



Veg. Oil Monthly Research Report

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**Outlook and Review:
Domestic Front**

Edible oil basket featured mixed trend during the month under review. Mustard oil, Groundnut oil, Palm oil, Coconut oil, and Sunflower oil prices closed sideways, while, Soy oil closed lower.

Coconut oil was the best performer among the edible oil complex due to good domestic demand. Soy Oil traded lower.

We expect soy oil to trade sideways and palm oil to trade firm on strong fundamentals.

On the currency front, Indian rupee is hovering near 72.96 compared to 74.23 last month. Rupee is expected to depreciate in February. Crude oil prices are expected to rise to an extent in February.

Recommendation:

Market participants can buy refined soy oil in the cash markets at 1150-1300 for the target of 1190-1235 levels (Indore). Market participants can buy CPO Kandla 5% in the cash markets at 1050-1200 for the target of 980-1025 levels.

International Veg. Oil Market Summary

CBOT soy oil (February) is expected to stay in the range of 43 cents/lb to 47 cents/lb. CPO at BMD (February) is likely to stay in the range of 3900-4300 ringgits per ton. Focus during the coming days will be import demand of China, crude oil prices, soybean stock in US, soy oil stocks in US, Soybean harvesting in Brazil. BMD Malaysia will be impacted by palm oil stocks in Malaysia and Indonesia, palm oil production in Malaysia and Indonesia, palm oil exports from Malaysia and Indonesia, biodiesel use of palm oil in Indonesia and Malaysia and India and China palm oil demand.

On the international front, rise in crude prices, lower stocks of soy oil in US, harvesting in Brazil and Argentina's Soy crop condition, higher use of soy oil in biodiesel in US, firm demand of soybean by China and rise in competing oil prices is expected to support soy oil prices in coming days.

Slow Increase in palm oil stocks in Malaysia, slow rise in production of palm oil in Malaysia, rise in exports of palm oil in Malaysia and Indonesia, firm demand from India and China and rise in crude oil prices are expected to support CPO prices in coming days.

Soy oil: Domestic Market Fundamentals

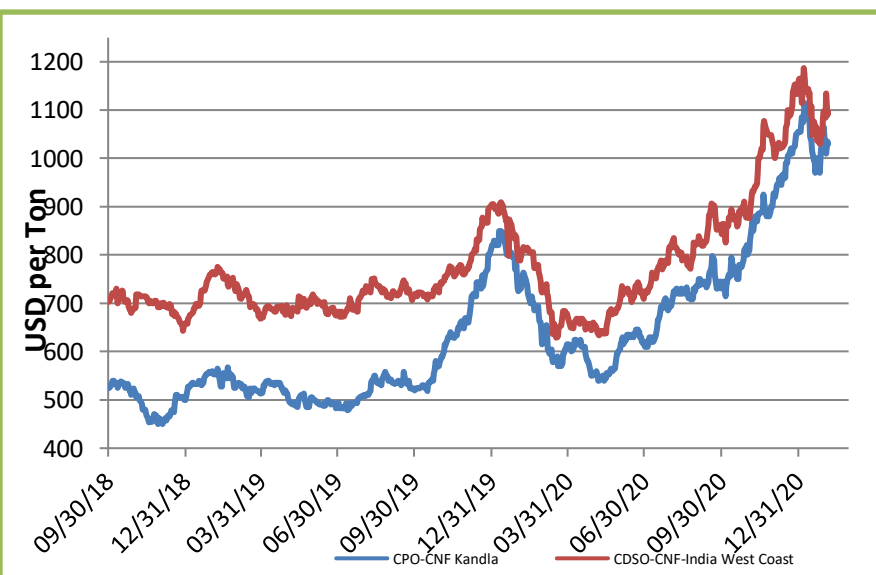
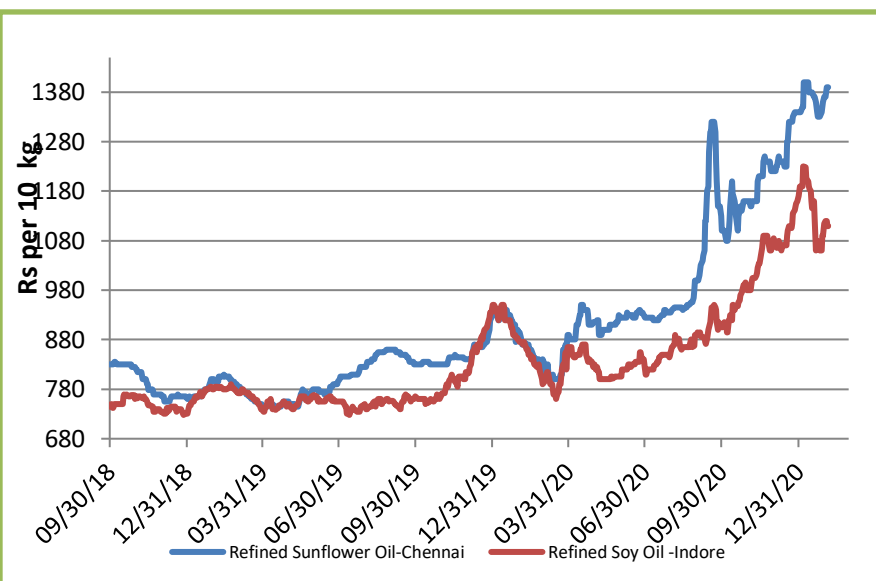
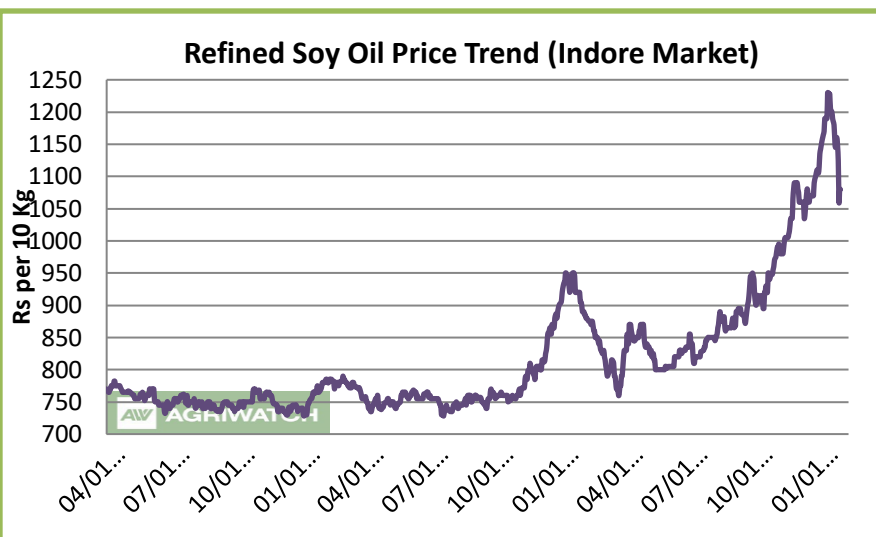
- Refined soybean oil prices featured down trend at its benchmark market at Indore during the month of January on low demand amid low prices of soy oil in international markets.

Demand of soy oil was firm in January as prices came down. The fall in prices of soy oil in international markets has led parity to rise.

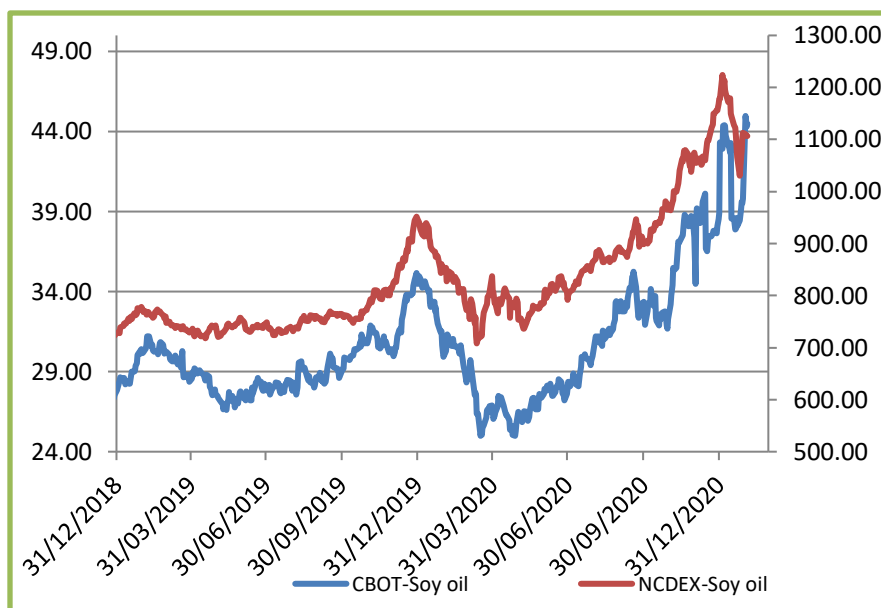
Supply of soy oil rose in India in January after a surge in imports following lower domestic supply of soy oil due to lower demand of soymeal.

Stocks of soy oil in domestic market will fell in oil year 2019-20 on lower domestic soy oil production and high domestic demand. Balance sheet of soy oil is stretched despite firm imports. If imports slow the prices will rise due to falling stocks. Stocks of soy oil at ports rose for January after on higher imports in December.

Supply of soy oil in international market was low across countries including Argentina and Brazil as strike erupted in Argentina.



Import parity of soy oil rose in January due to fall in prices of soy oil in international markets and is at disparity of Rs 5-10 per 10 kg compared to disparity of Rs 15-20 per 10 kg in Dec..



- Soy oil import scenario – According to SEA, Soy oil imports fell 52.22 percent in November y-o-y to 2.51 lakh tons from 1.64 lakh tons in November 2019. In the oil year 2019-20 (Nov 2019 -October 2020), imports of soy oil were 30.94 lakh tons compared to 33.84 lakh tons in corresponding period last oil year, higher by 9.37 percent compared to corresponding period last oil year.
- According to Solvent Extractors Association (SEA), India's December edible oil imports rose 20 percent y-o-y to 13.56 lakh tons from 11.28 lakh tons in December 2019. Palm oil imports in December rose 3.33 percent y-o-y to 7.51 lakh tons from 7.27 lakh tons in December 2019. CPO imports rose 15.64 percent in December y-o-y to 7.48 lakh tons from 6.31 lakh tons in December 2019. RBD palmolein import fell 97.87 percent to 0.02 lakh tons in December vs. 0.94 lakh tons in December 2019. Soy oil imports rose 47.83 percent in December y-o-y to 3.22 lakh tons from 1.68 lakh tons in December 2019. Sunflower oil imports fell 2.60 percent y-o-y in December to 4.49 lakh tons from 4.61 lakh tons in December 2019. Rapeseed (canola) oil stood at 0 imports in December same as in December 2019.
- According to Solvent Extractors Association (SEA), India's January edible oil stocks at ports and pipelines rose 26.83 percent m-o-m to 18.15 lakh tons from 14.31 lakh tons in December 2020. Stocks of edible oil at ports in January estimated at 630,000 tons (CPO 325,000 tons, RBD Palmolein 10,000, Degummed Soybean Oil 140,000 tons and Crude Sunflower Oil 155,000) and about 1,185,000 tons in pipelines. (Stocks at ports were 581,000 tons and in pipelines were 850,000 tons in December 2020). India is presently holding 30 days of edible oil requirement on 1st January, 2021 at 18.15 lakh tons compared to 25 days of requirements of 14.31 lakh tons on 1st December, 2020. India held 18.60 lakh tons of stocks in ports and pipelines on 1st January 2020. India's monthly edible oil requirement is 19.0 lakh tons.
- Imported crude soy oil CIF at West coast port is offered at USD 1084 (USD 926) per ton for Feb delivery, March delivery is quoted at USD 1079(USD 936) per ton. Last month, CNF CDSO Jan average price was USD 1101.6 (USD 1068.54 per ton in Dec 2020) per ton. Refined soy oil (Indore) is quoted at Rs 1120(Rs 1190) per 10 kg on February 1, 2020. Values in brackets are figures of last month.
- On the parity front, margins fell during the month on fell in prices of soy oil in international markets, and we expect margins to remain firm in coming days. Currently refiners lose USD 10-15/ton v/s loss of USD 15-20/ton (last month) margin in processing the imported Soybean Oil (Argentina Origin).

International Soy oil Market Fundamentals

- Soy oil prices are expected to be supported due to lower stocks of soy oil in US, firm global demand, delayed harvesting in Brazil, firm demand of soybean from China, rise in competing oil prices and rise in crude oil prices. US has shown record use of soy oil in biodiesel, on lower use of corn in biodiesel. This will cut stocks of soy oil in US and prompt USDA to hike price expectation in 2020/21.

Soybean crop condition improved in South America whereas unexpected heavy rains delayed harvesting in Brazil. Brazil Soybean crop estimated at 132.6 Million Tons lower from previous estimate of 133.9 Million Tons according to Consultancy Stonex. Brazil Soybean crop area seen at 38.29 Million Ha compared to previous estimate of 38.32 Million Ha. While, yield is lowered to 3.46 Tons per Ha from previous estimate of 3.49 Tons per Ha.

Argentina's 2020/21 Soybean crop estimated at 46 Million Tons lower from previous estimate of 46.5 Million Tons according to the Buenos Aires Grains Exchange. Brazil Soybean crop area seen at 17.2 Million Ha. Dry and hot weather conditions affected the crops fields of world's top exporter of soymeal. If soil moisture in the coming weeks does not match the growing needs of crops, yields could be impacted," according to a report of the Geoglam global agriculture monitoring service in conjunction with the exchange.

- According to National Oilseed Processors Association (NOPA), U.S. December soybean crush rose by 1.18 percent m-o-m to 183.159 million bushels from 181.018 million bushels in November 2020, above market expectation. Crush of soybean in December was higher by 2.43 percent y-o-y compared to December 2019 figure of 178.812 million bushels. Soy oil stocks in U.S. at the end of December rose 9.08 percent m-o-m to 1.699 billion lbs compared to 1.558 billion lbs in end November 2020. Stocks of soy oil in end December was down by 3.30 percent y-o-y compared to end December 2019, which was reported at 1.757 million lbs. Soy oil stocks was below trade expectation.
- According to China's General Administration of Customs (CNGOIC), China's December Soybeans imports fell 21 percent m-o-m to 7.524 MT compared to 9.59 MT in November 2020. Imports rose 13 percent y-o-y in December from 88.51 MT in December 2019.
- According to United States Department of Agriculture (USDA) January estimate, U.S 2020/21 ending stocks of soy oil estimate has been decreased to 1,814 million lbs compared to 1,889million lbs in December estimate. Opening stocks are kept unchanged to 1,849 million lbs in 2020/21. Production of soy oil in 2020/21 increased to 25,565 million lbs compared to 25,440 million lbs in previous estimate. Imports in 2020/21 are kept unchanged at 350 million lbs. Biodiesel use in 2020/21 increased to 8,200 million lbs compared to 8,100 million lbs in previous estimate. Food, feed and other industrial use in 2020/21 increased to 15,000 million lbs compared to 14,900 million lbs in previous estimate. Exports in 2020/21 is kept unchanged at 2,750 million lbs. Average price range estimate of 2020/21 is raised to 368.50 cents/lbs from 36.00 cents/lbs in its earlier estimate.
- The U.S. Department of Agriculture monthly supply and demand report for the month of January forecasts U.S. 2020/21 soybean stocks at 140 million bushels compared to 175 million bushels in its December estimate. Opening stocks in 2020/21 increased to 525 million bushels compared to 523 million bushels in previous estimate. Soybean production in 2020/21 decreased to 4,135 million bushels compared to 4,170 million bushels

in previous estimate. U.S. soybean exports estimate in 2020/21 increased to 2,230 million bushels compared to 2,200 million bushels in previous estimate. Imports estimate in 2020/21 increased to 35 million bushels compared to 15 million bushels in previous estimate. Crush in 2020/21 increased to 2,200 million bushels compared to 2,195 million bushels. Seed use in 2020/21 has been kept unchanged at 130 million bushels. Residual use in 2020/21 decreased to 22 million bushels compared to 35 million bushels. Average price range in 2020/21 is increased to 11.15 cents/bushel compared to 10.55 cents/bushel in its earlier estimate.

- USDA Attaché projected Brazil's 2020/21 Soybean sown area at 38.5 mln Ha and Soybean crop yields at 131.5 MMT. Dry weather conditions prevailing in Brazil has pressurized crops but it's still too early to re-access crop yield. Export is forecasted at 85 MMT. China has huge demand for Brazilian Soy Stocks.
- USDA Attaché projected Argentina's 2020/21 Soybean crops lowered to 50MMT and Sunflower seed to 2.9 MMT. Dry weather conditions prevailing in Argentina has pressurized crops as soil moisture is not significant for crop growth. Groundnut production is projected slightly high to 1.35 MMT due to higher sown area.

Price Outlook: We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1080-1300 per 10 Kg in the near term.

Palm oil: Domestic Market Fundamentals

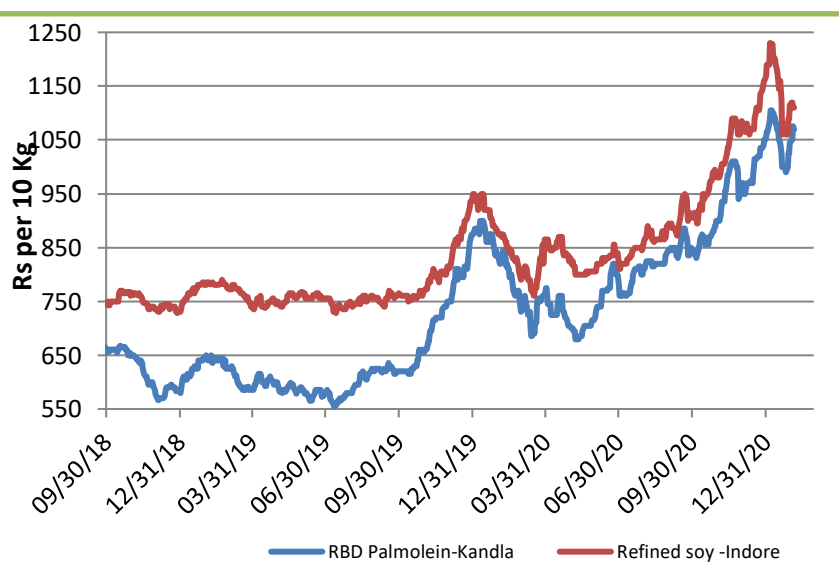
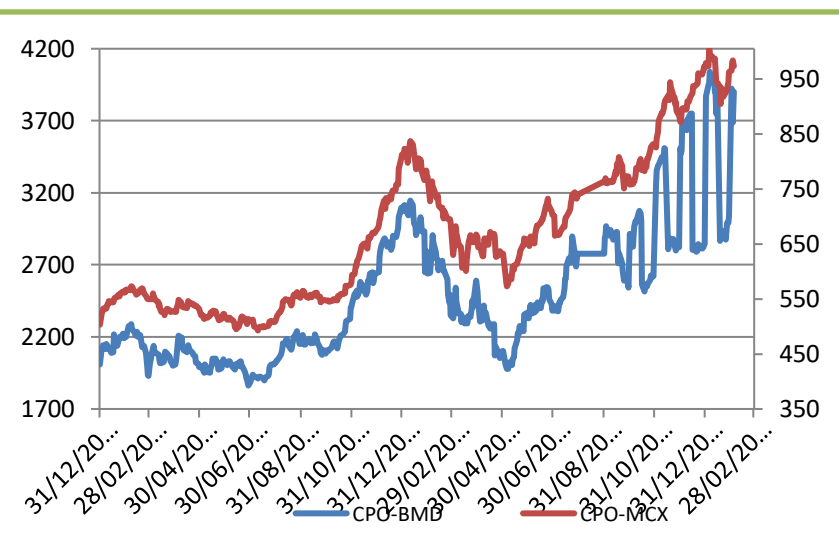
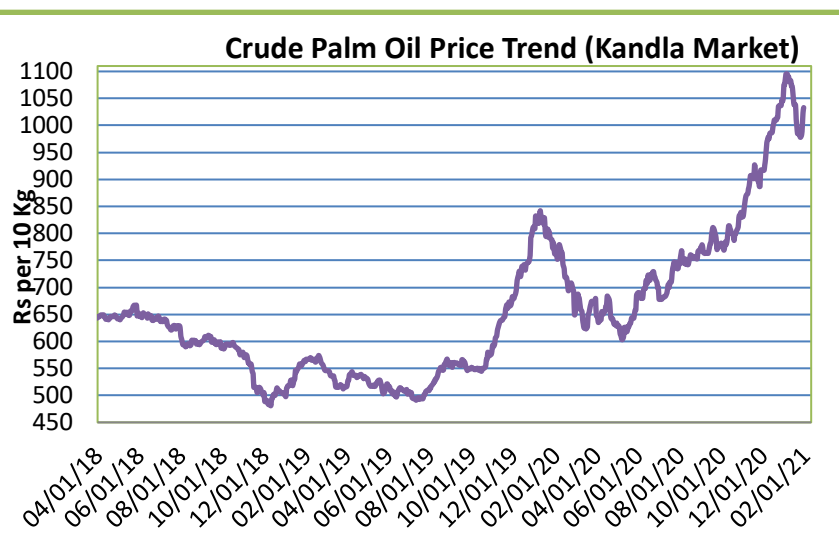
- CPO prices witnessed firm tone in the month of January at its benchmark market at Kandla on firm domestic demand.

Prices of CPO rose less at high seas compared to CNF markets compared to last month indicating firm demand at high seas.

Demand of palm oil from households and biscuit sectors are normal. HoReCa demand is improving as people are coming out of their homes. CPO import was increased in December.

Palm oil consumption fell in India in oil year 2019-20 from its earlier consumption estimate due to demand loss during lockdown. Consumption will fall in 2019-20 from its previous year in more than two and half decades. Imports of palm oil was lower for oil year 2019-20 and lead to lower carryout of palm oil in oil year 2019-20.

As on 26th November, 2020, Government of India lowered the CPO import duty from 37.5% to 27.5% amid rise in food inflation. Further, on 1 February, 2021 basic import duty lowered to 15.00% with additional levy of 17.50 % Agriculture Infrastructure and Development Cess. This Agriculture Infrastructure and Development Cess will be directly used for development of edible oil Industry.



Imports disparity of CPO rose due to rise in prices of CPO in international markets. In Rupee terms, disparity currently stands at Rs 45-50 per 10 kg compared to disparity of Rs 20-25 per 10 kg last month.

Rise in prices of CPO in international markets will make imports costlier will decrease imports in coming months.

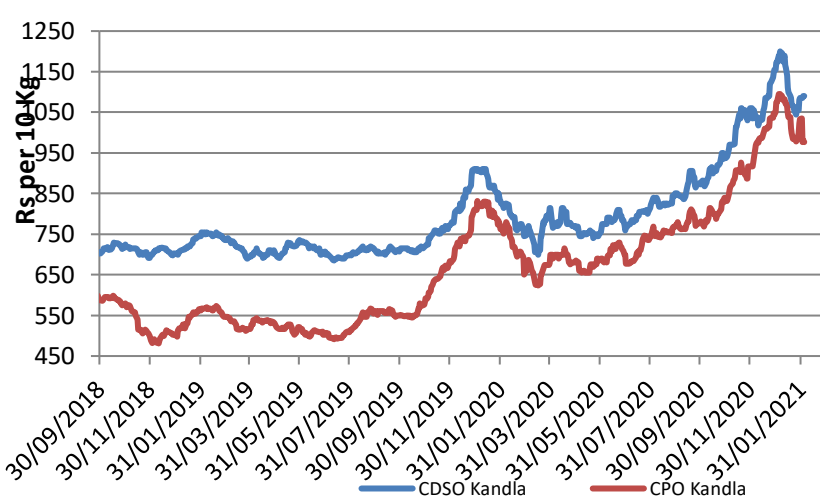
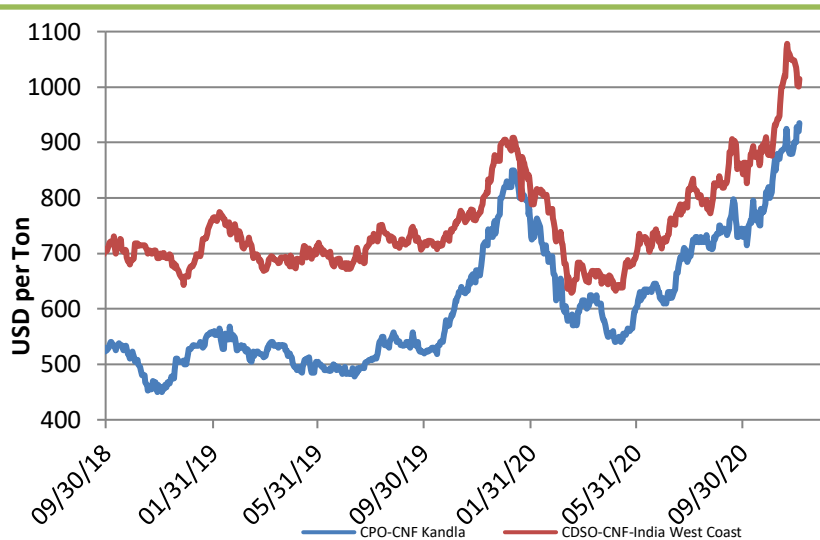
Depreciation of Rupee may increase palm oil to parity in February.

CPO trade has improved due to firm prices of CPO in January and improving palm oil demand from the country. Forward prices of CPO and RBD palmolein is quoting at discount in expectation of lower demand and prices going ahead.

Data from cargo surveyor ITS shows a rise in imports of palm oil by India from Malaysia in December despite to higher prices of CPO in international markets due to higher demand.

RBD palmolein import resumed in September month after ban on importing palm oil was announced. In December 0.01 MT was imported compared to 0.12 MT import last year. Total imports for Nov, 19- Oct, 20 is 0.42 MT compared to 2.73 MT last year for same period. Imports for palm oil on m-o-m saw fall compared to November.

RBD palmolein featured firm tone in its benchmark market on rise in prices of RBD palmolein in international markets, demand at lower levels and gradual opening of India has improved sentiment and may improve demand.



Refiners of palm oil are enjoying healthy margins and are not ready to lower prices. Government is prospecting for edible palm oil plantation in India to lower its import dependence.

Higher discount of RBD palmolein over soy oil, sunflower oil and rapeseed oil will increase its demand.

Expectation of rise in stocks of palm oil in Malaysia in coming months due to increase in production of palm oil and higher competing oils will support palm oil prices.

RBD palmolein premium over CPO decreased to Rs 88 (Rs 53 last month) per 10 kg indicating firm demand of RBD palmolein compared to CPO at high seas.

Import demand of CPO and RBD palmolein may weaken due to rise in prices of palm oil in international markets.

Soy oil premium over crude palm oil which is hovering at Rs 133(Rs 263 last month) per 10 Kg has lowered over the months may lead to lower CPO imports.

Premium of soy oil over palm oil lowered in Jan at CNF and domestic markets. High premium of crude sunflower CNF India West coast and CPO CNF at USD 290(USD 320) per ton will increase CPO prices and RBD palmolein prices in medium term. Whereas, High premium of CSFO-CNF-India West coast over CPO-CNF indicates weak demand of CPO at CNF markets compared to CSFO-CNF.

CDSO CNF premium over CPO CNF has lowered over a period and will impact imports of CPO in medium term at USD 64 (USD 110 last month) per 10 kg. Premium of CDSO soy oil high seas over CPO high seas is at Rs 143 (Rs 154 last week) per 10 Kg, which is high and increase CPO demand at high seas. Premium of refined soy oil over RBD palmolein is Rs 110(Rs 80 last week) per 10 kg is raise and will increase RBD palmolein demand in near term. Values in brackets are figures of last week.

- Palm oil import scenario – According to Solvent Extractors Association (SEA), Palm oil imports in December rose 3.33 percent y-o-y to 7.51 lakh tons from 7.27 lakh tons in December 2019. Imports in the oil year 2019-20 (November 2019-October 2020) are reported lower by 23.51 percent y-o-y at 70.87 lakh tons compared to 92.65 lakh tons in last oil year.
- Crude Palm oil import scenario- According to Solvent Extractors Association (SEA), CPO Imports rose 15.64 percent y-o-y in December to 7.48 lakh tons from 6.31 lakh tons in December 2019. Imports in oil year 2019-20 (November 2019-October 2020) were reported higher by 2.02 percent y-o-y at 66.66 lakh tons compared to 65.34 lakh tons in last oil year.
- RBD palmolein import scenario- RBD palmolein Imports fall to 97.87 percent in December to 0.02 lakh tons from 0.94 lakh tons in December 2019. Imports in oil year 2019-20 (November 2019-October 2020) were reported lower by 84.58 percent y-o-y at 4.21 lakh tons compared to 27.30 lakh tons in last oil year.
- On the trade front, CNF CPO (Indonesian origin) at Indian port is quoted at USD 1020 (USD 1055) per ton for Jan delivery and Feb delivery is quoted at USD 1030 (USD 1055) per ton. Last month, CNF CPO Jan average price was at 1043.28 per ton (USD 984.35per ton in Dec 2020). Values in brackets are figures of last week. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 998 (USD 1025) per ton for Dec delivery and Jan delivery is quoted at USD 1000 (USD 1035) per ton. Last month, CIF RBD palmolein Jan average price was USD 1028.52 (USD 988.77 in Dec 2020) per ton. Values in bracket depict last month quotes. Ready lift CPO duty paid prices quoted at Rs732 (Rs 790) per 10 Kg and Jan delivery duty paid is offered at Rs 740 (Rs 780) per 10 kg. Ready lift RBD palmolein is quoted at Rs 1020 (Rs 1080) per 10 kg as on Feb 1, 2021.

Values in brackets are figures of last week.

- On the parity front, margins fell during this week due to fall in prices of palm oil in India markets. Currently refiners fetch USD 25-30 ton v/s gain of USD 20-25/ton (last week) margin in processing the imported CPO and imports of ready to use palmolein lose USD 45-50/ton v/s loss of USD 40-45/ton (last week) parity.

International Palm oil Market Fundamentals

- Palm oil prices are likely to rise due to expectation of tight supply heavy rains fall in Malaysia, rise in exports of palm oil from Malaysia, firm demand by China and India, rise in competing oils and rise in crude oil prices.

Palm oil stocks rose in Malaysia in January due to rise in production of palm oil.

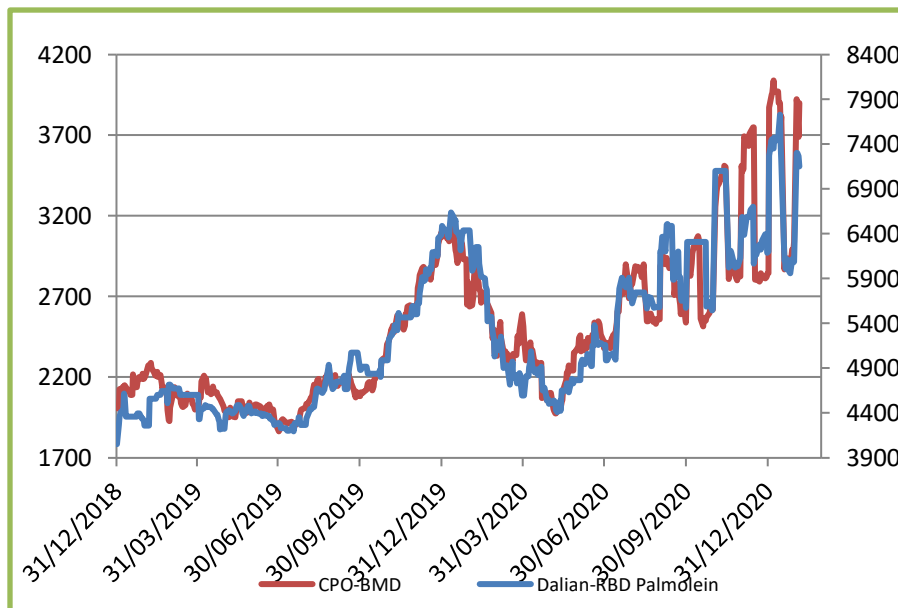
Due to heavy rains in East Malaysia and Kalimantan, Indonesia

harvesting of fresh fruit bunches has slowed. Whereas, Indonesia and Malaysia both recorded higher palm oil production.

Palm oil global demand is expected to rise from January onwards on firm demand especially from India and China.

China has started to stock palm oil after opening of country from coronavirus. This is a broader trend where it is stocking almost all commodities it deems essential. China has indicated in past that it will try to stock to ensure food security as it is net importer commodities and as its relations are worsening across world.

Imports of palm oil from Malaysia by India rise in December due tight supply and slow rise in demand in HoReCa and will continue to see so. However, cut in import duty from 27.5% to 15% and Agriculture cess will impact the price movement.



Competitive oils like RBD palmolein DALIAN and CBOT soy oil is expected to support palm oil prices.

Palm oil prices are supported by rise in crude oil prices due to cut in production by OPEC and Russia to rebalance global crude oil markets.

- According to Indonesia the trade ministry, Indonesia will charge an export duty of USD 93 per ton on crude palm oil for February, up from \$74/Ton tax in January. Reference price of February is set at USD 1026.78 per ton compared to USD 951.86 per ton last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's December palm oil stocks fell 19.20 percent to 5.83 lakh tons. Production of palm oil in December fell 10.59 percent to 13.33 lakh tons. Exports of palm oil in Dec rose 24.66 percent to 16.24 lakh tons. Imports of palm oil in Dec rose 150.35 percent to 0.2.82 lakh tons
- According to Cargo Surveyor Intertek Testing Services (ITS), Malaysia's Jan palm oil exports fall 37.2 percent to 1,059,225 tons compared to 1,685,958 tons last month. Top buyers were India & subcontinent 190,765 tons (516,600 tons), European Union 308,455 tons (310,610 tons) and China at 131,450 tons (200,960 tons). Values in brackets are figures of last month.
- According to an independent inspection company AmSpec Agri, Malaysia's Jan palm oil exports fall 36.2 percent to 1,089,702 tons compared to 1,709,084 tons last month. Crude Palm Oil export fell by 69.55 percent to 225,421 tonnes from 740,263 tonnes compared to last month. RBD Palm oil export fell by 5.91 percent to 87,055 tonnes from 92,525 tonnes compared to last month. RBD Palm olein export fell by 5.77 percent to 331,770 tonnes from 352,092 tonnes compared to last month.

Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 980-1200 per 10 Kg in the near term.

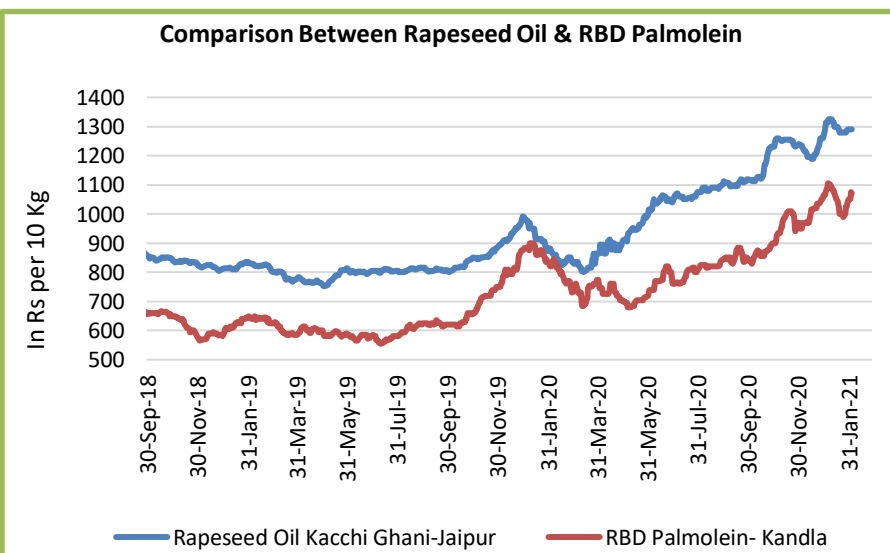
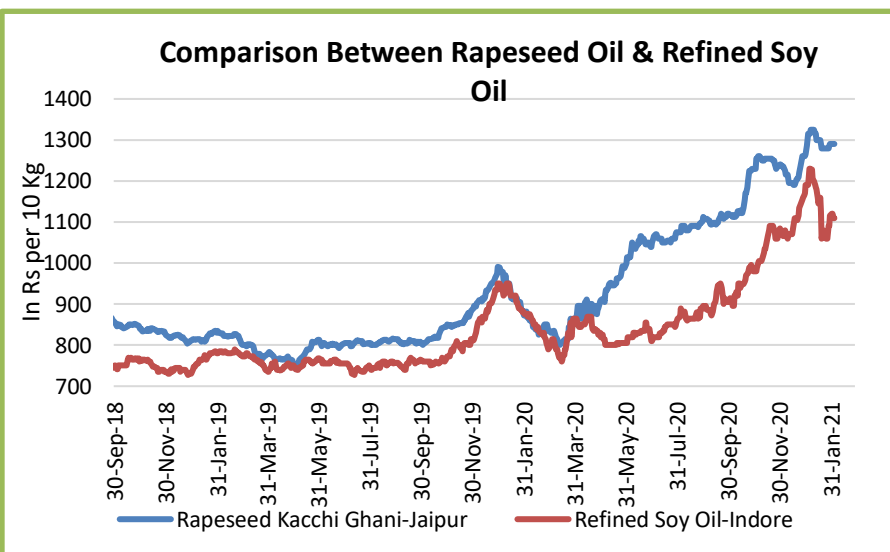
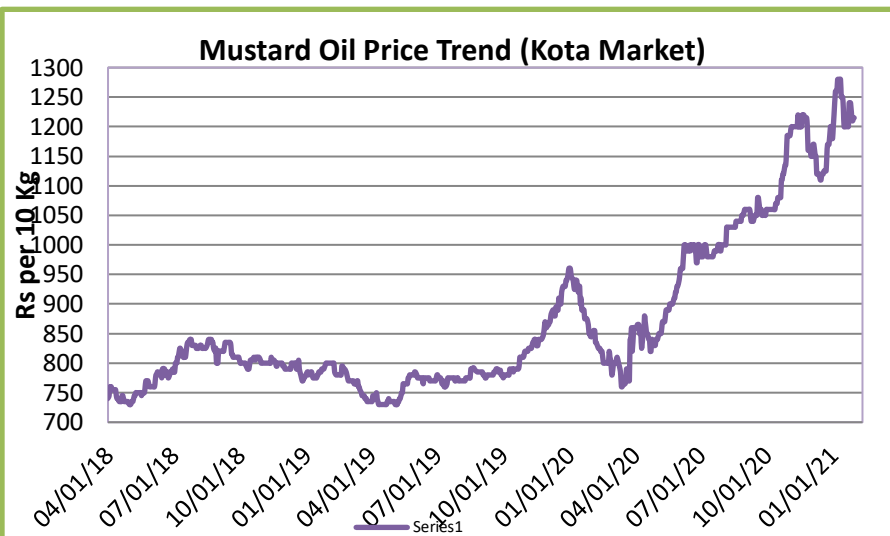
Rapeseed oil: Domestic Market Fundamentals

- Rapeseed oil closed up at various markets due to firm demand amid tight supply. All India arrivals of rapeseed fell in January.

Demand remained firm in the month of January on firm buying in cash markets due to rapeseed oil seen as immunity booster even as India opens its economy and people realize that they have to learn to live with coronavirus before vaccines arrive.

Demand of rapeseed oil is firm despite rise in its prices. However, lower arrivals last week led to tight position in the market where demand is firm and arrivals are decreasing. Arrival of early varieties of black mustard may supply for lean periods.

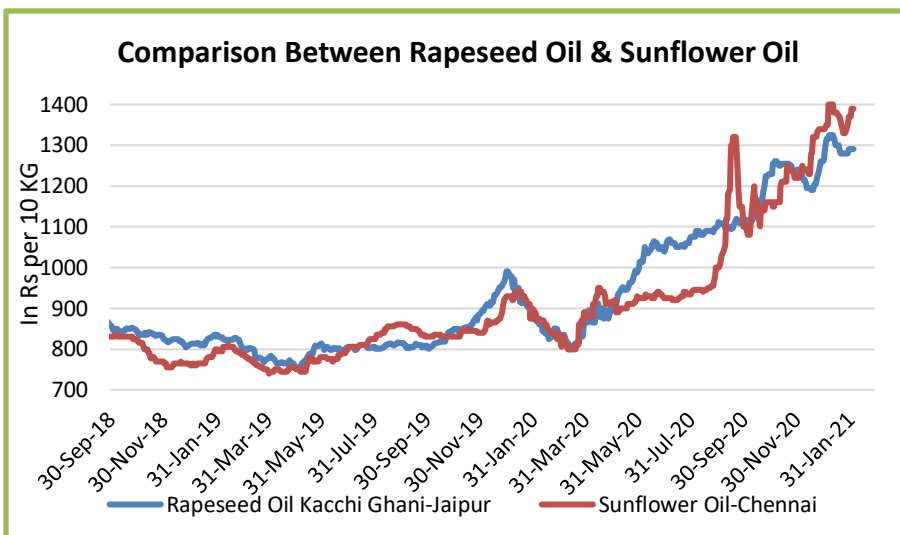
Stock position of rapeseed oil is tightening as firm demand draws down on stocks combined with lower imports of rapeseed oil and slow release of stocks from NAFED. Lower carryout of rapeseed oil in oil year 2019-20 will lead to higher prices of rapeseed oil in this oil year.



NAFED and HAFED have been gradually disposing rapeseed-mustard. The Nafed has sold about 11.5 lakh tonnes of old and new stocks while Hafed has offloaded around 4.8 lakh tonnes of the seed of the total 5.30 lakh tonnes procured by the agency this year.

Agriwatch estimates rapeseed crop in MY 2020-21 at 72 lakh

tons compared to last year crop at 79 lakh tons. Lower crop of rapeseed in MY 2020-21 will support rapeseed and rapeseed oil prices



High premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market will cap gains in rapeseed oil prices.

Jaipur kacchi ghani rapeseed oil premium over RBD palmolein is high will cap gains in rapeseed oil prices.

Imports of canola oil is 0.55 lakh tons in oil year 2019-20 (Nov-19-Oct-20) v/s 0.59 lakh tons last oil year indicating rise in demand as rapeseed supply is crunched. Imports of canola oil will stretch rapeseed oil balance sheet in oil year 2019-20 (Nov-Oct).

Prices of rapeseed oil will remain be supported owing to falling stocks of rapeseed oil in domestic market.

Prices of rapeseed oil are expected to firm until arrival of new crops in market

- Rapeseed oil import scenario- India imported 0.00 lakh tons rapeseed (Canola) oil in November 2020 v/s 0.00 lakh tons imports in November 2019. In the oil year 2019-20 (Nov 2019-October 2020) imports 0.55 lakh tons compared to 0.59 lakh tons in last oil year, down 6.77 percent y-o-y.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 1,260 (Rs 1,248) per 10 Kg, and at Kota market, it is offered at Rs 1,200 (Rs 1,200) per 10 kg as on February 1, 2021. Values in brackets are figures of last month.
- We expect RM seed oil prices to trade firm tone in the coming days.

Price Outlook: We expect Rapeseed oil (Kota) to trade in the price band of Rs 1200-1300 per 10 Kg.

Sunflower oil: Domestic Market Fundamentals

- Sunflower oil featured sideways trend at its bench market Chennai in India during the month of January on lower supply and rise in prices of sunflower oil in international markets due to lower crop of sunflower in Ukraine.

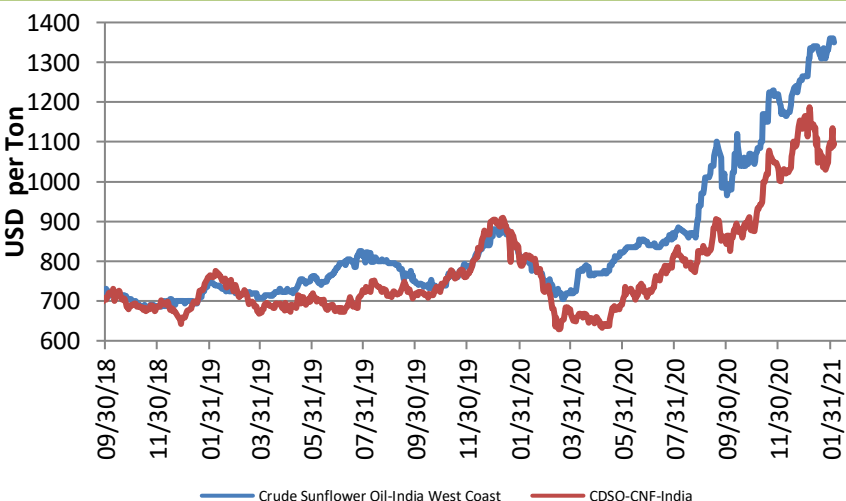
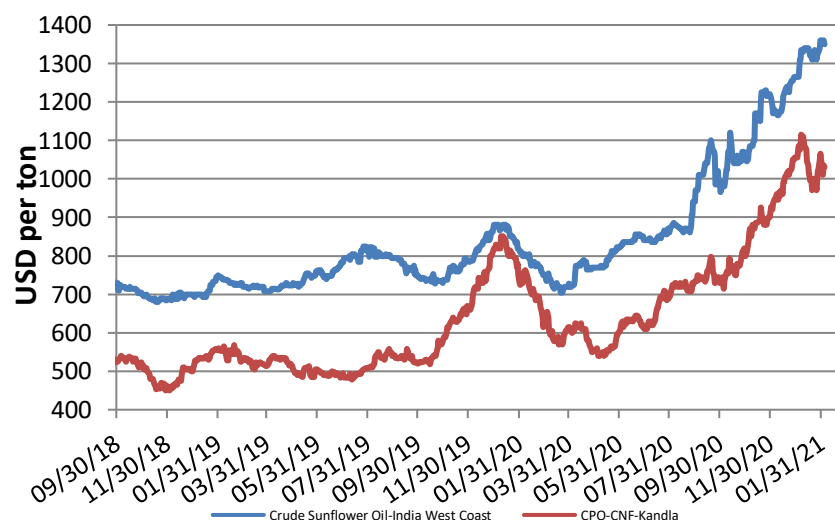
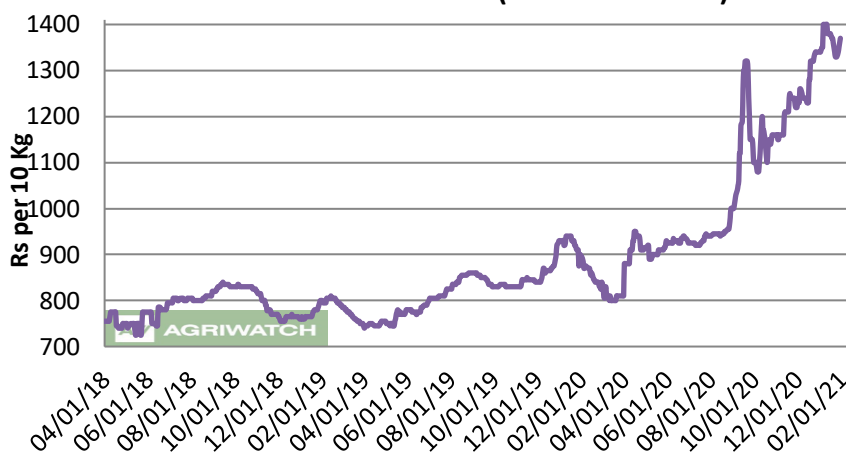
Sunflower oil prices rose more at high seas compared to CNF markets indicating weak supply at high seas.

Sunflower oil is mainly used in home consumption and demand has risen in home consumption as during lockdown change towards use of soft oils been noticed.

Sunflower oil prices rose in January month as competing oil prices skyrocketed. Sunflower oil prices are mostly correlated to soy oil prices in domestic market. CNF prices of sunflower oil and soy oil are diverging. Further, the prices have diverging in domestic market.

Carryout of sunflower oil has fallen in oil year 2019-20 due to rise in consumption. Further, imports may cap from here due to high premium over soy oil and palm oil may lead to fall in end stocks.

Sunflower Oil Price Trend (Chennai Market)



Imports of sunflower oil showed strong trend in December due to tight supply international market and firm demand in domestic market.

Import demand of sunflower oil may slow down as Government are focusing to increase domestic oilseed production to reduce import dependence.

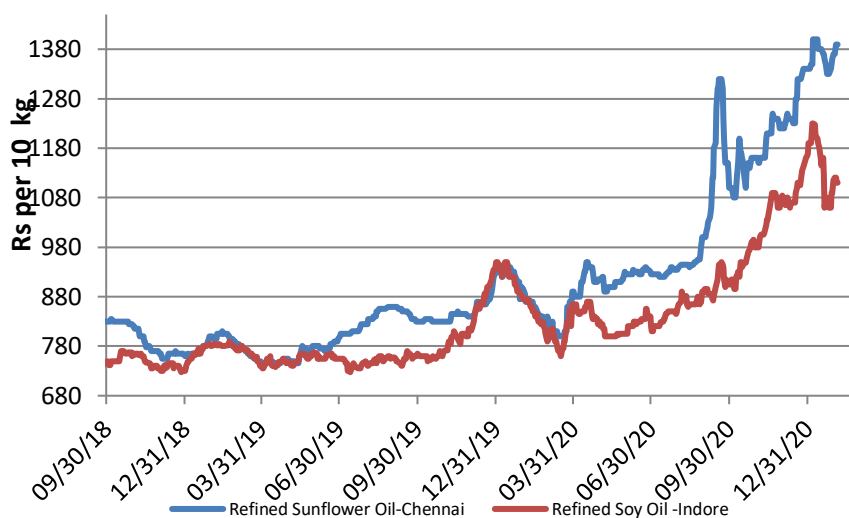
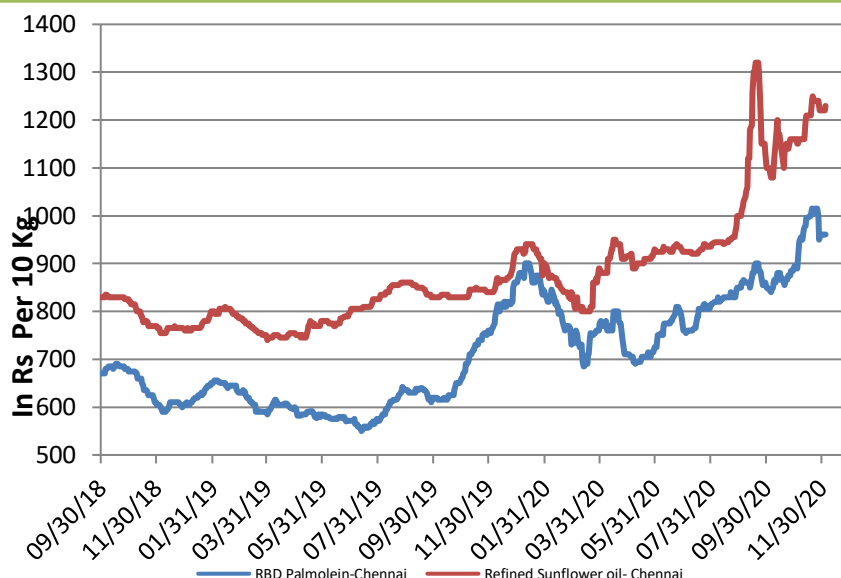
Changes in import duty as on 2 February saw impact on price movements of various edible oils.

In Ukraine, the Sunflower crop in 2020-21 is expected to be 8.5% lower than last year, according to Ukraine's economy ministry. This will keep sunflower CNF prices supported in coming months.

Prices of sunflower oil are expected to rise on firm demand and rise in prices of sunflower oil in international markets as Ukraine's production is lowered due to drought condition and decision of lowering seed crush due to lower seed produce.

Rising premium of CSFO over CDSO in CNF markets and domestic markets coupled with rising premium of sunflower oil at CNF markets and domestic market will cap its prices in medium term. Further, falling discount of sunflower oil over groundnut will cap gains in its prices.

Prices of sunflower oil are expected to remain in a range with upward bias in February.



- Sunflower oil imports scenario- According to Solvent Extractors Association (SEA), Sunflower oil imports fell in December to 4.49 lakh tons from 4.61 lakh tons in December 2019. Imports in oil year 2019-20 (November 2019-October 2020) were reported higher by 13.79 percent y-o-y at 29.87 lakh tons compared to 26.25 lakh tons in last oil year.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 1360(USD 1265) per ton for Jan delivery, Feb delivery is quoted at USD 1360(USD 1265) per ton. CNF sun oil (Ukraine origin) January monthly average is at USD 1321.2 per ton compared to USD 1210.81 per ton in December. Values in brackets are figures of last month.
- Prices are likely to stay in the range of USD 1300-1450 per ton in the near term. CNF Sunflower oil premium over CDSO is hovering at USD 276 (USD 100 last week) per ton for Jan delivery. CNF sunflower oil premium over RBD palmolein is hovering around USD 340(USD 110) per ton.
- Currently, refined sunflower oil at Chennai market is offered at Rs 1,370 (Rs 1,340) per 10 Kg, and at Kandla/Mudra market, it is offered at Rs 1,360(Rs 1350) per 10 kg as on February 1, 2021. Values in brackets are figures of last month.
- We expect sunflower oil prices to trade sideways to firm in the coming days.

Price Outlook: We expect sunflower oil (Chennai) to trade in the price band of Rs 1350-1480 per 10 Kg.

Groundnut oil: Domestic Market Fundamentals

- Groundnut oil featured up trend in Rajkot market during the month in review on firm demand and tight supply.

Groundnut oil demand in domestic market is firm but tight supply in market resulted in stable trading in market.

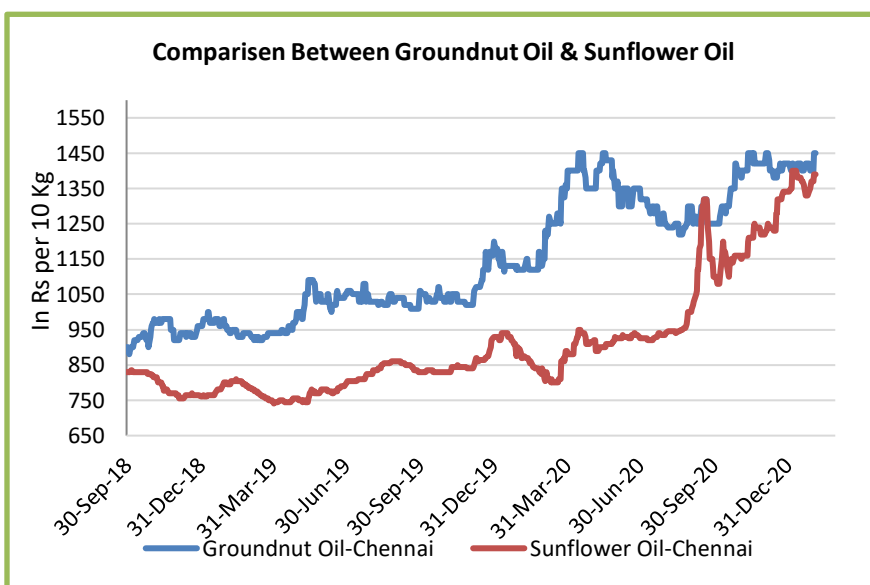
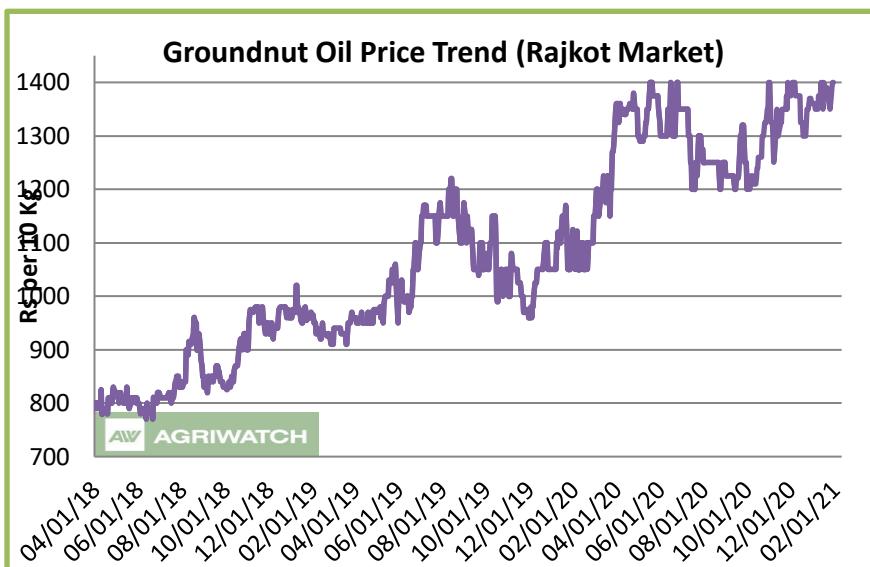
In Gujarat, NAFED procured a total of 2.02 lakh tonnes of Groundnut seed from Gujarat lowest in six-year from October 26 to January 12, 2021. The procurement is below than the allotted quota i.e., 11 lakh tonnes. The procurement was happening in the backdrop of farmers' protests in New Delhi against the three new farm laws. Also, higher prevailing prices in the spot market prompted farmers to sell groundnut there.

Groundnut oil crushers are berserk as the seed supply is low and demand is firm hence, they are procuring from Saurashtra and Southern states to fulfill the market demand.

Exports of groundnut oil have improved since Aug onwards as Indian prices where competitive Imports is mainly to China in Apr-Nov 2020. Moreover, the pace of exports of groundnut has increased due to strong demand from importing nations, mainly Indonesia due to lower prices quoted at India FOB mostly on higher demand from Indonesia.

NAFED procured 2.56 Metric tonnes of groundnut seed under PSS Scheme.

In South India, prices rose as demand is firm from northern states and in parity with Gujarat. Stock position of groundnut oil is good. Groundnut export demand is good from China and will support its prices. Prices will remain firm in February as the demand is firm.



- Groundnut oil exports scenario- India exported 38,217 tons Groundnut oil in November 2020 v/s 912 tons export in November 2019. In the Financial year 2020-21 (April 2020 - October 2020) rose to 623.53 lakh tons in Apr-Oct 2020, from 93.98 lakh tons in corresponding period last year. It was mainly exported to China at 576.94 lakh tons.
- According to Ministry of Agriculture, as on 29 January, sowing of groundnut reported down by 1.2% at 4.76 lakh hectares compared to 4.82 lakh hectares at the same period last year. The total sown area under kharif oilseeds, as on 29 January, is higher compared to the previous year's level which is up by 5.0% at 83.95 lakh hectares compared to 79.98 lakh hectares during the corresponding period last year.
- On the price front, currently the groundnut oil prices in Rajkot are hovering near Rs 14,000 (13,500) per quintal and quoting at Rs 14,000 (Rs 14,200) per quintal in Chennai market, as on February 1, 2021.
- Groundnut oil prices are likely to trade with a firm tone in the coming days.

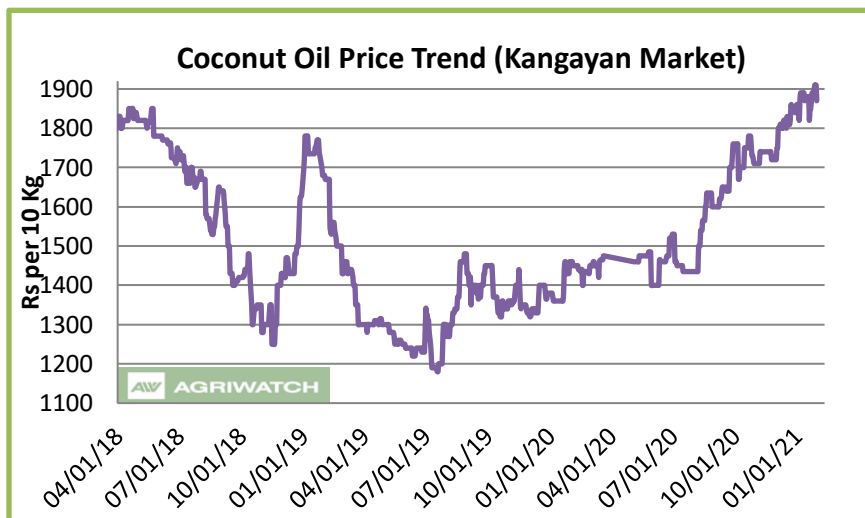
Price Outlook: We expect Groundnut oil (Rajkot) to trade in the price band of Rs 1350-1450 per 10 Kg.

Coconut oil: Domestic Market Fundamentals

- Coconut oil benchmark market Kangayam prices were quoted up for the month on back of firm demand.

Supply of coconut oil is rising slowly while rise in prices of edible oils have resulted in rise of Coconut oil too.

Rise in prices of palm oil and sunflower oil supported prices while, hiked coconut oil prices may affect the demand.



Retail demand is firm in Kerala. While, Demand from North India is stable.

However, demand is supported by coconut oil distributed by civil supplies of various governments coupled with state agencies selling coconut oil at subsidized rates.

Demand may fell due to rise in its prices and high premium over palm oil and sunflower oil.

Demand of copra is improving due to opening of India in various phases. Firm demand from Madhya Pradesh, Gujarat, Rajasthan and Uttar Pradesh resulted in good market of Copra.

Millers operating capacity is improving due to improving demand in food and industrial segment and branded segment. Marico's Coconut oil saw growth in its market and for three months with period ending on 31st December it reported net profit of Rs. 307 Crore.

Traders and upcountry buyers are not stocking as they are not confident of prices.

Higher coconut oil prices may increase RBD palmolein consumption. Prices of RBD palmolein is competitive compared to coconut oil. However, coconut consumers generally do not shift out of its consumption irrespective of prices.

Coconut importers are dependent on domestic Coconut supply as State Trading Corporation has refrained from issuing NOC to import copra from December.

There is higher trade of coconut products due to higher demand from importing countries. Regular supply by Indian companies to international markets during COVID lockdown has won them international buyers.

India has imposed higher import duty on desiccated coconut (DC) to stop surge in imports of desiccated coconut (DC), which has improved demand of domestic coconut as it is used in various industrial applications and feed industry, prompting higher supply of coconut towards crushing, thereby increasing supply of coconut oil. Import above Rs 150 per kg is free while below these prices' imports are restricted.

India is importing copra under license to export coconut oil derived from such copra. However, Indian importers are selling coconut oil derived from copra imported from Indonesia in domestic market as it is of high quality and exporting Indian coconut oil. So, good quality coconut oil in Indian market is from imported copra.

Adulteration of coconut oil is rampant in Kerala and the prices at which adulterated coconut oil sold is less than sales prices of coconut oil. However, FSSAI has banned various brands of coconut oil to control rampant adulteration.

There are more than 250 brands in market and competition is high.

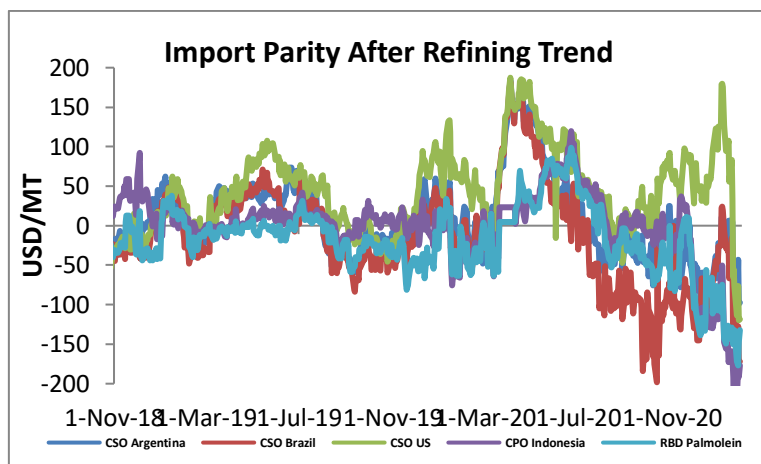
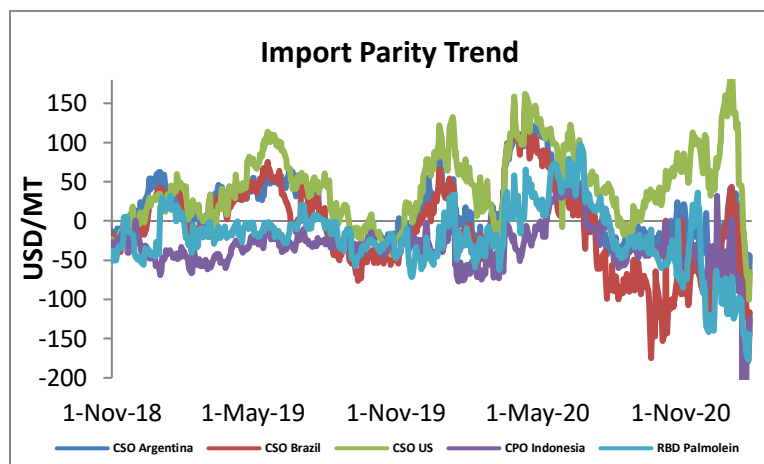
Prices are expected to remain sideways in February on slow rise in demand. Prices are expected to trade firm in medium term.

- On the price front, currently the coconut oil prices in Kochi are hovering near Rs 19,300 (19,450) per quintal and Rs 19,000 (18,600) per quintal in Erode market on February 1, 2021.
- Coconut oil prices to trade in firm tone tracking rise in prices of edible oils.

Price Outlook: We expect coconut oil (Erode) to trade in the price band of Rs 1880-1980 per 10 Kg.

Import Parity Trend

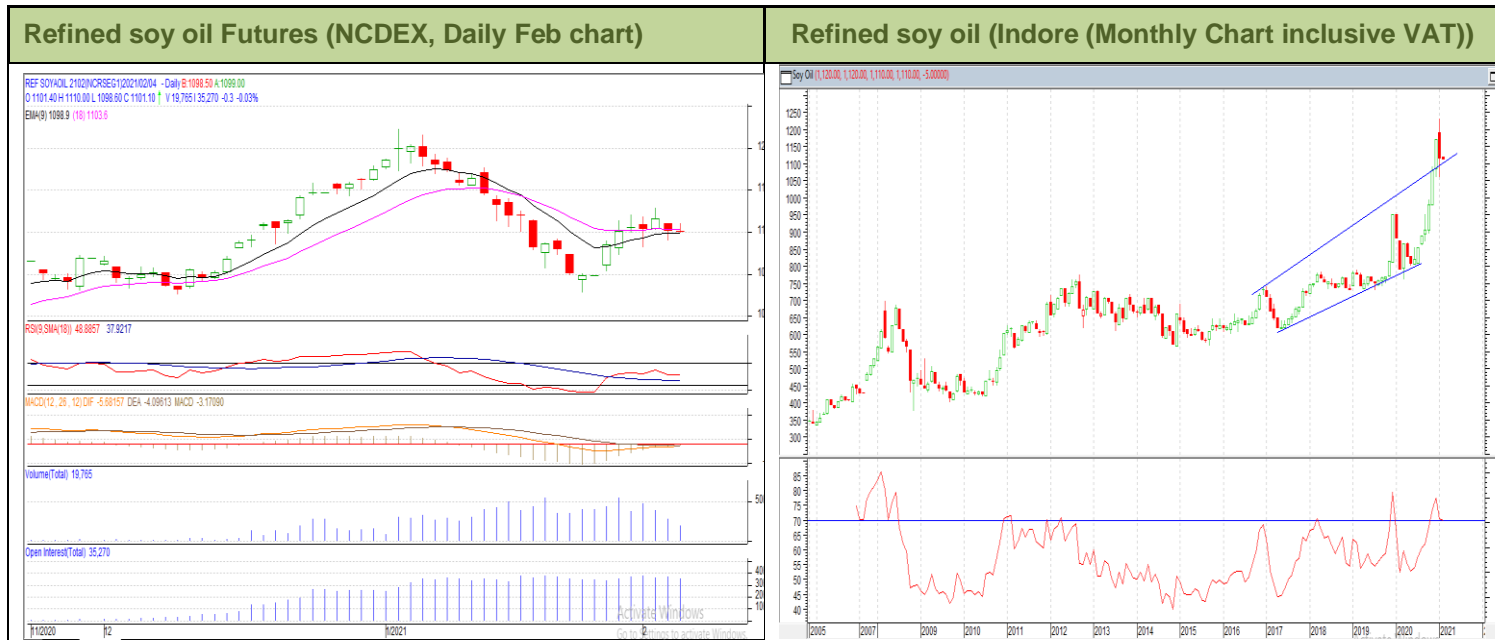
Import Parity after Refining in US dollar per tons (Monthly Average)



| | CSO Argentina | CSO Brazil | CSO US | CPO Indonesia | RBD Palmolein |
|------------------|---------------|------------|--------|---------------|---------------|
| Nov, 2020 | -35.44 | -98.69 | 67.40 | -6.7 | -37.89 |
| Dec, 2020 | -70.47 | -92.07 | 64.65 | -112.09 | -102.67 |
| Jan, 2020 | -33.43 | -60.95 | 43.06 | -149.55 | -130.78 |

Outlook:-

Import parity for CDSO Argentina rose slightly higher than previous month due to rise in prices of soy oil in international markets. We expect CDSO import parity to improve in February due to higher prices of soy oil in Indian markets. Parity in CPO is lower than RBD palmolein. Disparity in CPO may decrease its imports. Palm oil parity will be impacted by cut in import duty.

Technical Analysis (Refined soy oil Monthly Charts)


Outlook – Prices are likely to trade sideways in the days ahead. Investors are advised to buy refined soy oil (February contract) on dips.

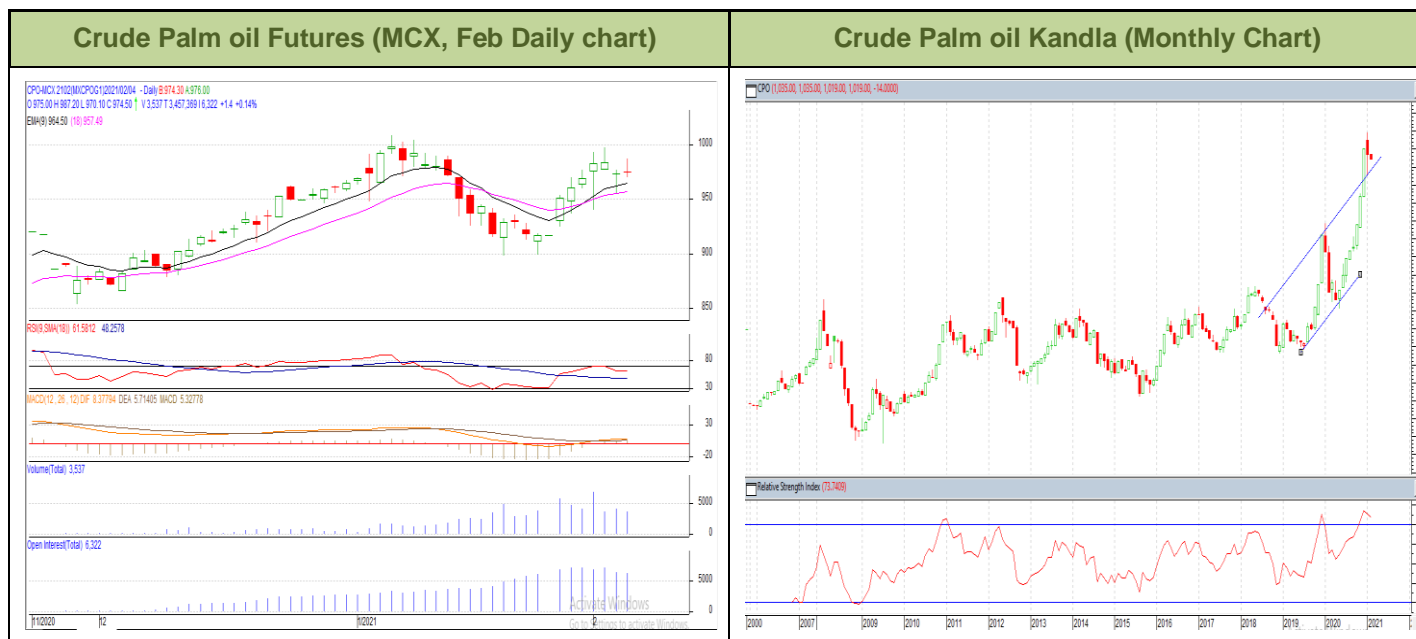
- Monthly chart of refined soy oil at NCDEX featured loss in the prices. We expect sideways to firm movement in the coming days.
- Any close above 1220 in monthly chart will bring prices to 1250 levels.
- Expected price band for next month is 1080-1300 level in near to medium term. RSI and MACD are indicating sideways sentiments.

Strategy: Market participants are advised to go long in RSO above 1100 for a target of 1120 and 1135 with a stop loss at 1085 on closing basis.

RSO NCDEX

| Support and Resistance | | | | |
|------------------------|---------|--------|---------|---------|
| S2 | S1 | PCP | R1 | R2 |
| 923.43 | 1014.47 | 1105.5 | 1209.27 | 1313.03 |

Spot Market outlook: Refined soy oil Indore (including VAT) is likely to stay in the range of 1080-1300 per 10 Kg.

Technical Analysis (Crude Palm oil Monthly Charts)


Outlook - Prices may trade in uptrend in the coming days. Investors are advised to buy MCX CPO (February contract) on dips.

- Candlestick monthly chart of crude palm oil at MCX depicts rise in prices. We expect prices to feature uptrend in the near term.
- Any close above 1220 in monthly chart might bring the prices to 1020 levels.
- Expected price band for next month is 950-1020 level in near to medium term. RSI and MACD are indicating sideways sentiments

Strategy: Market participants are advised to go long in CPO above 970 for a target of 1020 and 1035 with a stop loss at 950 on closing basis.

CPO MCX

| Support and Resistance | | | | |
|------------------------|--------|-------|---------|---------|
| S2 | S1 | PCP | R1 | R2 |
| 848.03 | 908.67 | 969.3 | 1019.37 | 1069.43 |

Spot Market outlook: Crude palm oil Kandla is likely to stay in the range of 980-1200 per 10 Kg.

Monthly spot prices comparison
Edible Oil Prices at key Markets:

| Commodity | Centre | Prices (Per 10 Kg) | | Change |
|---------------------|--|--------------------|-----------|--------|
| | | 30-Jan-21 | 31-Dec-20 | |
| Refined Soybean Oil | Indore | 1115 | 1170 | -55 |
| | Indore (Soy Solvent Crude) | 1065 | 1120 | -55 |
| | Mumbai | 1060 | 1140 | -80 |
| | Mumbai (Soy Degum) | 1130 | 1170 | -40 |
| | Kandla/Mundra | 1120 | 1185 | -65 |
| | Kandla/Mundra (Soy Degum) | 1085 | 1155 | -70 |
| | Kolkata | 1120 | 1200 | -80 |
| | Delhi | 1180 | 1253 | -73 |
| | Nagpur | 1100 | 1160 | -60 |
| | Rajkot | 1140 | 1170 | -30 |
| | Kota | 1120 | 1180 | -60 |
| | Hyderabad | 0 | 0 | Unch |
| | Akola | 1110 | 1180 | -70 |
| | Amrawati | 1105 | 1166 | -61 |
| | Bundi | 1130 | 1190 | -60 |
| | Jalna | 1090 | 1150 | -60 |
| | Solapur | 1095 | 1145 | -50 |
| | Dhule | 1080 | 1140 | -60 |
| | Nanded | 1085 | 1145 | -60 |
| | Latur | 1100 | 1160 | -60 |
| | Argentina Crude Soya (CIF India) USD | 1098 | 1161 | -63 |
| | Argentina Crude Soya (FOB) | 1025 | 1099 | -74 |
| | Soya Oil(Rot.)(Euro/MT FOB) (1000) GMT | 920 | 905 | 15 |
| Palm Oil* | Kandla (Crude Palm Oil) | 1033 | 1050 | -17 |
| | Kandla (RBD Palm oil) | 1020 | 1020 | Unch |
| | Kandla RBD Pamolein | 1045 | 1055 | -10 |
| | Kakinada (Crude Palm Oil) | 985 | 980 | 5 |
| | Kakinada RBD Pamolein | 1065 | 1070 | -5 |
| | Haldia Pamolein | 1070 | 1080 | -10 |
| | Chennai RBD Pamolein | 1065 | 1075 | -10 |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | 1115 | 1127 | -12 |
| | Krishnapattanam RBD Pamolein | 1065 | 1075 | -10 |
| | Mumbai RBD Pamolein | 1060 | 1085 | -25 |
| | Mangalore RBD Pamolein | 1060 | 1080 | -20 |
| | Tuticorin (RBD Palmolein) | 1070 | 1065 | 5 |
| | Mumbai (Refined) | 1060 | 1080 | -20 |



| | | | | |
|--------------------------|----------------------------------|------|------|------|
| | Rajkot (Refined) | 1070 | 1065 | 5 |
| | Chennai (Refined) | 1080 | 1070 | 10 |
| | Hyderabad (Refined) | 1090 | 1085 | 5 |
| | Delhi (Refined) | 1142 | 1150 | -8 |
| | PFAD (Kandla) | 650 | 685 | -35 |
| | RPS (Kandla) | 780 | 815 | -35 |
| | Superolien (Kandla) | 1065 | 1080 | -15 |
| | Superolien (Mumbai) | 1085 | 1100 | -15 |
| | Kochi (RBD Palmolein) | 1042 | 1020 | 22 |
| | Krishnapattanam (Crude Palm Oil) | 985 | 980 | 5 |
| | Mumbai (Crude Palm Oil) | 1025 | 1045 | -20 |
| | Kolkata (Crude Palm Oil) | 985 | 985 | Unch |
| | Palm Kernel Oil (1000) GMT | 1330 | 1335 | -5 |
| | | | | |
| Refined Sunflower Oil | Chennai (Refined) | 1370 | 1340 | 30 |
| | Chennai (Crude) | 1350 | 1280 | 70 |
| | Mumbai (Refined) | 1360 | 1330 | 30 |
| | Mumbai (Expeller Oil) | 1350 | 1300 | 50 |
| | Kandla (Refined) | 1350 | 1350 | Unch |
| | Hyderabad (Refined) | 1400 | 1345 | 55 |
| | Hyderabad (Expeller) | 1350 | 1300 | 50 |
| | Latur (Refined) | 1395 | 1350 | 45 |
| | Latur (Expeller Oil) | 1325 | 1280 | 45 |
| | Chellakere (Expeller Oil) | 1320 | 1275 | 45 |
| | Erode (Expeller Oil) | 1380 | 1360 | 20 |
| | Kakinada (Refined) | 1340 | 1330 | 10 |
| | Krishna Pattanam (Refined) | 1340 | 1330 | 10 |
| | Delhi (Refined) | 1300 | 1280 | 20 |
| | Sun Oil (Rotterdam) | 1320 | 1200 | 120 |
| | | | | |
| Groundnut Oil | Rajkot | 1400 | 1350 | 50 |
| | Chennai | 1400 | 1420 | -20 |
| | Delhi | 1410 | 1400 | 10 |
| | Hyderabad * | 1390 | 1420 | -30 |
| | Mumbai | 1415 | 1400 | 15 |
| | Gondal | 1400 | 1360 | 40 |
| | Jamnagar | 1400 | 1350 | 50 |
| | Gujarat GN Telia | 2220 | 2160 | 60 |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 1260 | 1243 | 17 |
| | Jaipur (Kacchi Ghani Oil) | 1290 | 1260 | 30 |
| | Kota (Expeller Oil) | 1215 | 1180 | 35 |
| | Kota (Kacchi Ghani Oil) | 1270 | 1265 | 5 |
| | Neewai (Expeller Oil) | 1240 | 1215 | 25 |
| | Neewai (Kacchi Ghani Oil) | 1270 | 1235 | 35 |



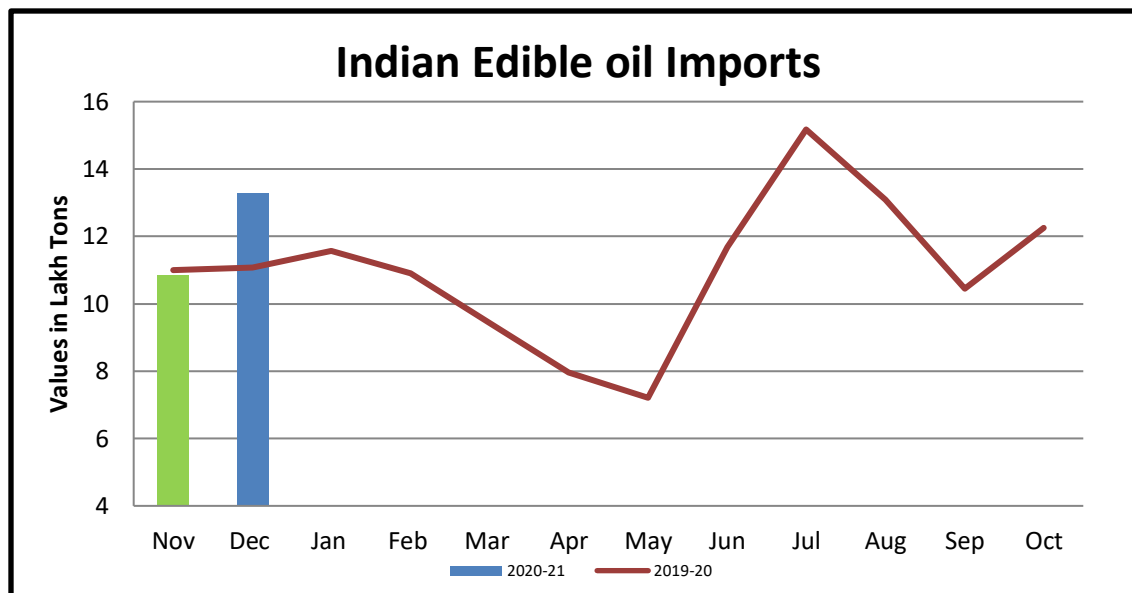
| | | | | |
|---------------------------|------------------------------------|------|------|-------|
| | Bharatpur (Kacchi Ghani Oil) | 1210 | 1220 | -10 |
| | Sri-Ganga Nagar(Exp Oil) | 1240 | 1225 | 15 |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 1270 | 1235 | 35 |
| | Mumbai (Expeller Oil) | 1230 | 1210 | 20 |
| | Kolkata(Expeller Oil) | 1350 | 1340 | 10 |
| | New Delhi (Expeller Oil) | 1190 | 1240 | -50 |
| | Hapur (Expeller Oil) | 1250 | 1250 | Unch |
| | Hapur (Kacchi Ghani Oil) | 1280 | 1280 | Unch |
| | Agra (Kacchi Ghani Oil) | 1215 | 1225 | -10 |
| | Nagpur (Expeller Oil) | 1233 | 1233 | Unch |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 1060 | 1130 | -70 |
| | Hyderabad | 1100 | 1145 | -45 |
| | Mumbai | 1080 | 1125 | -45 |
| | New Delhi | 1055 | 1150 | -95 |
| | Gujarat Cotton Wash | 1030 | 1050 | -20 |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1870 | 1860 | 10 |
| | Cochin | 1880 | 1880 | Unch |
| | Coconut Oil(Rot.)(Phil/Indo) | 1500 | 1470 | 30 |
| | | | | |
| Vanaspati Oil | Uttar Pradesh | 0 | 1460 | -1460 |
| | Kolkata | 1370 | 1400 | -30 |
| | Rajkot | 1523 | 1598 | -75 |
| | | | | |
| Sesame Oil | New Delhi | 1380 | 1400 | -20 |
| | Mumbai | 0 | 0 | Unch |
| Kardi | Mumbai | 0 | 0 | Unch |
| Rice Bran Oil | New Delhi (40%) | 832 | 860 | -28 |
| | Punjab 4%) | 970 | 1060 | -90 |
| | Bhatinda (Crude 4%) | 740 | 815 | -75 |
| | Bhatinda (Refined 4%) | 855 | 930 | -75 |
| | Hyderabad (Crude) | 890 | 900 | -10 |
| | Hyderabad (Refined) | 1060 | 1050 | 10 |
| | Kolkata (Crude) | 820 | 910 | -90 |
| | Kolkata (Refined) | 920 | 1060 | -140 |
| | Raipur (Crude) | 860 | 945 | -85 |
| | Raipur (Refined) | 990 | 1130 | -140 |
| | Odisha (Refined) | 1000 | 1120 | -120 |
| | Vijayawada (Refined) | 950 | 1020 | -70 |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 1025 | 990 | 35 |
| | CNF India | 1053 | 1035 | 18 |
| Indonesia CPO USD/MT | FOB | 1050 | 1028 | 22 |
| | CNF India | 1065 | 1055 | 10 |



| | | | | |
|---|-----------|-----------|-----------|--------|
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 998 | 988 | 10 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 963 | 975 | -12 |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 1355 | 1435 | -80 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 865 | 860 | 5 |
| Crude palm Kernel Oil India (USD/MT) | CNF India | 1480 | 1485 | -5 |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 1360 | 1265 | 95 |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 1010 | 890 | 120 |
| | | | | |
| Argentina FOB (\$/MT) | | 30-Jan-21 | 31-Dec-20 | Change |
| Crude Soybean Oil Ship | | 1025 | 1111 | -86 |
| Refined Soy Oil (Bulk) Ship | | 1061 | 1150 | -89 |
| Sunflower Oil Ship | | 1245 | 1160 | 85 |
| Cottonseed Oil Ship | | 1005 | 1091 | -86 |
| Refined Linseed Oil (Bulk) Ship | | 0 | 0 | Unch |
| * indicates including GST | | | | |

Annexure:

Indian Edible Oil Imports Scenario –:



As per Solvent Extractors' Association of India, India imported 131.54 million tons of veg. oils in the 2019-20 oil year. Edible oils imports were 149.13 million tons 2019-20 (November 2019-October 2020). Edible oils (including CPO, CDSO, CSFO, and RBD Palmolein imports for November is pegged at 12.25 lakh tons. Edible oils (including CPO, CDSO, CSFO, and RBD Palmolein imports for (Nov 2019-Oct 2020) is pegged at 119.50 lakh tons.

Indian Supply and Demand Scenario:

| Balance sheet of Indian Edible Oil | 2017-18 | 2018-19 | 2019-20 | % Change |
|------------------------------------|---------|---------|---------|----------|
| Value in million tons | | | | |
| Beginning Stock | 7.77 | 6.65 | 4.37 | -34.31% |
| Production | 8.50 | 8.39 | 8.45 | 0.72% |
| Imports | 14.52 | 14.91 | 13.68 | -8.23% |
| Total Supply | 30.79 | 29.95 | 26.50 | -11.52% |
| Exports | 0.02 | 0.02 | 0.02 | 0.00% |
| Total Demand (Consumption) | 24.12 | 25.56 | 24.54 | -4.00% |
| Ending Stock | 6.65 | 4.37 | 1.94 | -55.53% |

* Value in million tons

Balance Sheet Highlights

Net edible oil output is likely to be 8.45 million tons (up 0.72 percent y-o-y basis) in 2019-20 led by higher oilseed sowing in Kharif and rabi season in the current oil year.

On import front, edible oil imports seen at 13.68 million tons for 2019/20 oil year v/s 14.91 million tons last year. On

the consumption side, India's edible oil consumption for 2019-20 oil year seen at 24.54 million tons, lower by 4.0 percent from last year. Ending stocks are projected higher compared to 2019-20 at 1.94 million tons.

Note - Values in Mln. Tons, Oil year (Nov.-Oct.) *Including Production of Groundnut, Soy, Mustard, Sunflower, Sesame, Niger, Safflower, Cottonseed, Copra, Rice bran Oils. ** 2019-19- SEA of India & 2019-20 Agriwatch Estimates, *** (USDA estimates).

Landed Cost at the Indian Ports - Crude soy oil and Crude palm oil

| Landed Cost Calculation as on 1/2/2021 | CSO Argentina | CSO Brazil | CSO US | CPO Indonesia | RBD Palmolein Malaysia |
|--|--------------------------|-----------------------|-------------------|--------------------------|-----------------------------------|
| FOB USD per ton | 1024 | 1068 | 1017 | 1020 | 1000 |
| Freight (USD/MT) | 47 | 47 | 47 | 35 | 26.0 |
| C & F | 1071.5 | 1114.5 | 1063.8 | 1055.0 | 1026.0 |
| Weight loss (0.25% of FOB) | 2.56 | 2.67 | 2.54 | 2.55 | 2.50 |
| Finance charges (0.4% on CNF) | 4.29 | 4.46 | 4.26 | 4.22 | 4.10 |
| Insurance (0.3% of C&F) | 3.21 | 3.34 | 3.19 | 3.17 | 3.08 |
| CIF (Indian Port - Kandla) | 1082 | 1125 | 1074 | 1065 | 1036 |
| Duty (Values in USD per tons) | 433.90 | 433.90 | 433.90 | 306.43 | 316.72 |
| GST (5% on duty) USD per ton | 21.69 | 21.69 | 21.69 | 15.32 | 15.84 |
| Exchange rate | 72.91 | 72.91 | 72.91 | 72.91 | 72.91 |
| Landed cost without customs duty in INR per ton | 78856 | 82022 | 78287 | 77644 | 75512 |
| Customs duty % | 35.00% | 35.00% | 35.00% | 27.50% | 27.50% |
| Social Welfare Surcharge@10% | 3.50% | 3.50% | 3.50% | 2.75% | 2.75% |
| Total Duty % | 38.50% | 38.50% | 38.50% | 30.25% | 30.25% |
| Base import price | 1127 | 1127 | 1127 | 1013 | 1047 |
| Fixed exchange rate by customs department | 73.85 | 73.85 | 73.85 | 73.85 | 73.85 |
| Duty component in INR per ton | 32043.15 | 32043.15 | 32043.15 | 22630.04 | 23389.59 |
| Clearing charges INR per ton | 1200 | 1200 | 1200 | 1200 | 1200 |
| Brokerage INR per ton | 200 | 200 | 200 | 200 | 200 |
| Total landed cost INR per ton | 112299 | 115465 | 111730 | 101674 | 100301 |
| Domestic Market price INR/ton Soy Degum Kandla/CPO Kandla/RBD Kandla | 108500 | 108500 | 108500 | 105200 | 95800 |
| Total landed cost USD per ton | 1540 | 1584 | 1532 | 1395 | 1376 |
| Domestic Market price USD/tons Soy Degum Kandla/CPO Kandla 5% | 1488 | 1488 | 1488 | 1443 | 1314 |
| Parity INR/MT (Domestic - Landed) | -3799 | -6965 | -3230 | 3526 | -4501 |
| Parity USD/MT (Domestic - Landed) | -52.11 | -95.52 | -44.30 | 48.35 | -61.74 |
| Source: Agriwatch | | | | | |
| Refining/ Processing Cost per MT | 2000.00 | 2000.00 | 2000.00 | 4700.00 | 4700.00 |
| Freight to Inland location (Indore for soy and Delhi for Palm oil) | 2500.00 | 2500.00 | 2500.00 | 2800.00 | 2800.00 |
| Cost of Imported oil after refining/Processing | 116799.08 | 119964.73 | 116230.24 | 109174.45 | 103101.16 |
| Soy/Palm oil imported Price (Including tax) | 122639.03 | 125962.96 | 122041.75 | 114633.17 | 108256.22 |
| Loose price of Soy/Palm in Indore and Delhi market | 117600.00 | 117600.00 | 117600.00 | 114200.00 | 114200.00 |
| Parity after processing and Taxes (Rs per MT) | -5039.03 | -8362.96 | 4441.75 | -433.17 | 5943.78 |
| Parity after processing and Taxes (USD per MT) | -69.11 | -114.70 | -60.92 | -5.94 | 81.52 |
| Source: Agriwatch | | | | | |

International Balance Sheets

Balance Sheet (Annual) - Soy Oil, Global

Fig in million tons.

| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|----------------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Stocks | 3.902 | 3.937 | 3.897 | 4.142 | 4.844 |
| Production | 53.816 | 55.147 | 55.878 | 57.918 | 60.265 |
| Imports | 10.979 | 9.868 | 10.683 | 11.385 | 11.177 |
| Total Supply | 68.697 | 68.952 | 70.458 | 73.445 | 76.286 |
| Exports | 11.331 | 10.565 | 11.177 | 11.925 | 11.995 |
| Food Use Dom. Cons. | 43.662 | 44.031 | 44.341 | 46.137 | 48.567 |
| Domestic Consumption | 53.429 | 54.490 | 55.139 | 56.676 | 59.482 |
| Ending Stocks | 3.937 | 3.897 | 4.142 | 4.844 | 4.809 |

Balance Sheet (Annual) - Soy Oil, United States

Fig. in million tons

| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Stocks | 0.765 | 0.776 | 0.905 | 0.805 | 0.839 |
| Production | 10.035 | 10.783 | 10.976 | 11.300 | 11.539 |
| Imports | 0.145 | 0.152 | 0.180 | 0.145 | 0.159 |
| Total Supply | 10.945 | 11.711 | 12.061 | 12.250 | 12.537 |
| Exports | 1.159 | 1.108 | 0.880 | 1.288 | 1.247 |
| Industrial Dom. Cons. | 2.812 | 3.236 | 3.567 | 3.564 | 3.674 |
| Food Use Dom. Cons. | 6.198 | 6.462 | 6.809 | 6.559 | 6.759 |
| Domestic Consumption | 9.010 | 9.698 | 10.376 | 10.123 | 10.433 |
| Ending Stocks | 0.776 | 0.905 | 0.805 | 0.839 | 0.857 |

Source: USDA

Balance Sheet (Annual) - Soybean, United States

Fig. in million tons

| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|----------------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Stocks | 5.354 | 8.208 | 11.923 | 24.740 | 14.247 |
| Production | 116.931 | 120.065 | 120.515 | 96.667 | 113.496 |
| Imports | 0.606 | 0.594 | 0.383 | 0.419 | 0.408 |
| Total Supply | 122.891 | 128.867 | 132.821 | 121.826 | 128.151 |
| Exports | 58.964 | 58.071 | 47.676 | 45.620 | 59.874 |
| Domestic Consumption | 55.719 | 58.873 | 60.405 | 61.959 | 63.514 |
| Ending Stocks | 8.208 | 11.923 | 24.740 | 14.247 | 4.763 |

Source: USDA

Balance Sheet (Annual) - Soybean, Brazil

Fig. in million tons



| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Stocks | 23.158 | 32.112 | 32.696 | 32.472 | 20.400 |
| Production | 114.900 | 123.400 | 119.700 | 126.000 | 133.000 |
| Imports | 0.252 | 0.175 | 0.140 | 0.549 | 0.400 |
| Total Supply | 138.310 | 155.687 | 152.536 | 159.021 | 153.800 |
| Exports | 63.137 | 76.136 | 74.887 | 92.130 | 85.000 |
| Domestic Consumption | 43.061 | 46.855 | 45.177 | 46.491 | 48.100 |
| Ending Stocks | 32.112 | 32.696 | 32.472 | 20.400 | 20.700 |

Source: USDA

Balance Sheet (Annual) - Soybean, Argentina

Fig. in million tons

| | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| Beginning Stocks | 27.156 | 26.996 | 23.734 | 28.890 | 26.800 |
| Production | 55.000 | 37.800 | 55.300 | 48.800 | 50.000 |
| Imports | 1.674 | 4.703 | 6.408 | 4.882 | 4.000 |
| Total Supply | 83.830 | 69.499 | 85.442 | 82.572 | 80.800 |
| Exports | 7.025 | 2.132 | 9.104 | 9.973 | 7.000 |
| Domestic Consumption | 49.809 | 43.633 | 47.448 | 45.799 | 46.200 |
| Ending Stocks | 26.996 | 23.734 | 28.890 | 26.800 | 27.600 |

Source: USDA

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