Soy Oil (Bulk) Ship		683	Closed	-
Sunflower Oil Ship		760	Closed	-
Cottonseed Oil Ship		640	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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