



#### Domestic Fundamentals:

- Edible oil complex featured mixed trend at various markets centers on Thursday.
- Soy oil refined domestic prices featured weak tone at various locations. Indore prices closed lower today. Demand of soy oil is weak. Degum prices traded lower today on weak CNF. Import disparity rose while refining parity returned to parity on fall in CNF prices compared to high seas prices. Higher CBOT soy oil will support Indian CNF. Projections were trading lower today pulled down by lower crude oil prices. CBOT soy oil may rise on lower stocks of soy oil in US on higher disappearance despite record crush of soybean. Soybean condition worsened last week due to unfavorable weather condition in US Midwest. Good to excellent crop condition fell due to dry weather and if situations continue crop yield may get lower. Further, firm export demand of soybean from China supported soybean complex prices
- According to Malaysia Palm Oil Board (MPOB), Malaysia's August palm oil stocks rose 0.06 percent to 16.98 lakh tons compared to 18.98 lakh tons in July 2020. Production of palm oil in Aug rose 3.07 percent to 18.63 lakh tons compared to 18.07 lakh tons in July 2020. Exports of palm oil in Aug fell 11.30 percent to 15.81 lakh tons compared to 17.83 lakh tons in July 2020. Imports of palm oil in Aug fell 38.68 percent to 0.32 lakh tons compared to 0.53 lakh tons in July 2020. End stocks of palm oil rose less compared to trade expectation of rise in stocks. Rise in stocks was mainly due to lower exports and higher production.
- CPO domestic prices traded sideways at Kandla while it rose at India East coast. CNF prices were quoted lower today. Palmolein prices traded lower at various locations in India on weak demand. Import disparity decreased while refining margins fell on fall in high seas prices compared to CNF prices. Higher BMD palm oil will support India CNF. BMD CPO is expected to be supported by lower rise in stock of palm oil in Malaysia in Aug on higher production and lower exports. Further, exports of palm oil from Malaysia rose 9 percent in first 10 days of Sep from Malaysia on firm demand from India and China. However, production of palm oil in Malaysia rose more than forecast in Aug in Malaysia as reported by MPOB today. Further, firm exports of palm oil from Malaysia will keep prices supported.
- Sunflower oil surged at Chennai and at India East coast and at India West coast. CNF prices traded sideways today. Import disparity and refining margins disparity decreased on rise in high seas prices compared to CNF prices. Prices will remain supported due to rise in prices in Ukraine. Dry weather in Ukraine and Russia is expected to lower sunflower crop and support prices. Rise in palm oil and soy oil prices will add support.
- Rapeseed oil prices traded lower today on subdued buying in market. Demand is expected to be weakened due rise in its prices. However, it being perceived at oil that boosts immunity may keep demand firm. Rapeseed arrivals rose last week on higher crushing on demand of rapeseed oil ahead of festivals. Prices are expected to show firm tone in coming days on fall in stocks of rapeseed oil in Indian markets.
- According of Indonesia Palm Oil Association (GAPKI), Indonesia palm oil exports in 2020 including refined palm oil exports is expected at 24.92 MMT from 30.63 MMT last year. Production of palm oil in 2020 is estimated at 46.02 MMT compared to 47.11 last year due to lower use on fertilizer on lower palm oil prices. Indonesia is estimated to export 33-35 MMT of palm oil in 2020.
- In the weekly USDA crop progress report released on 6 September 2020; The US Soybean is dropping leaves at 20% up from 7% same period last year and 16% from 5 year average. About 65% of the crop is under good to excellent condition, compared to 66% last week and 55% in corresponding period last year.

**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   | -3.40 | 877.00 | 877.30 | 870.00 | 873.20 | 2,680  | -1005         | 10615 | -660      |
| Oct-20   | -4.10 | 883.40 | 885.20 | 878.00 | 881.70 | 10,380 | -4375         | 25585 | -4210     |

Prices & Vol-OI are at 5:30 PM

| Spread | Sep-20 | Oct-20 |
|--------|--------|--------|
| Spot   | 1.80   |        |
| Sep-20 |        | 8.50   |
| Oct-20 |        |        |

**MCX CPO Futures**

| Contract | +/-   | Open   | High   | Low    | Close  | Volume | Volume Change | OI   | OI Change |
|----------|-------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Sep-20   | -2.20 | 766.40 | 766.70 | 761.10 | 763.20 | 875    | 30            | 4278 | 58        |
| Oct-20   | -4.20 | 766.40 | 767.00 | 759.60 | 761.70 | 495    | 75            | 2381 | 81        |

Prices & Vol-OI are at 5:30 PM

| Spread | Sep-20 | Oct-20 |
|--------|--------|--------|
| Spot   | 0.8    |        |
| Sep-20 |        | -1.5   |
| Oct-20 |        |        |

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

(Values in US cents/lb)

| Contract | +/-   | Open  | High  | Low   | Close |
|----------|-------|-------|-------|-------|-------|
| Oct      | -0.02 | 32.95 | 33.21 | 32.88 | 32.98 |
| Dec      | -0.03 | 33.14 | 33.43 | 33.06 | 33.18 |
| Jan      | -0.03 | 33.33 | 33.55 | 33.23 | 33.35 |
| Mar      | -0.05 | 33.45 | 33.7  | 33.39 | 33.49 |
| May      | -0.08 | 33.59 | 33.84 | 33.53 | 33.6  |

-0.12

**Forex:**

**BMD CPO Futures:**

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low  | Close |
|----------|-----|------|------|------|-------|
| Oct      | -4  | 2866 | 2888 | 2840 | 2862  |
| Nov      | -2  | 2812 | 2840 | 2791 | 2812  |
| Dec      | -1  | 2781 | 2807 | 2761 | 2780  |
| Jan      | -3  | 2761 | 2782 | 2738 | 2755  |

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 09/09/2020    | 6.84         | 14896             | 4.164             | 74.70          | 73.42        | 5.30           | 92.90        | 37.52                     |

**Edible Oil Prices at Key Market:**

| Commodity           | Centre                     | Prices(Per 10 Kg) |           | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
|                     |                            | 10-Sep-20         | 09-Sep-20 |        |
| Refined Soybean Oil | Indore                     | 875               | 885       | -10    |
|                     | Indore (Soy Solvent Crude) | 835               | 845       | -10    |
|                     | Mumbai                     | 890               | 887       | 3      |
|                     | Mumbai (Soy Degum)         | 840               | 843       | -3     |
|                     | Kandla/Mundra              | 880               | 880       | Unch   |
|                     | Kandla/Mundra (Soy Degum)  | 836               | 842       | -6     |
|                     | Kolkata                    | 885               | 885       | Unch   |
|                     | Delhi                      | 920               | 920       | Unch   |
|                     | Nagpur                     | 894               | 894       | Unch   |
|                     | Rajkot                     | 865               | 870       | -5     |
|                     | Kota                       | 875               | 875       | Unch   |

|                       |  |      |      |      |
|-----------------------|--|------|------|------|
|                       | Hyderabad                                    | -    | -    | -    |
|                       | Akola  | 891  | 891  | Unch |
|                       | Amrawati                                     | 895  | 895  | Unch |
|                       | Bundi  | 880  | 880  | Unch |
|                       | Jalna  | 897  | 897  | Unch |
|                       | Solapur                                      | 884  | 884  | Unch |
|                       | Dhule  | 880  | 880  | Unch |
|                       |  |      |      |      |
| Palm Oil*             | Kandla (Crude Palm Oil)                      | 764  | 764  | Unch |
|                       | Kandla (RBD Palm oil)                        | 810  | 820  | -10  |
|                       | Kandla RBD Pamolein                          | 835  | 850  | -15  |
|                       | Kakinada (Crude Palm Oil)                    | 755  | 752  | 3    |
|                       | Kakinada RBD Pamolein                        | 835  | 845  | -10  |
|                       | Haldia Pamolein                              | 850  | 855  | -5   |
|                       | Chennai RBD Pamolein                         | 860  | 860  | Unch |
|                       | Chennai RBD Pamolein (Vitamin A&D Fortified) | -    | -    | -    |
|                       | KPT (krishna patnam) Pamolein                | 840  | 850  | -10  |
|                       | Mumbai RBD Pamolein                          | 865  | 875  | -10  |
|                       | Mangalore RBD Pamolein                       | 865  | 875  | -10  |
|                       | Tuticorin (RBD Palmolein)                    | 852  | 858  | -6   |
|                       | Delhi  | 910  | 910  | Unch |
|                       | Rajkot                                       | 835  | 835  | Unch |
|                       | Hyderabad                                    | 857  | 860  | -3   |
|                       | PFAD (Kandla)                                | 530  | 535  | -5   |
|                       | Refined Palm Stearin (Kandla)                | 755  | 752  | 3    |
|                       | Superolien (Kandla)                          | 860  | 860  | Unch |
|                       | Superolien (Mumbai)                          | 880  | 880  | Unch |
|                       |  |      |      |      |
| Refined Sunflower Oil | Chennai                                      | 1120 | 1060 | 60   |
|                       | Mumbai                                       | 1060 | 1040 | 20   |
|                       | Mumbai(Expeller Oil)                         | 1010 | 1000 | 10   |
|                       | Kandla (Ref.)                                | 1030 | 1030 | Unch |
|                       | Hyderabad (Ref)                              | 1100 | 1100 | Unch |
|                       | Latur (Expeller Oil)                         | 1000 | 990  | 10   |
|                       | Chellakere (Expeller Oil)                    | 1010 | 1000 | 10   |
|                       | Erode (Expeller Oil)                         | 1080 | 1075 | 5    |
|                       |  |      |      |      |
| Groundnut Oil         | Rajkot                                       | 1220 | 1200 | 20   |
|                       | Chennai                                      | 1250 | 1250 | Unch |
|                       | Delhi  | 1250 | 1250 | Unch |
|                       | Hyderabad *                                  | 1300 | 1320 | -20  |
|                       | Mumbai                                       | 1250 | 1250 | Unch |



|   |                                    |      |      |      |
|---|------------------------------------|------|------|------|
|   | Gondal                             | 1225 | 1200 | 25   |
|   | Jamnagar                           | 1225 | 1200 | 25   |
|   |                                    |      |      |      |
| Rapeseed Oil/Mustard Oil                            | Jaipur (Expeller Oil)              | 1076 | 1077 | -1   |
|   | Jaipur (Kacchi Ghani Oil)          | 1094 | 1095 | -1   |
|   | Kota (Expeller Oil)                | 1040 | 1040 | Unch |
|   | Kota (Kacchi Ghani Oil)            | 1185 | 1100 | 85   |
|   | Neewai (Expeller Oil)              | 1060 | 1060 | Unch |
|   | Neewai (Kacchi Ghani Oil)          | 1080 | 1080 | Unch |
|   | Bharatpur (Kacchi Ghani Oil)       | 1090 | 1085 | 5    |
|   | Sri-Ganga Nagar(Exp Oil)           | 1040 | 1040 | Unch |
|   | Sri-Ganga Nagar (Kacchi Ghani Oil) | 1090 | 1090 | Unch |
|   | Mumbai (Expeller Oil)              | 1090 | 1100 | -10  |
|   | Kolkata(Expeller Oil)              | 1170 | 1170 | Unch |
|   | New Delhi (Expeller Oil)           | 1060 | 1060 | Unch |
|   | Hapur (Expeller Oil)               | 1070 | 1070 | Unch |
|   | Hapur (Kacchi Ghani Oil)           | 1100 | 1100 | Unch |
|   | Agra (Kacchi Ghani Oil)            | 1095 | 1090 | 5    |
|   |                                    |      |      |      |
| Refined Cottonseed Oil                              | Rajkot                             | 885  | 915  | -30  |
|   | Hyderabad                          | 855  | 855  | Unch |
|   | Mumbai                             | 922  | 920  | 2    |
|   | New Delhi                          | 873  | 875  | -2   |
|   |                                    |      |      |      |
| Coconut Oil   | Kangayan (Crude)                   | 1620 | 1620 | Unch |
|   | Cochin                             | 1570 | 1560 | 10   |
|   |                                    |      |      |      |
| Sesame Oil  | New Delhi                          | 1200 | 1200 | Unch |
|   | Mumbai                             | -    | -    | -    |
| Kardi   | Mumbai                             | -    | -    | -    |
| Rice Bran Oil (40%)                                 | New Delhi                          | 800  | 805  | -5   |
| Rice Bran Oil (4%)                                  | Punjab                             | 885  | 890  | -5   |
|   |                                    |      |      |      |
| Malaysia Palmolein USD/MT                           | FOB                                | 738  | 740  | -2   |
|   | CNF India                          | 750  | 755  | -5   |
| Indonesia CPO USD/MT                                | FOB                                | 713  | 715  | -2   |
|   | CNF India                          | 740  | 745  | -5   |
| RBD Palm oil (Malaysia Origin USD/MT)               | FOB                                | 735  | 738  | -3   |
| RBD Palm Stearin (Malaysia Origin USD/MT)           | FOB                                | 730  | 735  | -5   |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT)        | FOB                                | 830  | 830  | Unch |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB                                | 655  | 660  | -5   |

|                                      |           |          |          |        |
|--------------------------------------|-----------|----------|----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | -        | 825      | -      |
| Ukraine Origin CSFO USD/MT Kandla    | CIF       | 1010     | 1010     | Unch   |
| Rapeseed Oil Rotterdam Euro/MT       | FOB       | 797      | 803      | -6     |
|                                      |           |          |          |        |
| Argentina FOB (\$/MT)                |           | 9-Sep-20 | 8-Sep-20 | Change |
| Crude Soybean Oil Ship               |           | 773      | 773      | Unch   |
| Refined Soy Oil (Bulk) Ship          |           | 800      | 800      | Unch   |
| Sunflower Oil Ship                   |           | 840      | 840      | Unch   |
| Cottonseed Oil Ship                  |           | 753      | 753      | Unch   |
| 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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