

**Domestic Fundamentals:**

- Edible oil complex featured mostly weak trend at various markets centers on Thursday.
- Soy oil and palm oil domestic prices rose on rise in international benchmarks. BMD CPO rose on rise in crude oil prices and rise in competing oils prices. CBOT soy oil rose on lower soybean area in US while stocks of soybean in US was as per market estimate. Favorable US soybean crop report as reported by USDA will limit gains.
- 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.
- In the weekly USDA crop progress report released on 29 June 2020; The US Soybeans planting is reported to have completed – 100%. Soybean emerged is reported at 95% up from 80% same period last year and 91% from 5 year average. Soybean blooming is reported at 14% up from 2% same period last year and 11% from 5 year average. About 58% of the crop is under good condition, 13% at excellent condition and 24% at fair condition.
- 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.
- 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	0.50	810.00	812.00	806.60	809.60	6,865	-4795	20245	-1645
Aug-20	3.20	804.00	806.70	801.20	805.10	8,810	-1145	19210	2640
Prices & Vol-OI are at 5:30 PM									

Spread	Jul -20	Aug1-20
Spot	0.40	
Jul-20		-4.50
Aug-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
July-20	4.70	664.00	667.60	657.20	665.00	2036	-505	4864	131
Aug-20	5.00	654.00	659.80	648.60	656.80	975	18	1601	224

Spread	July-20	Aug-20
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Spot	13.0	
July-20		-8.2
Aug-20		

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

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	UNCH	28.21	28.21	28.21	28.21
Aug	0.14	28.35	28.52	28.3	28.5
Sep	0.13	28.49	28.68	28.47	28.65
Oct	0.13	28.67	28.84	28.64	28.82
Dec	0.14	28.98	29.18	28.96	29.15

-0.12

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

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	28	2410	2424	2410	2669
Jul	29	2375	2399	2370	2626
Aug	34	2340	2368	2332	2585
Sep	38	2325	2351	2319	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
02/07/2020	7.07	14327	4.286	70.56	74.69	5.33	97.31	39.92

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		02-Jul-20	01-Jul-20	
Refined Soybean Oil	Indore	810	810	Unch
	Indore (Soy Solvent Crude)	775	775	Unch
	Mumbai	820	820	Unch
	Mumbai (Soy Degum)	770	770	Unch
	Kandla/Mundra	805	805	Unch
	Kandla/Mundra (Soy Degum)	765	760	5
	Kolkata	800	800	Unch
	Delhi	845	835	10
	Nagpur	900	900	Unch
	Rajkot	800	790	10
	Kota	830	830	Unch

	Hyderabad	NA	NA	-
	Akola	833	835	-2
	Amrawati	835	838	-3
	Bundi	835	835	Unch
	Jalna	910	910	Unch
	Solapur	890	890	Unch
	Dhule	910	910	Unch
Palm Oil*	Kandla (Crude Palm Oil)	712	735	-23
	Kandla (RBD Palm oil)	798	814	-16
	Kandla RBD Pamolein	798	798	Unch
	Kakinada (Crude Palm Oil)	688	688	Unch
	Kakinada RBD Pamolein	777	777	Unch
	Haldia Pamolein	798	798	Unch
	Chennai RBD Pamolein	798	798	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	859	859	Unch
	KPT (krishna patnam) Pamolein	782	782	Unch
	Mumbai RBD Pamolein	819	819	Unch
	Mangalore RBD Pamolein	819	819	Unch
	Tuticorin (RBD Palmolein)	800	800	Unch
	Delhi	840	840	Unch
	Rajkot	798	798	Unch
	Hyderabad	765	775	-10
	PFAD (Kandla)	509	509	Unch
	Refined Palm Stearin (Kandla)	688	688	Unch
	Superolien (Kandla)	830	830	Unch
	Superolien (Mumbai)	840	840	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	925	Unch
	Mumbai	940	940	Unch
	Mumbai(Expeller Oil)	895	895	Unch
	Kandla (Ref.)	900	900	Unch
	Hyderabad (Ref)	925	935	-10
	Latur (Expeller Oil)	875	875	Unch
	Chellakere (Expeller Oil)	885	885	Unch
	Erode (Expeller Oil)	960	960	Unch
Groundnut Oil	Rajkot	1300	1350	-50
	Chennai	1320	1320	Unch
	Delhi	1400	1400	Unch
	Hyderabad *	1300	1350	-50
	Mumbai	1370	1370	Unch

	Gondal	1340	1350	-10
	Jamnagar	1340	1350	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1022	1022	Unch
	Jaipur (Kacchi Ghani Oil)	1050	1050	Unch
	Kota (Expeller Oil)	980	980	Unch
	Kota (Kacchi Ghani Oil)	1025	1025	Unch
	Neewai (Expeller Oil)	1015	1015	Unch
	Neewai (Kacchi Ghani Oil)	1025	1025	Unch
	Bharatpur (Kacchi Ghani Oil)	1030	1010	20
	Sri-Ganga Nagar(Exp Oil)	985	985	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1025	1025	Unch
	Mumbai (Expeller Oil)	970	970	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	960	965	-5
	Hapur (Expeller Oil)	938	938	Unch
	Hapur (Kacchi Ghani Oil)	968	968	Unch
	Agra (Kacchi Ghani Oil)	1035	1015	20
Refined Cottonseed Oil	Rajkot	820	820	Unch
	Hyderabad	800	800	Unch
	Mumbai	835	830	5
	New Delhi	785	785	Unch
Coconut Oil	Kangayan (Crude)	1530	1530	Unch
	Cochin	1530	1520	10
Sesame Oil	New Delhi	1550	1550	Unch
	Mumbai	NA	NA	-
Kardi	Mumbai	NA	NA	-
Rice Bran Oil (40%)	New Delhi	725	725	Unch
Rice Bran Oil (4%)	Punjab	760	770	-10
Malaysia Palmolein USD/MT	FOB	603	600	3
	CNF India	625	620	5
Indonesia CPO USD/MT	FOB	583	580	3
	CNF India	615	610	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	600	598	2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	580	585	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	695	695	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	505	505	Unch

Crude palm Kernel Oil India (USD/MT)	CNF India	NA	735	-
Ukraine Origin CSFO USD/MT Kandla	CIF	840	840	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	770	774	-4
Argentina FOB (\$/MT)		1-Jul-20	30-Jun-20	Change
Crude Soybean Oil Ship		660	659	1
Refined Soy Oil (Bulk) Ship		683	682	1
Sunflower Oil Ship		760	760	Unch
Cottonseed Oil Ship		640	639	1
Refined Linseed Oil (Bulk) Ship		NA	NA	-
* 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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