

**Domestic Fundamentals:**

- Edible oil complex featured mostly weak trend at various markets centers on Wednesday.
- Soy oil refined domestic prices featured mostly sideways trend at various locations. Indore prices closed lower today. Demand of soy oil is firm. Degum prices traded sideways despite higher CNF. Import disparity rose while refining disparity fell on rise in CNF prices compared to high seas prices. Higher CBOT soy oil supported Indian CNF. Projections trading higher 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. 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. China is expected to import 40 MMT of soybean from US, according to trade sources. Firm crude oil is expected to support soy oil prices.
- CPO domestic prices traded lower at Kandla while it remained unchanged at India East coast. CNF prices were quoted sideways today. Palmolein prices traded sideways at various locations in India. Import disparity increased and refining margins fell on rise in CNF prices compared to high seas prices. 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., China's stocking soy oil and buying soybean from US will impact palm oil demand and prices.
- Sunflower oil traded sideways at Chennai and at India East. Import parity decreased while refining margins disparity rose on rise in CNF prices compared to high seas prices. However, prices will remain supported due to rise in palm.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Aug 1-25 palm oil exports fell 16.4 percent to 1,158,013 tons compared to 1,385,186 tons in corresponding period last month. Top buyers were India at 253,080 tons (344,065 tons), China at 229,165 tons (280,131 tons), European Union 223,461 tons (238,761 tons), United States at 40,380 tons (63,205 tons) and Pakistan at 0 tons (55,002 tons). Values in brackets are figures of corresponding period last month.
- 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 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	4.60	871.90	874.00	867.40	873.70	8,170	430	24870	-685
Oct-20	4.40	878.00	882.00	874.50	880.90	4,935	415	15050	1815
Prices & Vol-OI are at 5:30 PM									

Spread	Sep-20	Oct-20
Spot	-8.70	
Sep-20		7.20
Oct-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-20	0.70	751.40	754.00	748.00	751.80	410	-1103	1231	-441
Sep-20	1.60	752.00	754.50	748.20	752.70	1137	-683	5055	-90

**Spread**
**Aug-20**
**Sep-20**
**Spot**

4.2

**Aug-20**

0.9

**Sep-20**
**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Sep	0.08	31.99	32.26	31.98	32.06
Oct	0.03	32.06	32.32	32.04	32.1
Dec	0.05	32.28	32.54	32.25	32.33
Jan	0.03	32.41	32.67	32.41	32.45
Mar	0.02	32.52	32.74	32.48	32.54

-0.12

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

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Sep	19	2721	2740	2720	2740
Oct	19	2652	2682	2648	2670
Nov	30	2620	2650	2614	2645
Dec	28	2600	2630	2597	2622

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
26/08/2020	6.89	14671	4.169	73.77	74.22	5.54	93.22	43.05

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		26-Aug-20	25-Aug-20	
Refined Soybean Oil	Indore	865	868	-3
	Indore (Soy Solvent Crude)	830	835	-5
	Mumbai	870	870	Unch
	Mumbai (Soy Degum)	825	825	Unch
	Kandla/Mundra	860	860	Unch
	Kandla/Mundra (Soy Degum)	825	825	Unch
	Kolkata	860	860	Unch
	Delhi	904	901	3
	Nagpur	887	887	Unch
	Rajkot	850	860	-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)	791	794	-3
	Kandla (RBD Palm oil)	840	835	5
	Kandla RBD Pamolein	861	861	Unch
	Kakinada (Crude Palm Oil)	756	756	Unch
	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	900	Unch
	Rajkot	856	861	-5
	Hyderabad	840	840	Unch
	PFAD (Kandla)	520	520	Unch
	Refined Palm Stearin (Kandla)	756	756	Unch
	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	975	Unch
Groundnut Oil	Rajkot	1225	1250	-25
	Chennai	1240	1240	Unch
	Delhi	1250	1250	Unch
	Hyderabad *	1250	1250	Unch
	Mumbai	1260	1250	10

	Gondal	1250	1250	Unch
	Jamnagar	1250	1250	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1059	1062	-3
	Jaipur (Kacchi Ghani Oil)	1087	1090	-3
	Kota (Expeller Oil)	1040	1040	Unch
	Kota (Kacchi Ghani Oil)	1080	1075	5
	Neewai (Expeller Oil)	1055	1055	Unch
	Neewai (Kacchi Ghani Oil)	1065	1065	Unch
	Bharatpur (Kacchi Ghani Oil)	1090	1080	10
	Sri-Ganga Nagar(Exp Oil)	1030	1040	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1070	1080	-10
	Mumbai (Expeller Oil)	1070	1070	Unch
	Kolkata(Expeller Oil)	1170	1170	Unch
	New Delhi (Expeller Oil)	1060	1070	-10
	Hapur (Expeller Oil)	1050	1050	Unch
	Hapur (Kacchi Ghani Oil)	1080	1080	Unch
	Agra (Kacchi Ghani Oil)	1095	1085	10
Refined Cottonseed Oil	Rajkot	885	885	Unch
	Hyderabad	835	835	Unch
	Mumbai	905	895	10
	New Delhi	850	845	5
Coconut Oil	Kangayan (Crude)	1635	1635	Unch
	Cochin	1530	1520	10
Sesame Oil	New Delhi	1400	1400	Unch
	Mumbai	-	-	-
Kardi	Mumbai	-	-	-
Rice Bran Oil (40%)	New Delhi	790	795	-5
Rice Bran Oil (4%)	Punjab	760	880	-120
Malaysia Palmolein USD/MT	FOB	698	703	-5
	CNF India	718	718	Unch
Indonesia CPO USD/MT	FOB	683	688	-5
	CNF India	708	708	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	695	700	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	700	705	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	795	795	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	630	630	Unch



Crude palm Kernel Oil India (USD/MT)	CNF India	-	825	-
Ukraine Origin CSFO USD/MT Kandla	CIF	875	860	15
Rapeseed Oil Rotterdam Euro/MT	FOB	780	780	Unch
Argentina FOB (\$/MT)		25-Aug-20	24-Aug-20	Change
Crude Soybean Oil Ship		732	728	4
Refined Soy Oil (Bulk) Ship		758	753	5
Sunflower Oil Ship		785	785	Unch
Cottonseed Oil Ship		712	708	4
Refined Linseed Oil (Bulk) Ship		-	-	-
* 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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