



Domestic Fundamentals:

- Edible oil complex featured mixed trend at various markets centers on Tuesday.
- Soy oil refined domestic prices featured mostly firm trend at various locations. Indore prices were lower today. Demand of soy oil is firm. Degum prices traded sideways despite higher CNF. Import disparity rose while refining parity returned to disparity rise in CNF prices compared to high seas prices. Higher CBOT soy oil supported Indian CNF. Projections trading lower today. CBOT soy oil may rise on lower stocks of soy oil in US as reported by NOPA on higher disappearance despite record crush of soybean, higher use of biodiesel in US and firm demand of soybean from China and rise in crude oil prices. Soybean condition worsened last week due to unfavorable weather condition in US Midwest. Good to excellent crop condition fell sharply due to dry weather and if situations continue crop yield may get lower.
- With no new trade talks focus shifts to China to implement Phase-1 of trade deal. US treasury and Chinese has talk yesterday to implement Phase-1 of trade deal. China has not purchased the amount it committed in trade deal. Further, China is expected to stock 2 MMT of soy oil in its strategic reserve supporter soy oil. Firm crude oil is expected to support soy oil prices.
- In the weekly USDA crop progress report released on 23 August 2020; The US Soybean is setting pods 92% up from 76% same period last year and 87% from 5 year average. Soybeans dropping leaves at 4% up from 2% same period last year and 4% from 5 year average. About 69% of the crop is under good to excellent condition, compared to 54% in corresponding period last year.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Aug 1-25 palm oil exports fell 16.2 percent to 1,219,718 tons compared to 1,454,925 tons in the corresponding period last month. Top buyers were India & subcontinent 264,790 tons (388,790 tons), European Union 243,946 tons (330,980 tons) and China at 239,105 tons (285,075 tons). Values in brackets are figures of corresponding period last month.
- CPO domestic prices traded sideways at Kandla while it fell India East coast. CNF prices were quoted sideways today. Palmolein prices traded sideways to lower at various locations in India. Import disparity decreased while and refining margins fell on depreciation of Rupee today. Import parity and refining margins are expected to improve on coming days on firm demand of palm oil in India. Lower BMD palm oil will underpin India CNF. BMD CPO is expected to be underpinned by lower exports of palm oil from Malaysia and higher production of palm oil in Indonesia. Further, cancellation of US-China trade talks will lead to higher imports if palm oil by China. However, China stocking soy oil and buying soybean from US will impact palm oil demand and prices. Sunflower oil traded higher at Chennai and showed mixed trend at India East. Import parity increases while refining margins disparity fell on rise appreciation of Indian Rupee. However, prices will remain supported due to rise in palm.
- According to National Oilseed Processors Association (NOPA), U.S. July soybean crush rose by 3.31 percent m-o-m to 172.794 million bushels from 167.263 million bushels in June 2020, above market expectation. Crush of soybean in July was higher by 2.80 percent y-o-y compared to July 2019 figure of 168.093 million bushels. Soy oil stocks in U.S. at the end of July fell 8.94 percent m-o-m to 1.619 billion lbs compared to 1.778 billion lbs in end June 2020. Stocks of soy oil in end July was higher by 10.64 percent y-o-y compared to end July 2019, which was reported at 1.467 million lbs. Soy oil stocks was below trade expectation.

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 |
|----------|-------|--------|--------|--------|--------|--------|---------------|-------|-----------|
| Sep-20 | -4.20 | 872.00 | 872.00 | 864.30 | 864.60 | 7,740 | -1375 | 25555 | -1050 |
| Oct-20 | -4.80 | 875.90 | 878.40 | 869.80 | 870.20 | 4,520 | 1405 | 13235 | 1555 |

Prices & Vol-OI are at 5:30 PM

| Spread | Sep-20 | Oct-20 |
|--------|--------|--------|
| Spot | 3.40 | |
| Sep-20 | | 5.60 |
| Oct-20 | | |

MCX CPO Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|-------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Aug-20 | -7.90 | 760.00 | 760.00 | 747.30 | 747.60 | 1513 | 923 | 1672 | -792 |
| Sep-20 | -9.10 | 758.60 | 758.70 | 746.00 | 746.70 | 1820 | 394 | 5145 | 575 |

Spread
Aug-20
Sep-20
Spot

8.4

Aug-20

-0.9

Sep-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

| Contract | +/- | Open | High | Low | Close |
|----------|-------|-------|-------|-------|-------|
| Sep | -0.01 | 31.66 | 32.12 | 31.51 | 31.65 |
| Oct | -0.05 | 31.73 | 32.19 | 31.58 | 31.69 |
| Dec | -0.07 | 31.93 | 32.4 | 31.77 | 31.88 |
| Jan | -0.06 | 32.06 | 32.51 | 31.9 | 32.02 |
| Mar | -0.08 | 32.17 | 32.6 | 31.98 | 32.09 |

-0.12

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Sep | -51 | 2800 | 2803 | 2705 | 2719 |
| Oct | -47 | 2730 | 2735 | 2641 | 2650 |
| Nov | -48 | 2692 | 2700 | 2607 | 2614 |
| Dec | -45 | 2669 | 2678 | 2588 | 2594 |

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 25/08/2020 | 6.91 | 14624 | 4.168 | 73.67 | 74.20 | 5.61 | 93.07 | 42.80 |

Edible Oil Prices at Key Market:

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
| | | 25-Aug-20 | 24-Aug-20 | |
| Refined Soybean Oil | Indore | 868 | 880 | -12 |
| | Indore (Soy Solvent Crude) | 835 | 845 | -10 |
| | Mumbai | 870 | 860 | 10 |
| | Mumbai (Soy Degum) | 825 | 825 | Unch |
| | Kandla/Mundra | 860 | 855 | 5 |
| | Kandla/Mundra (Soy Degum) | 825 | 825 | Unch |
| | Kolkata | 860 | 860 | Unch |
| | Delhi | 901 | 906 | -5 |
| | Nagpur | 887 | 887 | Unch |
| | Rajkot | 860 | 850 | 10 |
| | Kota | 870 | 870 | Unch |

| | | | | |
|-----------------------|--|------|------|------|
| | Hyderabad | - | - | - |
| | Akola | 882 | 882 | Unch |
| | Amrawati | 883 | 883 | Unch |
| | Bundi | 875 | 875 | Unch |
| | Jalna | 890 | 890 | Unch |
| | Solapur | 876 | 876 | Unch |
| | Dhule | 873 | 873 | Unch |
| | | | | |
| Palm Oil* | Kandla (Crude Palm Oil) | 794 | 794 | Unch |
| | Kandla (RBD Palm oil) | 835 | 840 | -5 |
| | Kandla RBD Pamolein | 861 | 861 | Unch |
| | Kakinada (Crude Palm Oil) | 756 | 758 | -2 |
| | Kakinada RBD Pamolein | 851 | 851 | Unch |
| | Haldia Pamolein | 866 | 866 | Unch |
| | Chennai RBD Pamolein | 872 | 872 | Unch |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | - | - | - |
| | KPT (krishna patnam) Pamolein | 861 | 861 | Unch |
| | Mumbai RBD Pamolein | 887 | 887 | Unch |
| | Mangalore RBD Pamolein | 877 | 877 | Unch |
| | Tuticorin (RBD Palmolein) | 875 | 875 | Unch |
| | Delhi | 900 | 902 | -2 |
| | Rajkot | 861 | 856 | 5 |
| | Hyderabad | 840 | 840 | Unch |
| | PFAD (Kandla) | 520 | 520 | Unch |
| | Refined Palm Stearin (Kandla) | 756 | 758 | -2 |
| | Superolien (Kandla) | 882 | 882 | Unch |
| | Superolien (Mumbai) | 903 | 903 | Unch |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 955 | 955 | Unch |
| | Mumbai | 960 | 960 | Unch |
| | Mumbai(Expeller Oil) | 925 | 925 | Unch |
| | Kandla (Ref.) | 960 | 960 | Unch |
| | Hyderabad (Ref) | 955 | 955 | Unch |
| | Latur (Expeller Oil) | 890 | 890 | Unch |
| | Chellakere (Expeller Oil) | 900 | 900 | Unch |
| | Erode (Expeller Oil) | 975 | 970 | 5 |
| | | | | |
| Groundnut Oil | Rajkot | 1250 | 1250 | Unch |
| | Chennai | 1240 | 1240 | Unch |
| | Delhi | 1250 | 1250 | Unch |
| | Hyderabad * | 1250 | 1250 | Unch |
| | Mumbai | 1250 | 1250 | Unch |

| | | | | |
|---|------------------------------------|------|------|------|
| | Gondal | 1250 | 1220 | 30 |
| | Jamnagar | 1250 | 1220 | 30 |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 1062 | 1062 | Unch |
| | Jaipur (Kacchi Ghani Oil) | 1090 | 1090 | Unch |
| | Kota (Expeller Oil) | 1040 | 1040 | Unch |
| | Kota (Kacchi Ghani Oil) | 1075 | 1075 | Unch |
| | Neewai (Expeller Oil) | 1055 | 1055 | Unch |
| | Neewai (Kacchi Ghani Oil) | 1065 | 1065 | Unch |
| | Bharatpur (Kacchi Ghani Oil) | 1080 | 1080 | Unch |
| | Sri-Ganga Nagar(Exp Oil) | 1040 | 1040 | Unch |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 1080 | 1080 | Unch |
| | Mumbai (Expeller Oil) | 1070 | 1060 | 10 |
| | Kolkata(Expeller Oil) | 1170 | 1170 | Unch |
| | New Delhi (Expeller Oil) | 1070 | 1070 | Unch |
| | Hapur (Expeller Oil) | 1050 | 1050 | Unch |
| | Hapur (Kacchi Ghani Oil) | 1080 | 1080 | Unch |
| | Agra (Kacchi Ghani Oil) | 1085 | 1085 | Unch |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 885 | 880 | 5 |
| | Hyderabad | 835 | 835 | Unch |
| | Mumbai | 895 | 880 | 15 |
| | New Delhi | 845 | 848 | -3 |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1635 | 1635 | Unch |
| | Cochin | 1520 | 1510 | 10 |
| | | | | |
| Sesame Oil | New Delhi | 1400 | 1400 | Unch |
| | Mumbai | - | - | - |
| Kardi | Mumbai | - | - | - |
| Rice Bran Oil (40%) | New Delhi | 795 | 790 | 5 |
| Rice Bran Oil (4%) | Punjab | 880 | 875 | 5 |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 703 | 703 | Unch |
| | CNF India | 718 | 720 | -2 |
| Indonesia CPO USD/MT | FOB | 688 | 703 | -15 |
| | CNF India | 708 | 710 | -2 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 700 | 700 | Unch |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 705 | 705 | Unch |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 795 | 785 | 10 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 630 | 630 | Unch |

| | | | | |
|--------------------------------------|-----------|-----------|-----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | - | 830 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 860 | 865 | -5 |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 780 | 778 | 2 |
| | | | | |
| Argentina FOB (\$/MT) | | 24-Aug-20 | 22-Aug-20 | Change |
| Crude Soybean Oil Ship | | 728 | Closed | - |
| Refined Soy Oil (Bulk) Ship | | 753 | Closed | - |
| Sunflower Oil Ship | | 785 | Closed | - |
| Cottonseed Oil Ship | | 708 | Closed | - |
| Refined Linseed Oil (Bulk) Ship | | - | 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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2020 Indian Agribusiness Systems Ltd.