

Domestic Fundamentals:

- Edible oil complex featured mixed trend at various markets centers on Monday.
- Soy oil and palm oil domestic prices rose on rise in international benchmarks. BMD CPO rose on expectation of rise in global demand of palm oil. CBOT soy oil rose on lower stocks of soy oil in US. Favorable US soybean crop report as reported by USDA will cap gains. Rise in second wave of coronavirus in US may underpin soy oil prices.
- 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.
- Palm oil international prices 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 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.
- 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	7.20	811.60	816.60	811.60	815.50	4,790	-125	18040	-1605
Aug-20	11.20	808.00	813.80	806.20	813.50	7,820	315	22150	1935
Prices & Vol-OI are at 5:30 PM									

Spread	Jul -20	Aug-20
Spot	4.50	
Jul-20		-2.00
Aug-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
July-20	8.30	667.80	671.80	666.00	670.70	1332	-461	4997	98
Aug-20	6.70	663.00	665.70	661.10	664.80	636	-251	1779	-38

Spread	July-20	Aug-20
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Spot	7.3	
July-20		-5.9
Aug-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Jul	0.16	28.07	28.16	28.07	28.12
Aug	0.40	28.19	28.7	28.18	28.49
Sep	0.40	28.35	28.86	28.35	28.66
Oct	0.41	28.59	29.04	28.5	28.83
Dec	0.42	28.84	29.39	28.84	29.17

-0.12

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jun	12	2435	2458	2433	2433
Jul	24	2417	2443	2404	2414
Aug	34	2394	2420	2377	2392
Sep	31	2383	2408	2366	2379

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/07/2020	7.02	14498	4.278	70.57	74.60	5.31	96.77	40.59

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		06-Jul-20	04-Jul-20	
Refined Soybean Oil	Indore	820	820	Unch
	Indore (Soy Solvent Crude)	785	785	Unch
	Mumbai	815	810	5
	Mumbai (Soy Degum)	775	772	3
	Kandla/Mundra	805	790	15
	Kandla/Mundra (Soy Degum)	775	770	5
	Kolkata	800	800	Unch
	Delhi	850	845	5

	Nagpur	900	900	Unch
	Rajkot	810	795	15
	Kota	825	830	-5
	Hyderabad	NA	NA	-
	Akola	830	830	Unch
	Amrawati	831	830	1
	Bundi	830	835	-5
	Jalna	910	910	Unch
	Solapur	890	890	Unch
	Dhule	910	910	Unch
Palm Oil*	Kandla (Crude Palm Oil)	712	712	Unch
	Kandla (RBD Palm oil)	798	782	16
	Kandla RBD Pamolein	803	798	5
	Kakinada (Crude Palm Oil)	688	688	Unch
	Kakinada RBD Pamolein	777	782	-5
	Haldia Pamolein	798	809	-11
	Chennai RBD Pamolein	798	793	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	859	860	-1
	KPT (krishna patnam) Pamolein	782	788	-5
	Mumbai RBD Pamolein	822	824	-2
	Mangalore RBD Pamolein	819	819	Unch
	Tuticorin (RBD Palmolein)	800	800	Unch
	Delhi	835	835	Unch
	Rajkot	798	788	11
	Hyderabad	765	765	Unch
	PFAD (Kandla)	509	473	37
	Refined Palm Stearin (Kandla)	688	688	Unch
	Superolien (Kandla)	830	840	-11
	Superolien (Mumbai)	840	851	-11
* inclusive of GST				
Refined Sunflower Oil	Chennai	925	925	Unch
	Mumbai	940	940	Unch
	Mumbai(Expeller Oil)	895	890	5
	Kandla (Ref.)	900	920	-20
	Hyderabad (Ref)	925	925	Unch
	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	1300	Unch
	Mumbai	1360	1370	-10
	Gondal	1340	1350	-10
	Jamnagar	1340	1350	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1042	1037	5
	Jaipur (Kacchi Ghani Oil)	1070	1065	5
	Kota (Expeller Oil)	1000	980	20
	Kota (Kacchi Ghani Oil)	1030	1035	-5
	Neewai (Expeller Oil)	1035	1025	10
	Neewai (Kacchi Ghani Oil)	1045	1035	10
	Bharatpur (Kacchi Ghani Oil)	1040	1040	Unch
	Sri-Ganga Nagar(Exp Oil)	1005	995	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1045	1035	10
	Mumbai (Expeller Oil)	980	950	30
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	990	980	10
	Hapur (Expeller Oil)	960	960	Unch
	Hapur (Kacchi Ghani Oil)	990	990	Unch
	Agra (Kacchi Ghani Oil)	1045	1045	Unch
Refined Cottonseed Oil	Rajkot	830	825	5
	Hyderabad	800	800	Unch
	Mumbai	835	830	5
	New Delhi	790	790	Unch
Coconut Oil	Kangayan (Crude)	1530	1530	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1450	1450	Unch
	Mumbai	NA	NA	-
Kardi	Mumbai	NA	NA	-
Rice Bran Oil (40%)	New Delhi	730	730	Unch
Rice Bran Oil (4%)	Punjab	760	770	-10
Malaysia Palmolein USD/MT	FOB	608	600	8
	CNF India	640	620	20
Indonesia CPO USD/MT	FOB	593	583	10
	CNF India	630	610	20
RBD Palm oil (Malaysia Origin USD/MT)	FOB	605	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	583	Closed	-

RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	710	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	513	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	840	840	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	768	Closed	-
Argentina FOB (\$/MT)		4-Jul-20	3-Jul-20	Change
Crude Soybean Oil Ship		Closed	655	-
Refined Soy Oil (Bulk) Ship		Closed	678	-
Sunflower Oil Ship		Closed	760	-
Cottonseed Oil Ship		Closed	635	-
Refined Linseed Oil (Bulk) Ship		Closed	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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