

### Domestic Fundamentals:

Edible Oil basket witnessed sideways momentum at various markets. Palm oil and Soy oil, Sunflower oil and Mustard oil prices witnessed weak momentum. Only, Groundnut oil market prices witnessed steady to upward movement for the day.

#### **Soybean oil**

- In the Domestic market, the Soy oil market prices witnessed weak momentum in the markets.
- Volatile market has made the buyers cautious, impacting demand.
- During the period from January to April 2023, Argentina experienced a surge in its soybean imports from Brazil. This increase occurred against the backdrop of weaker soybean production in Argentina. In contrast, Brazil witnessed a significant jump in its soybean crop production, increasing from 130.50 million metric tons (MMT) to 155.00 MMT. Argentina is known as the world's largest exporter of soy oil; however, the decline in soybean production is expected to have an impact on its soy oil exports. Argentina's soybean imports from Brazil between January and April 2023 reached 943 thousand tonnes, surpassing the total imports of 289 thousand tonnes for the previous year (January to December).

#### **Palm oil**

- Domestic market witnessed weak momentum in prices for the day.
- BMD Palm oil Malaysia most active August contract on 22<sup>nd</sup> May opened at 3,400 MYR/MT, lower than previous close of 3,481 MYR/MT. It touched the lower level at 3,384 MYR and upper level at 3,454 MYR. Prices closed at 3,428 MYR/MT higher than the opening prices. However, prices are down by 53 points compared to previous days' closing price.
- Palm oil market traded with bearish sentiment for the mainly due to increased production of Palm oil in Malaysia. According to Southern Palm Oil Millers Association (SPPOMA), Malaysia's Palm oil production for the period of 1-20<sup>th</sup> April rose by 18.5%. Yield and Oil extraction rate (OER) is also rose by 17.11% and 0.22%, respectively for the same period

#### **Mustard oil**

- Mustard oil prices experienced witnessed correction during the trading day, as demand is weak from the buyers.
- Mustard seed's arrivals have slowed down at various markets as farmers are not getting good prices
- Crushing of seeds is in disparity, thus mostly Kacchi ghani plants are operational in key crushing regions.

#### **Groundnut oil**

- Groundnut oil prices witnessed steady to upward momentum in prices for the day.
- Domestic demand is weak. While, export demand has picked up from China, thus prices witnessed slightly upwards momentum.

### Sunflower Oil

- Sun oil prices witnessed steady momentum for the day.
- Black Sea grain deal extended for 2 more months. Turkish President Tayyip Erdogan announced that the Ukraine Black Sea grain deal has been extended for two more months. This extension comes just in time, as Russia was considering quitting the pact due to difficulties with its grain and fertilizer exports. Erdogan expressed his gratitude to the Russian and Ukrainian leaders, as well as UN Secretary General Antonio Guterres, for their assistance in prolonging the deal. The agreement, initially brokered by the United Nations and Turkey, was established in July of the previous year to address the global food crisis exacerbated by Russia's invasion of Ukraine, a major grain exporter. Initially set for 120 days, the pact was extended by Moscow for an additional 120 days in November, but later in March, it agreed to a 60-day extension, which was due to expire on May 18 unless certain conditions regarding Russian agricultural exports were met.
- Department of Revenue of Ministry of Finance, has issued Notification No.37/2023-Customs dated 10th May, 2023 that shipment of crude Sunflower Oil and crude Soybean Oils will be allowed to be cleared under TRQ at NIL duty with effect from 11th May, 2023 till 30th June 2023. This will facilitate clearance of Cargo presently lying at various ports under bond storage and also the cargos which are under voyage. This will weigh on sun oil prices.

### Rice bran oil

- Prices traded sideways for the day.
- Rice Bran De-oiled cake (DORB) prices are rising as processing plants have shut down.
- Majority of Rice bran processing plants have shut by the 1<sup>st</sup> week of May, which will limit the fall in prices.

**Outlook:** Edible oil basket is expected to witness sideways with weak bias tone in prices for the week.



### CBOT Soy Oil Futures (Projections):

(Values in US cents/lb.)

Contract	+/-	Open	High	Low	Close
Jul-23	-0.02	47.50	48.98	46.91	47.27
Aug-23	-0.06	47.62	49.07	47.03	47.35
Sep-23	-0.10	47.60	48.98	47.02	47.27
Oct-23	-0.13	47.35	48.78	46.88	47.11
Dec-23	-0.16	47.35	48.72	46.80	47.05

### BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jul-23	-51	3,481	3,563	3,481	3,538
Aug-23	-53	3,400	3,454	3,384	3,428
Sep-23	-55	3,376	3,425	3,360	3,400
Oct-23	-54	3,375	3,424	3,361	3,402

### Forex:

Currency Date	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/5/2023	7.04	14,893	4.97	234.43	82.86	4.96	103.25	72.19

### Edible Oil Spot Prices at key Markets:

Commodity	Centre	Prices (Per 10 Kg)		Change
		22-May-23	20-May-23	
Refined Soybean Oil	Indore	910	915	-5
	Indore (Soy Solvent Crude)	880	885	-5
	Mumbai	920	915	5
	Mumbai (Soy Degum)	860	880	-20
	Kandla/Mundra	915	915	Unch
	Kandla/Mundra (Soy Degum)	810	820	-10
	Kolkata	935	930	5
	Nagpur	920	925	-5
	Rajkot	900	900	Unch
	Kota	930	930	Unch
	Akola	915	920	-5
	Amrawati	915	920	-5
	Bundi	940	940	Unch
	Jalna	935	935	Unch
	Solapur	900	890	10
	Dhule	935	935	Unch
	Nanded	900	890	10
	Latur	900	890	10
	Argentina Crude Soya (CIF India) USD	951	981	-30
	Argentina Crude Soya (FOB)	877	907	-30
Palm Oil	Kandla (Crude Palm Oil)	859	869	-10

	Kandla (RBD Palm oil)	880	890	-10
	Kandla RBD Palmolein	885	890	-5
	Kakinada (Crude Palm Oil)	830	830	Unch
	Kakinada RBD Palmolein	880	880	Unch
	Haldia Palmolein	915	920	-5
	Chennai RBD Palmolein	880	880	Unch
	Chennai RBD Palmolein (Vitamin A&D Fortified)	930	930	Unch
	Krishnapattanam RBD Palmolein	870	875	-5
	Mumbai RBD Palmolein	900	895	5
	Mangalore RBD Palmolein	890	895	-5
	Tuticorin (RBD Palmolein)	942	942	Unch
	Mumbai (Refined)	890	890	Unch
	Rajkot (Refined)	885	890	-5
	Chennai (Refined)	885	885	Unch
	Hyderabad (Refined)	870	880	-10
	PFAD (Kandla)	775	778	-3
	RPS (Kandla)	700	710	-10
	Super olien (Kandla)	925	925	Unch
	Super olien (Mumbai)	925	925	Unch
	Kochi (RBD Palmolein)	915	920	-5
Refined Sunflower Oil	Krishnapatnam (Crude Palm Oil)	830	830	Unch
	Kolkata (Crude Palm Oil)	910	910	Unch
	Chennai (Refined)	925	925	Unch
	Chennai (Crude)	880	880	Unch
	Mumbai (Refined)	975	970	5
	Mumbai (Expeller Oil)	860	860	Unch
	Kandla (Refined)	925	930	-5
	Hyderabad (Refined)	920	930	-10
	Hyderabad (Expeller)	850	860	-10
	Latur (Refined)	940	940	Unch
	Latur (Expeller Oil)	875	875	Unch
	Chellakere (Expeller Oil)	950	950	Unch
	Erode (Expeller Oil)	950	960	-10
	Kakinada (Refined)	920	930	-10
	Krishna Pattanam (Refined)	920	930	-10
Groundnut Oil	Rajkot	1600	1600	Unch
	Chennai	1600	1600	Unch
	Hyderabad *	1630	1600	30
	Mumbai	1625	1620	5



	Gondal	1625	1625	Unch
	Jamnagar	1625	1625	Unch
	Gujarat GN Telia	2580	2550	30
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	960	960	Unch
	Jaipur (Kacchi Ghani Oil)	980	990	-10
	Kota (Expeller Oil)	970	970	Unch
	Kota (Kacchi Ghani Oil)	1000	1000	Unch
	Neewai (Expeller Oil)	940	960	-20
	Neewai (Kacchi Ghani Oil)	970	990	-20
	Bharatpur (Kacchi Ghani Oil)	980	1000	-20
	Sri-Ganga Nagar (Exp Oil)	950	970	-20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	980	990	-10
	Mumbai (Expeller Oil)	1000	990	10
	Kolkata (Expeller Oil) *	1240	1250	-10
	Kolkata (Kacchi Ghani Oil)	1060	1050	10
	Hapur (Expeller Oil)	940	950	-10
	Hapur (Kacchi Ghani Oil)	970	980	-10
	Agra (Kacchi Ghani Oil)	1000	1020	-20
Refined Cottonseed Oil	Rajkot	890	910	-20
	Hyderabad	850	865	-15
	Mumbai	925	920	5
	Gujarat Cotton Wash	845	870	-25
Coconut Oil	Kangayam (Crude)	1230	1230	Unch
	Cochin	1280	1280	Unch
Vanaspati Oil	Kolkata	1450	1450	Unch
Sesame Oil	Mumbai	2750	2750	Unch
Rice Bran Oil	Mumbai (Refined 4%)	840	820	20
	Bhatinda (Crude 4%)	725	725	Unch
	Bhatinda (Refined 4%)	840	840	Unch
	Hyderabad (Crude)	755	760	-5
	Hyderabad (Refined)	890	890	Unch
	Kolkata (Crude)	770	780	-10
	Kolkata (Refined)	840	845	-5
	Raipur (Crude)	800	800	Unch
	Vijayawada (Refined)	890	890	Unch



Malaysia Palmolein USD/MT	FOB	870	885	-15
	CNF India	912	890	22
Indonesia CPO USD/MT	FOB	890	895	-5
	CNF India	940	955	-15
RBD Palm Stearin (Malaysia Origin Rs. /10Kg)	FOB	900	915	-15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	775	778	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	975	975	Unch
Ukraine Origin CSFO USD/MT Kandla	CIF	945	945	Unch
Argentina FOB (\$/MT) *(Official FOB prices fix by Undersecretariat of Argentina)		20-May-23	19-May-23	Change
Crude Soybean Oil Ship		891	891	Unch
Refined Soy Oil (Bulk) Ship		922	922	Unch
Sunflower Oil Ship		880	880	Unch
* Indicates including GST				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, and CNF/FOB/CIF prices are in USD tonnes.

The prices are exclusive of GST duty.

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