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# **Veg. Oil Monthly Research Report**

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**Outlook and Review:  
Domestic Front**

*Edible oil basket featured down trend during the month under review. Groundnut oil, Soy oil, Palm oil, Mustard oil, Coconut oil and Sunflower oil prices showed declining trend.*

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

*On the currency front, Indian rupee is hovering near 74.38 compared to 74.71 last month. Rupee is expected to appreciate in August. Crude oil prices are expected to rise to an extent in August.*

**Recommendation:**

*Market participants can buy refined soy oil in the cash markets at 1400-1450 for the target of 1300-1480 levels (Indore). Market participants can buy CPO Kandla 5% in the cash markets at 1200-1280 for the target of 1085-1220 levels.*

**International Veg. Oil Market Summary**

*CBOT soy oil (July is expected to stay in the range of 62.0 cents/lb to 67.5 cents/lb. CPO at BMD (July) is likely to stay in the range of 4400-4800 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, crop condition in US and Biodiesel demand. 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, Palm oil stock in exporting countries, 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, Soy crop condition in US, Water level in Parana River affecting Exports from Brazil and Argentina, slow 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 rising trend at its benchmark market at Indore during the month of July amid firm demand and low supply stock.

➤ The prices were supported by low June soy oil import as imports fell by 22.97 percent to 2.06 lakh tons compared to 2.67 lakh tons in May month.

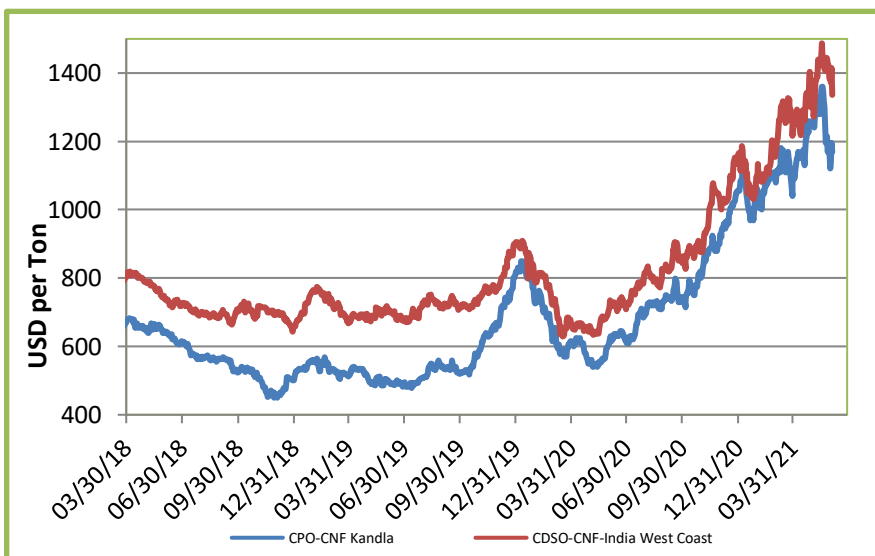
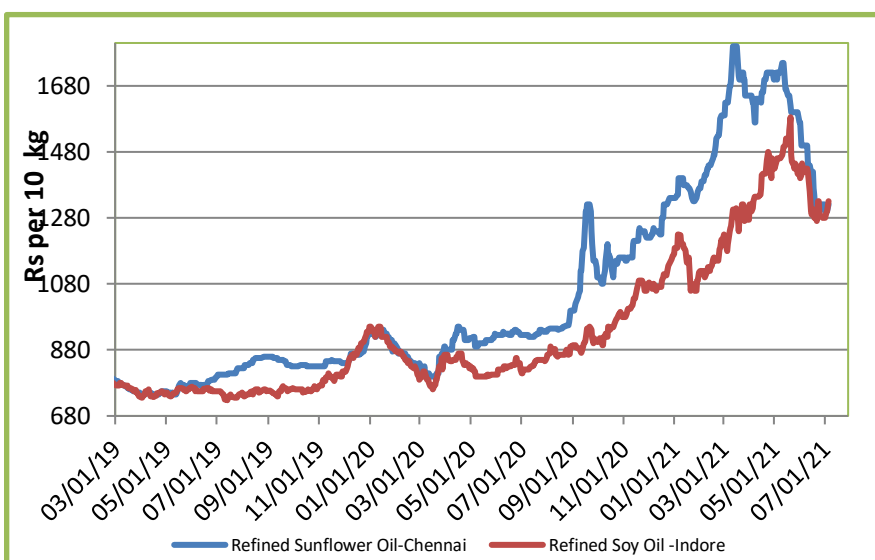
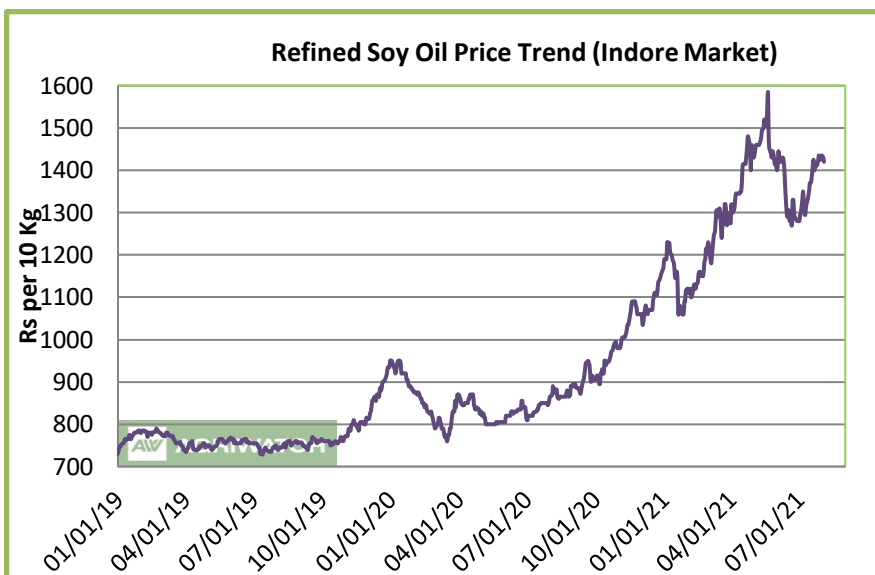
➤ CBOT soy oil prices also rose as global soy oil supply side is at low, Further, low water level in Parana River has obstructed the flow of exports from Argentina and Brazil.

Argentina's Soy oil exported is down by 25 percent due to Parana River situation.

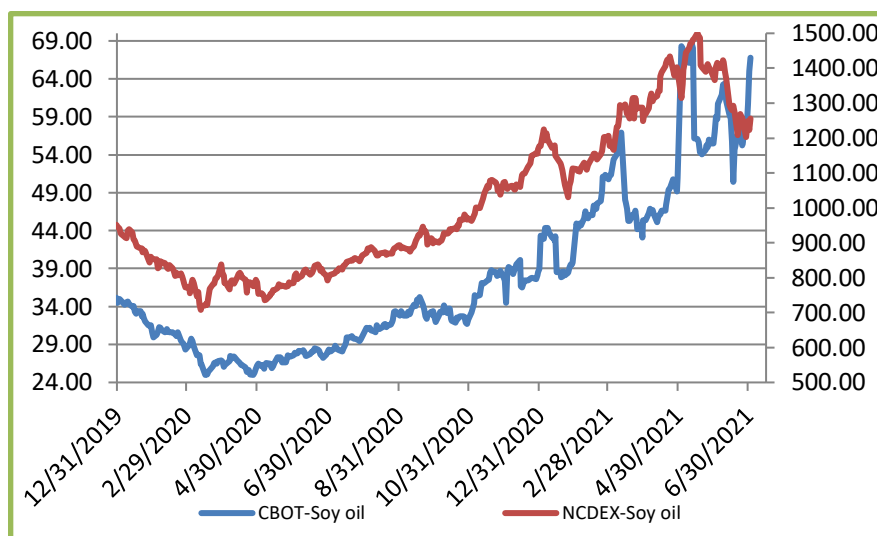
Soybean crop condition in US has also supported price rise as dry weather conditions were prevailing in US.

The prices rose by 12.11 percent in July from 1280 Rs per 10 kg on 1 July to 1435 Rs per 10 Kg at the end of the month.

If July's Soy oil import is lower than June export, prices will further rally in domestic market.



- Soy oil import scenario – According to SEA, Soy oil imports fell 35.82 percent in June y-o-y to 2.06 lakh tons from 3.31 lakh tons in June 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), soy oil for period of Nov.20- Jun'21 saw fall in imports to 18.50 lakh tons compared to 19.10 lakh tons in corresponding period last oil year, low by 3.14 percent compared to corresponding period last oil year.



- According to Solvent Extractors Association (SEA), India's June edible oil imports fell 17.01 percent y-o- y to 9.69 lakh tons from 11.68 lakh tons in June 2020. Palm oil imports rose 4.44 percent y-o-y to 5.87 lakh tons from 5.62 lakh tons in June 2020. CPO imports rose 2.31 percent y-o-y to 5.76 lakh tons from 5.63 lakh tons in June 2020. RBD palmolein import were 0.032 lakh tons in June 2021 vs. 0.03 lakh tons in June 2020. Soy oil imports fell 37.76 percent y-o-y to 2.06 lakh tons from 3.31 lakh tons in June 2020. Sunflower oil imports were stable on y-o-y comparison of 1.75 lakh tons in June 2021 from 1.75 lakh tons in June 2020. Rapeseed (canola) oil stood at 0 imports in June same as in last year.
- According to Solvent Extractors Association (SEA), India's June edible oil stocks at ports and pipelines rose 1.37 percent m-o-m to 19.87 lakh tons from 19.60 lakh tons in June 2021. Stocks of edible oil at ports in July is estimated at 727,000 tons (CPO 283,000 tons, RBD Palmolein 1,000, Degummed Soybean Oil 186,000 tons and Crude Sunflower Oil 257,000) and pipeline stock at 1,260,000 tons, total stock at 1,987,000 tons. (Stocks at ports were 570,000 tons and in pipelines were 1,390,000 tons, in June 2021). India is presently holding 24 days of edible oil requirement on 1st July, 2021 at 19.87 lakh tons compared to 23 days of requirements of 19.60 lakh tons on 1st June 2021. India held 10.80 lakh tons of stocks in ports and pipelines on 1st July 2020. India's monthly edible oil requirement is 26.0 lakh tons.
- Imported crude soy oil CIF at West coast port is offered at USD 1296 (USD 1115 per ton for July delivery, August delivery is quoted at USD 1296 (USD 1113) per ton. Last month, CNF CDSO July average price was USD 1295.88 (USD 1248.69 per ton in June 2021) per ton.
- Refined soy oil (Indore) is quoted at Rs 1430 (Rs 1280) per 10 kg on August 2, 2021. Values in brackets are figures of last month.

### International Soy oil Market Fundamentals

- Soy oil prices are expected to be supported due to lower stocks of soy oil in US, and dry weather concern affecting sowing and crop condition, low biodiesel demand, slow demand of soybean from China, rise in



competing oil prices, and rise in crude oil prices.

US soybean crop condition of good to Excellent stands at 60 percent higher than previous week by 2 percent, while, last year the good to excellent crop condition was at 73 percent. Four major soybean growing states are under drought condition. The soybean crop condition in US is supporting CBOT soy oil price along with lower exports from Argentina and Brazil due to low water level in Parana River.

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.

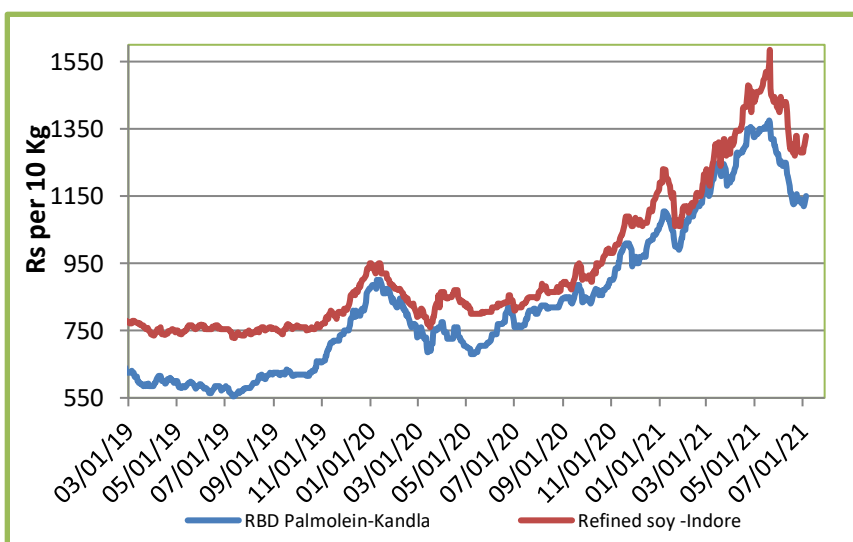
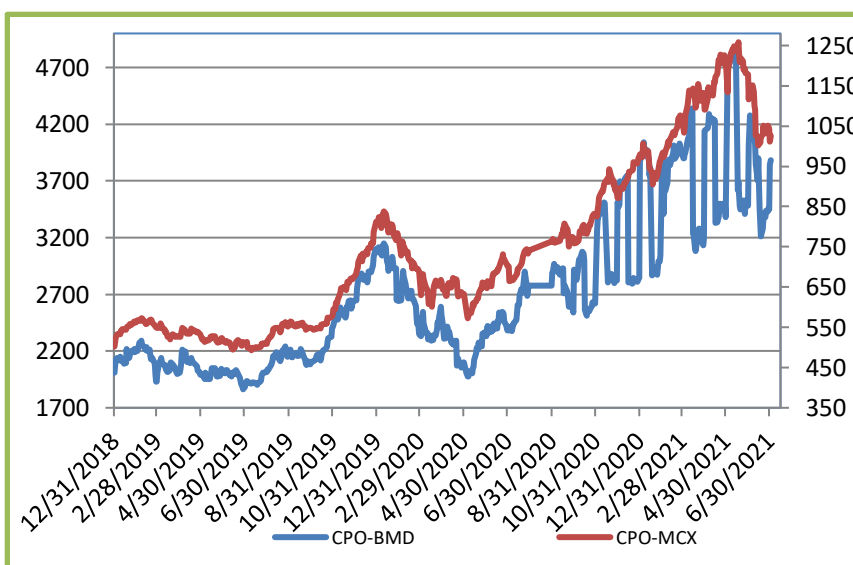
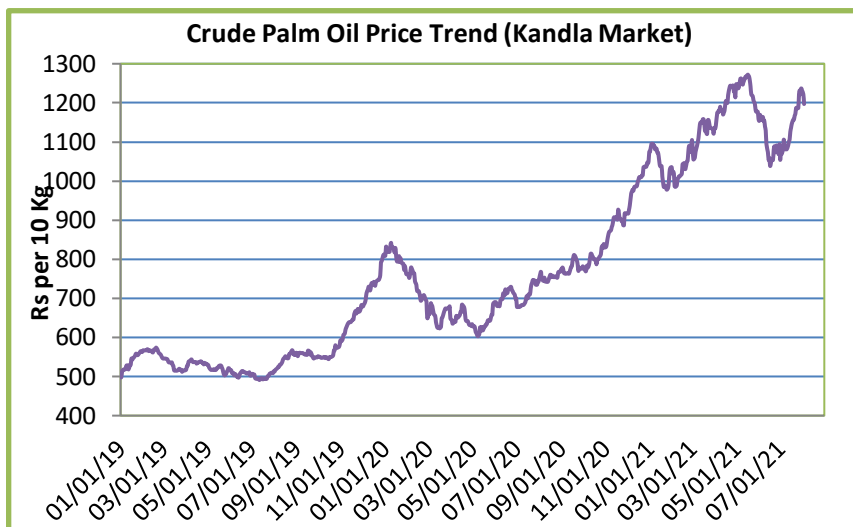
According to United States Department of Agriculture (USDA) July estimate, U.S 2020/21 ending stocks of soy oil estimate has been decreased to 1,488 million lbs compared to 1,503 million lbs in June estimate. Opening stocks decreased to 1,793 million lbs compared from 1,808 million lbs in June 2020/21. Production of soy oil in July is kept unchanged at 25,945 million lbs. Imports in July are kept unchanged at 600 million lbs. Biofuel use in July is kept unchanged at 12,000 million lbs. Food, feed and other industrial use in July estimate is also same as previous month at 13,400 million lbs. Exports is unchanged at 1,450 million lbs. Average price range estimate of July is same as of June at 65.0 cents per lb.

The U.S. Department of Agriculture monthly supply and demand report for the month of July forecasts U.S. 2020/21 soybean end stocks unchanged at 155 million bushels. Opening stocks in 2020/21 are kept unchanged at 135 million bushels. Soybean production in July estimate is kept unchanged at 4,405 million bushels. U.S. soybean exports estimate in July are kept unchanged at 2,075 million bushels. Import's estimate is kept unchanged at 35 million bushels. Crush are kept unchanged at 2,225 million bushels. Seed use in 2020/21 is same at 104 million bushels. Residual use is unchanged at 15 million bushels. Average price range in 2020/21 is decreased to 13.70 cents/bushel compared to 13.85 cents/bushel in June month's estimate.

**Price Outlook:** We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1400-1450 per 10 Kg in the near term.

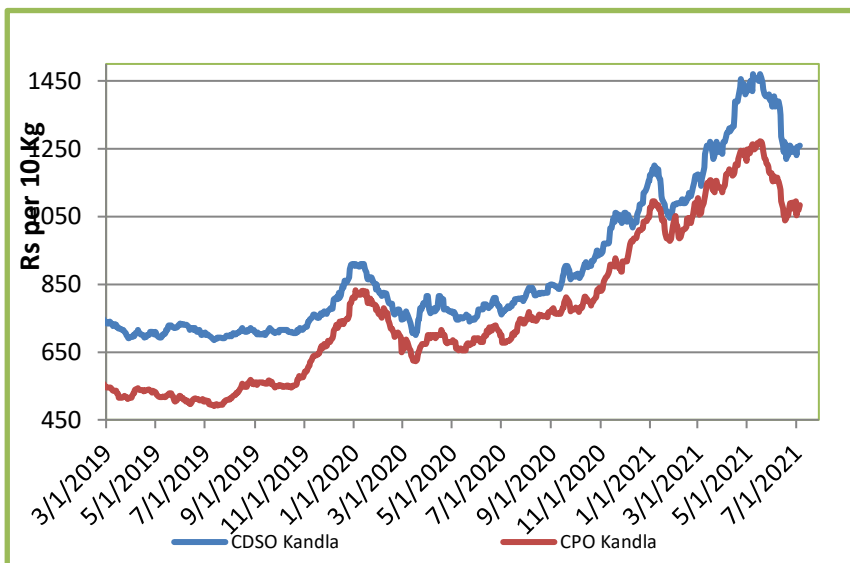
## Palm oil: Domestic Market Fundamentals

- CPO prices witnessed rising trend in the month of July at its benchmark market at Kandla on low supply side and firm demand.
- Palm oil prices were supported by low June month's import which was lower by 23.66 percent at 5.87 lakh tons compared to 7.69 lakh tons in May month.
- As restrictions relaxed the demand for palm oil firmed up from HoReCa sector, raising the prices amid slow supply side.
- Further, prices were supported by rising international prices and rising competing oil prices.
- The CPO prices rose 16.89 percent in July month from 1054 Rs per 10 Kg at the starting of the month compared to Rs 1232 Rs per 10 kg at the end of the month.
- Government of India revised Basic Custom Duty on Crude palm oil from 15 percent to 10 percent and Refined palm oil to 37.5 percent. The effective duty include Agriculture cess and other charges on crude palm oil will be 30.25 percent, while for refined palm oil the duty stands at 41.25 percent, applicable for three months from 30th June 2021 to 30th September 2021
- Government of India made amendments in import policy, lifting ban on import of RBD Palm oil Import under HS Code 151190, moving the



item RBD palm oil (15119010), RBD palmolein (15119020) and other Palm oil Products (15119090) from restricted category to Free category. The import of these products is not permitted through ports of Kerala.

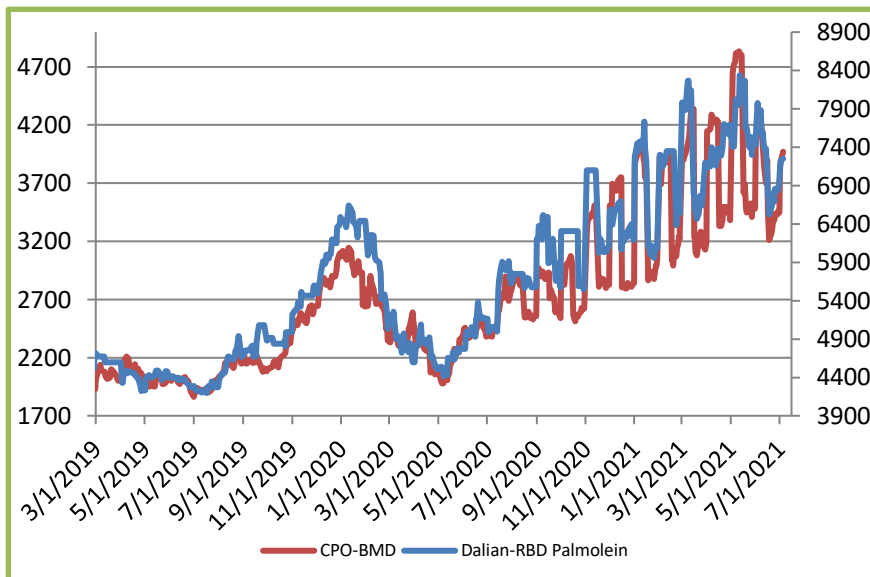
- These steps were taken by government to lower the hiked prices of edible oils.
- The prices of RBD palmolein and Soy oil diverged as the demand for palm oil was low due to lockdown and restrictions.



- Palm oil import scenario – According to Solvent Extractors Association (SEA), Palm oil imports in June 4.45 percent y-o-y to 5.87 lakh tons from 5.62 lakh tons in June 2020. For the current oil year 2020-21 (Nov 2020 - October 2021), Palm oil for period of Nov.20- Jun'21 saw rise in imports to 51.49 lakh tons compared to 42.38 lakh tons in corresponding period last oil year, higher by 21.49 percent compared to corresponding period last oil year.
- Crude Palm oil import scenario- According to Solvent Extractors Association (SEA), CPO Imports rose 2.31 percent y-o-y in June 2021 to 5.76 lakh tons from 5.63 lakh tons in June 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), Crude palm oil for period of Nov.20- Jun'21 saw rise in imports to 50.17 lakh tons compared to 37.52 lakh tons in corresponding period last oil year, higher by 33.71 percent compared to corresponding period last oil year.
- RBD palmolein import scenario- RBD palmolein Imports rose by 6.66 percent to 0.032 lakh tons in June 2021 compared to 0.03 lakh tons in June 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), soy oil for period of Nov.20- Jun'21 saw fall in imports to 0.29 lakh tons compared to 4.04 lakh tons in corresponding period last oil year.
- On the trade front, CNF CPO (Indonesian origin) at Indian port is quoted at USD 1180 (USD 1060) per ton for August delivery and Sept delivery is quoted at USD 1170 (USD 1035) per ton. Last month, CNF CPO July average price was at 1136.77 per ton (USD 1067.92 per ton in June 2021). Values in brackets are figures of last week.  
Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 1125 (USD 1035) per ton for Aug delivery and Sep delivery is quoted at USD 1112 (USD 1000) per ton. Last month, CIF RBD palmolein July average price was USD 1108.70 (USD 999.76 in June 2021) per ton. Values in bracket depict last month quotes.
- Ready lift CPO duty paid prices quoted at Rs 945 + GST (Rs 775+ GST) per 10 Kg and July delivery duty paid is offered at Rs 920+ GST (Rs 780+ GST) per 10 kg. Ready lift RBD palmolein is quoted at Rs 1245 (Rs 1125) per 10 kg as on August 2, 2021. Values in brackets are figures of last month.
- On the parity front, margins rose during last month due to rise in prices of palm oil in India markets.

### International Palm oil Market Fundamentals

- Palm oil prices are likely to firm as prices are supported by firm demand from India amid lowered import duty of CPO and RBD palm oil.
- Labor problems in Malaysia and Indonesia due to covid restrictions have hampered the harvesting process and thus supported the prices.
- The Palm oil producing countries are in high palm production months. If production rises, prices will fall. While, falling exports will pressure the prices.



- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's July 1-30 palm oil exports fell 5.21 percent to 14.40 LT compared to 15.19 LT last month for same period.
- According to Amspec, Malaysia's July 1-30 palm oil exports fell 7.71 percent to 14.25 LT compared to 15.45 LT last month for same period.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's June Crude palm oil stocks fell 5.09 percent to 7.98 lakh tons compared to 8.41 lakh tons in May 2021. Production of palm oil in June rose 2.21 percent to 16.06 lakh tons compared to 15.71 lakh tons in May 2021. Exports of palm oil in May rose 11.84 percent to 14.18 lakh tons compared to 12.68 lakh tons in May 2021. Imports of palm oil in May fell to 0 tons same as in May 2021. End stocks of palm oil fell compared to trade expectation of rise in stocks. Rise in stocks was mainly expected due to higher production.

**Price Outlook:** We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1200-1280 per 10 Kg in the near term.



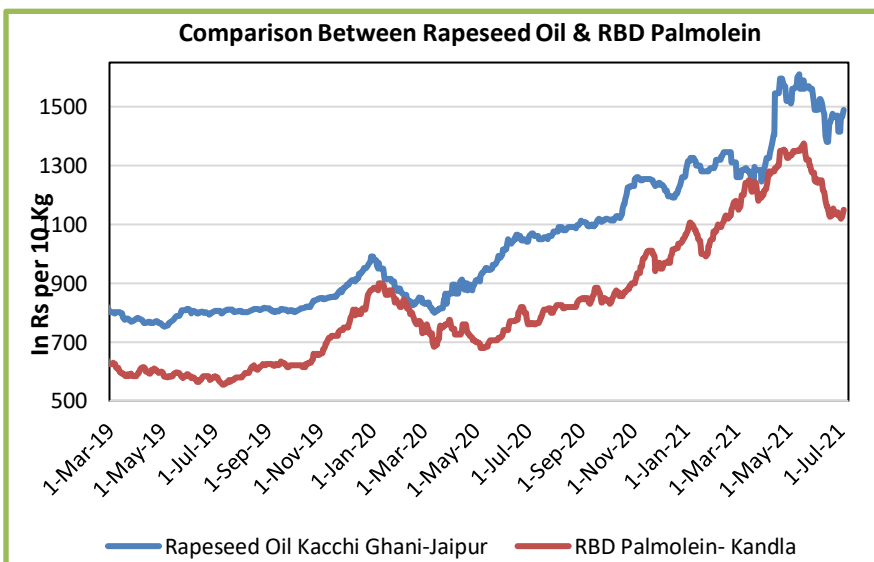
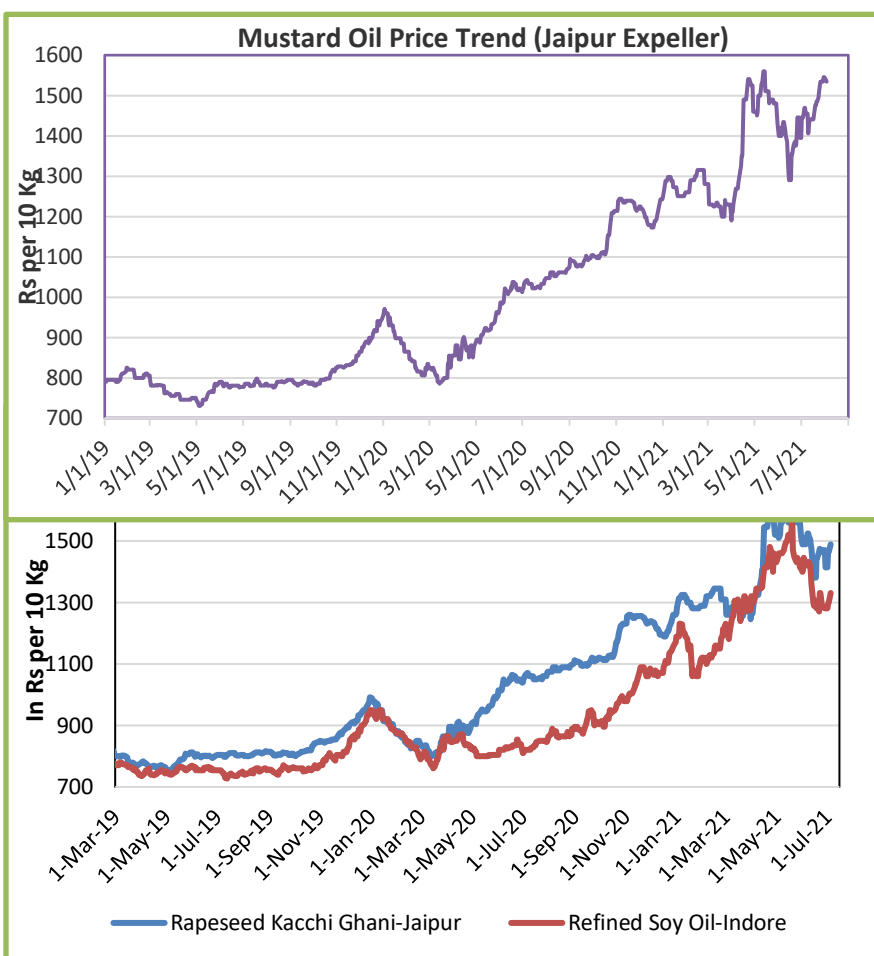
## Rapeseed oil: Domestic Market Fundamentals

- Rapeseed oil traded upward for the month in review. Prices of mustard oil rose as the supply side at low and rise in competing oil price supported mustard oil.
- Amid pandemic consumers are opting for mustard oil due to its immunity boosting properties.
- The demand of mustard oil from pickle industry also supported its price.
- Mustard oil also took cue from rise in price of soy oil due to delay in sowing of soybean crop.

Premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market is at Rs 160 per 10 Kg on 1<sup>st</sup> July compared to Rs 135 per 10 Kg last month on same date. Jaipur kacchi ghani rapeseed oil premium over RBD palmolein is at Rs 345 per 10 kg compared to Rs 290 per 10 Kg last month. The premium of Mustard oil rose compared to last month on firm demand.

The mustard oil Jaipur Expeller prices rose 10.75 percent in July month from 1395 Rs per 10 Kg at the starting of the month compared to Rs 1545 Rs per 10 kg at the end of the month.

Markets are expected to trade up in coming term.



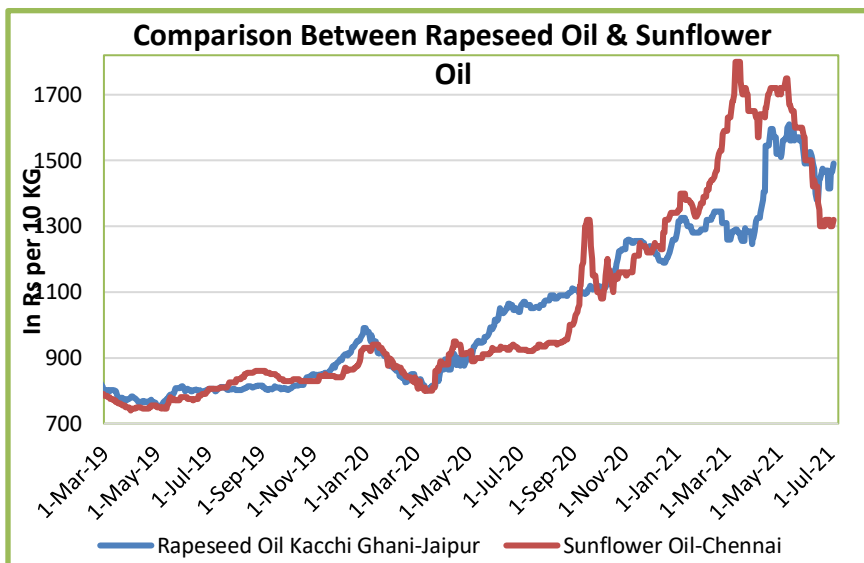
High premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market will cap gains in rapeseed oil prices.

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

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



- According to SEA, Rapeseed oil import scenario- India imported 0.00 lakh tons rapeseed (Canola) oil in June 2021 same as in June 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), soy oil for period of Nov.20- Jun'21 saw fall in imports to 0.00 lakh tons compared to 0.17 lakh tons in corresponding period last oil year.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 1,550 (Rs 1,395) per 10 Kg, and at Kota market, it is offered at Rs 1,550 (Rs 1,400) per 10 kg as on August 2, 2021. Values in brackets are figures of last month.
- We expect RM seed oil prices to trade up tone in the coming days.

**Price Outlook:** We expect Rapeseed oil (Jaipur) to trade in the price band of Rs 1520-1580 per 10 Kg.

## Sunflower oil: Domestic Market Fundamentals

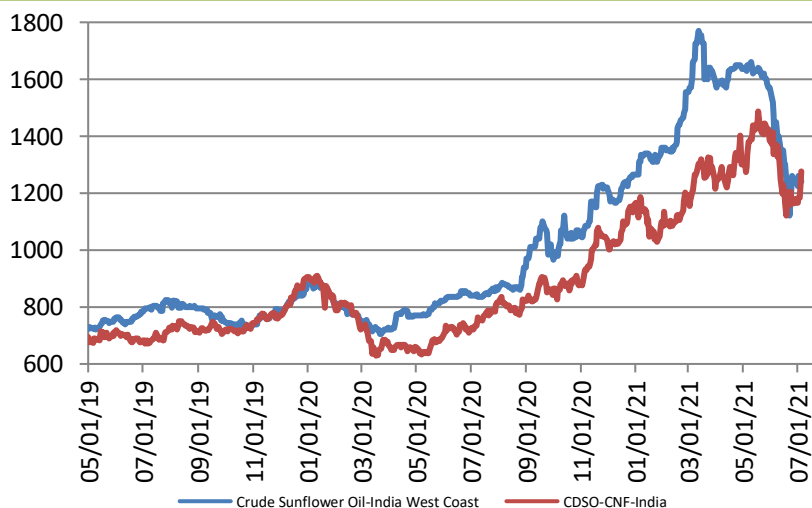
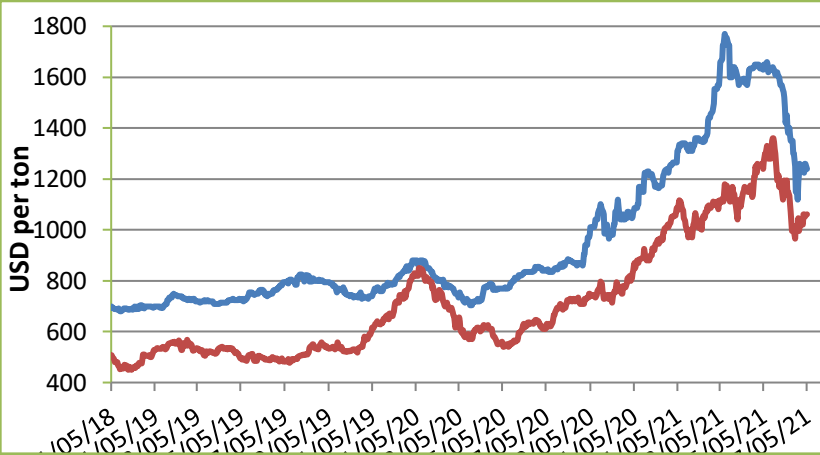
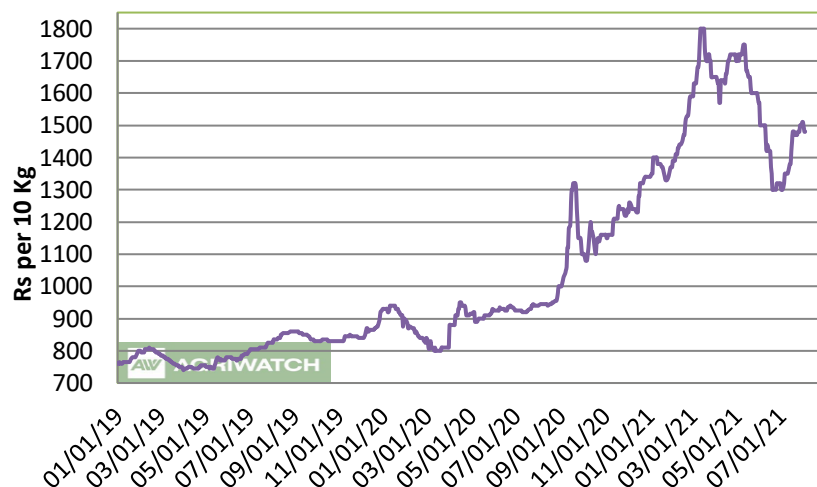
- Sunflower oil featured rising trend at its bench market Chennai in India during the month of July due to firm demand and on account of lower international prices and following price rise in competing oils.
- Sunflower oil prices jumped 16.15 percent in July month from Rs 1300 Rs per 10 Kg at the starting of the month compared to Rs 1510 Rs per 10 Kg at the end of the month.

Sunflower oil is mainly used in home consumption and demand has firmed up in home consumption as Sun oil premium over competing oils narrowed down.

Sunflower oil CNF prices corrected in May month as in the charts we can see Soy Oil and Palm oil CNF fell down which was followed by sun oil. Similarly, in domestic market too same fall in prices can be seen due to lower demand amid hiked prices.

Sunflower oil and RBD Palmolein prices are also converging as high sunflower oil prices led to its substitution.

Sunflower Oil Price Trend (Chennai Market)



Imports of sunflower oil slowed down in May due to tight supply international market and slow domestic demand.

Import demand of sunflower oil may slow down as Government are focusing to increase domestic oilseed production to reduce import dependence and increase in acreage of sun seed planting.

As on 30<sup>th</sup> July 2021, The acreage under sunflower seed stood at 1.06 lakh Ha compared to 0.89 Lakh Ha last year for same timeframe.

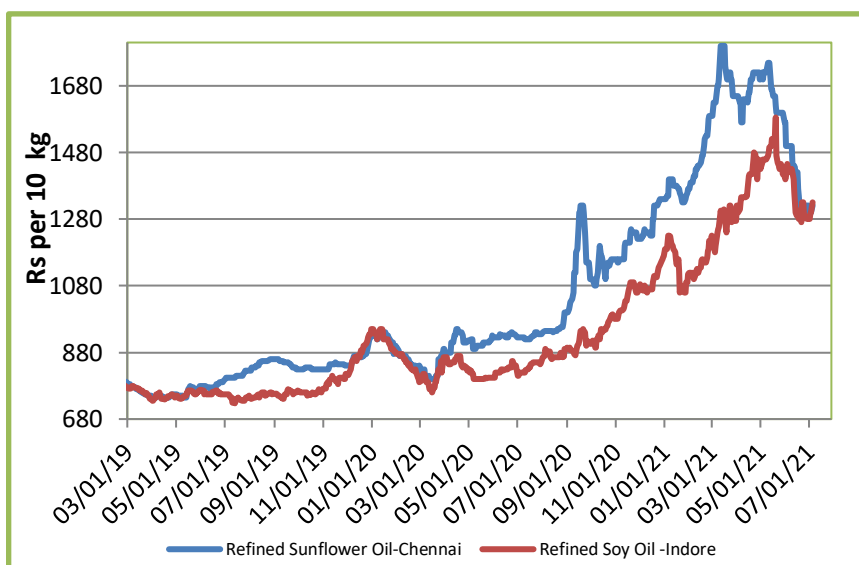
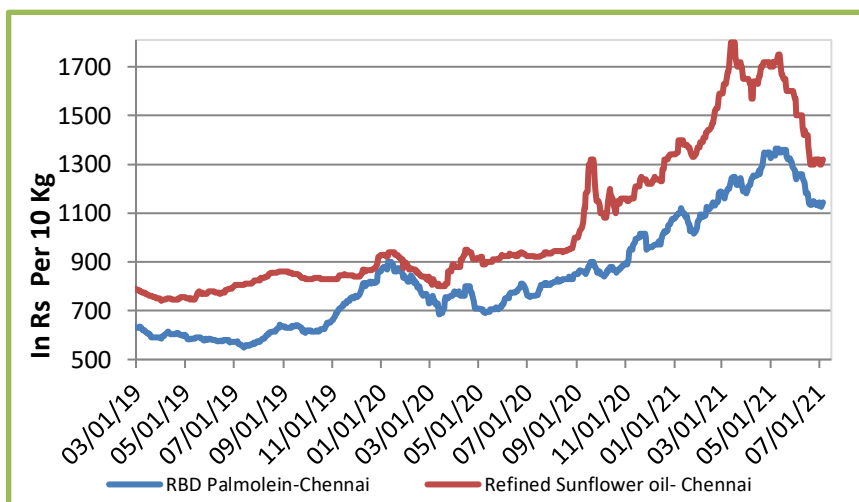
Ukraine's May Sun oil export surged to 5 Month high at 5.01 LT, in March month a steep decline to 3.80 LT was seen. Whereas, Ukraine's May month's Sun oil production dropped down by 15 percent to 2.94 LT.

- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 1225 (USD 1360) per ton for July delivery, August delivery is quoted at USD 1225 (USD 1360) per ton. CNF sun oil (Ukraine origin) June monthly average is at USD 1326.92 per ton compared to USD 1624.2 per ton in May. Values in brackets are figures of last month.

- Currently, refined sunflower oil at Chennai market is offered at Rs 1,480 (Rs 1,300) per 10 Kg, and at Kandla/Mudra market, it is offered at Rs 1,480 (Rs 1,300) per 10 kg as on August 2, 2021. Values in brackets are figures of last month.

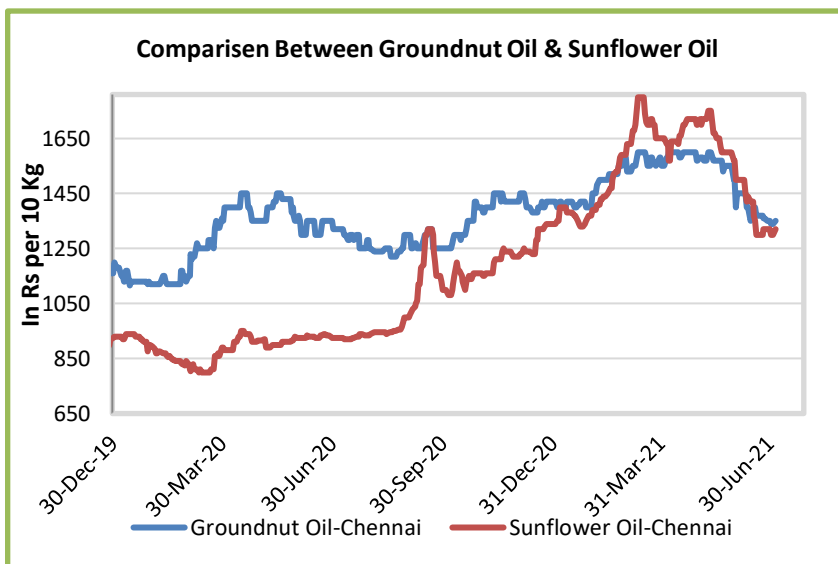
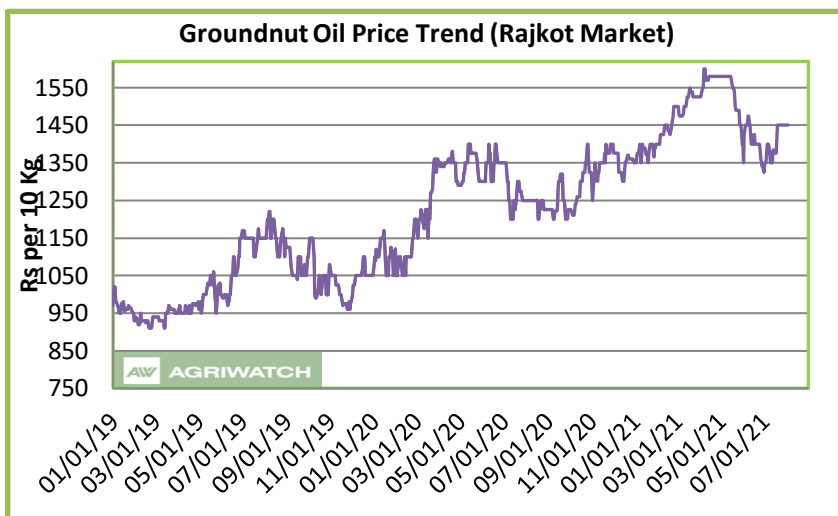
- We expect sunflower oil prices to trade firm in the coming days.

**Price Outlook:** We expect sunflower oil (Chennai) to trade in the price band of Rs 1480-1580 per 10 Kg.



## Groundnut oil: Domestic Market Fundamentals

- Groundnut oil featured rising trend in Rajkot market during the month in review on slow demand and slow supply and pacing up export demand.
- Groundnut prices were trading at Rs.1350-1450 levels.
- Groundnut oil prices jumped 7.41 percent in July month from Rs 1350 Rs per 10 Kg at the starting of the month compared to Rs 1450 Rs per 10 Kg at the end of the month.
- Groundnut oil export demand has slowed down over the months while, it paced up slightly in July ending.
- Groundnut oil had premium over Sunflower oil on July months start which is reversed and currently groundnut oil is discounted over sunflower oil. As on 1st July, groundnut oil is at premium of Rs. 50 over sun oil, while on 2nd August, groundnut oil was at discount of Rs.30 over sunflower oil.
- Groundnut oil exports scenario- India exported 28,327.83 tons Groundnut oil in March 2021 v/s 2,803.08 tons export in March 2020. In the Financial year 2020-21 (April 2020 – March 2021) rose to 241,776.04 tons in Apr-Jan 2020, from 38,432.59 tons in corresponding period last year. It was mainly exported to China at 234,087.20 tons.
- On the price front, currently the groundnut oil prices in Rajkot are hovering near Rs 14,500 (13,500) per quintal and quoting at Rs 14,500 (Rs 13,500) per quintal in Chennai market, as on August 2, 2021.
- Groundnut oil prices are likely to trade in sideways tone in the coming days.



**Price Outlook:** We expect Groundnut oil (Rajkot) to trade in the price band of Rs 1375-1475 per 10 Kg.

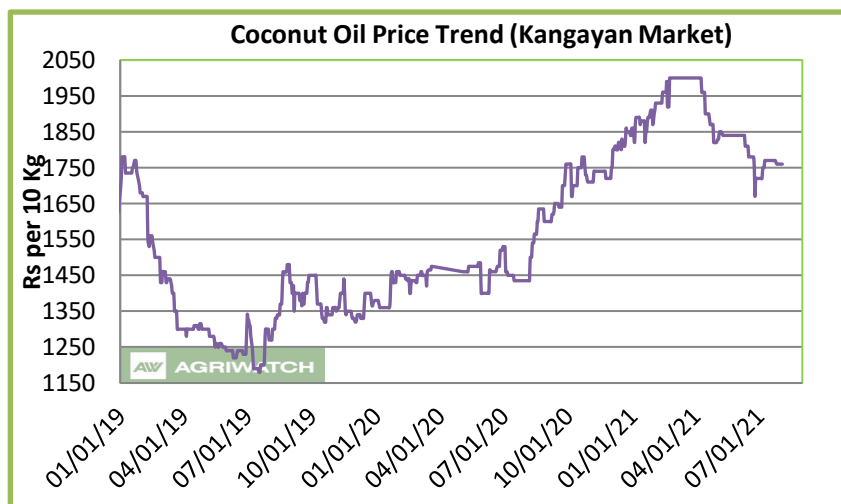
## Coconut oil: Domestic Market Fundamentals

- Coconut oil benchmark market Kangayam prices rose for the month following the rising trend in competing oils and firm demand.

Copra prices were stable rendering stable oil prices. Demand is expected to raise on account of Onam festival.

Coconut oil demand is firm in southern states. While, Demand from North India is slow.

Demand of coconut oil in cosmetic industry is getting firm as restriction relaxes in various states.



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.

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.

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

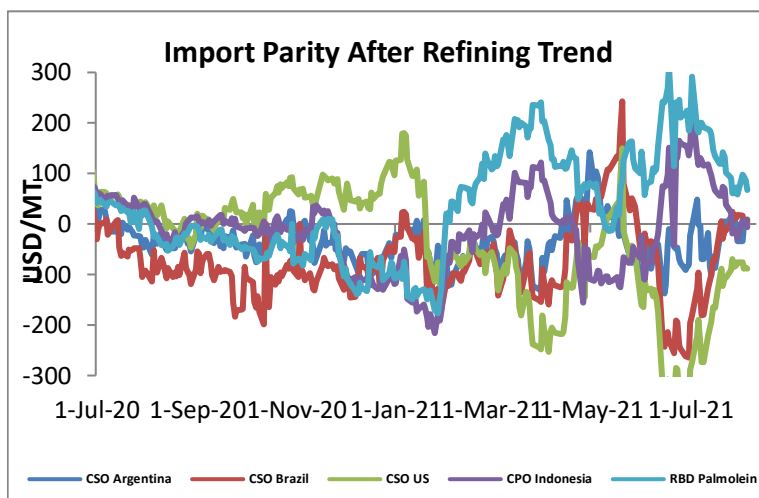
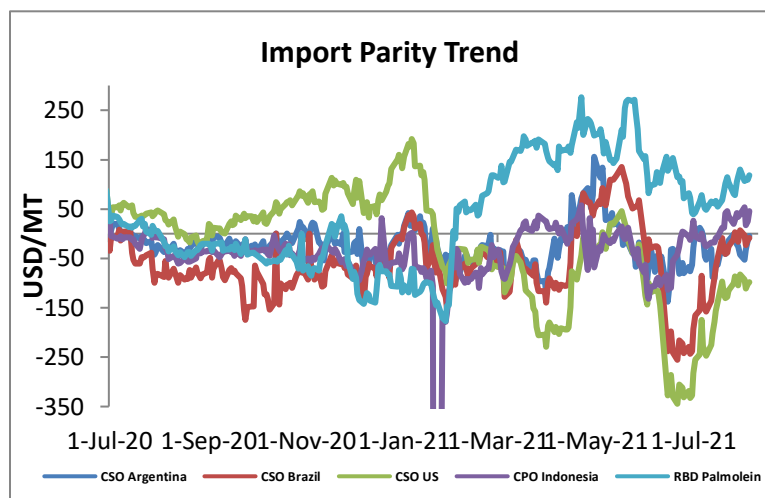
Prices are expected to remain sideways in February on slow rise in demand. Prices are expected to trade firm in medium term.

- On the price front, currently the coconut oil prices in Kochi are hovering near Rs 16,800 (17,300) per quintal and Rs 17,200 (17,600) per quintal in Erode market on August 2, 2021.
- Coconut oil prices to trade in sideways tone tracking rise in prices of edible oils.

**Price Outlook:** We expect coconut oil (Erode) to trade in the price band of Rs 1680-1780 per 10 Kg.

### Import Parity Trend

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

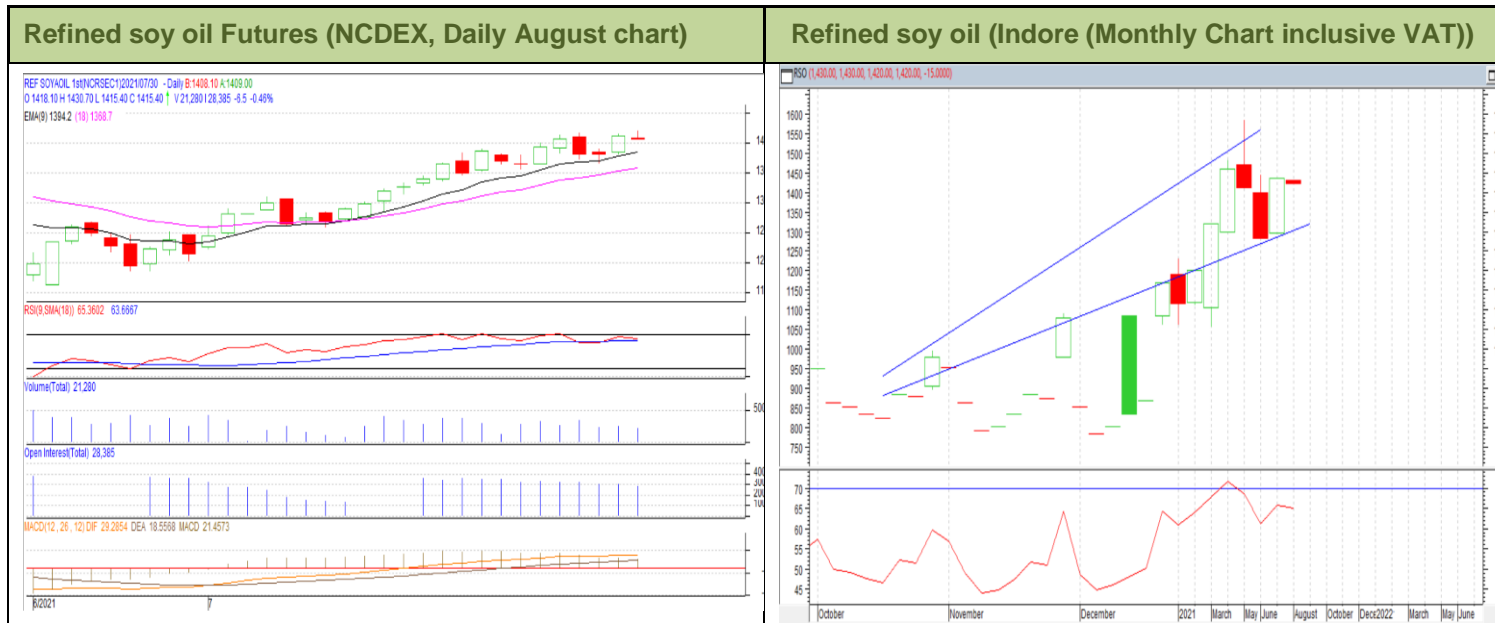


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
<b>May, 2021</b>	8.52	78.53	-14.96	-93.39	68.57
<b>Jun, 2021</b>	-74.28	-159.34	-252.64	42.82	178.44
<b>Jul, 2021</b>	-25.03	-72.36	-165.87	77.62	147.30

### Outlook:-

Import parity turned to disparity in Jul month for CDSO Argentina compared to previous month due to sideways movement in prices of soy oil in international markets due to fall in biodiesel demand from US, heatwave across US affecting US sowed soy crop. We expect CDSO import parity achieve parity in August due to expectation of firm prices of soy oil in Indian markets as well as international market. Parity in CPO is lower than RBD palmolein. Parity in CPO rose as palm oil demand is getting firm and may retain parity for medium term on expectation of rise in prices.



**Technical Analysis (Refined soy oil Monthly Charts)**


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

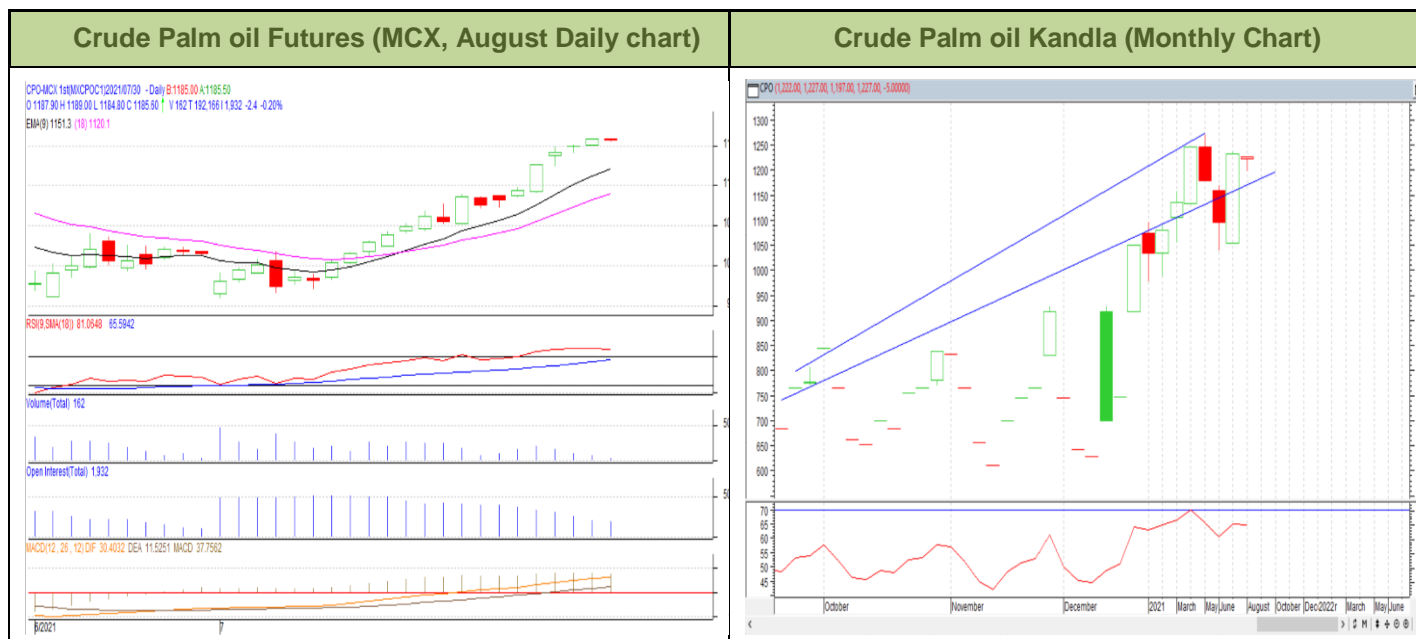
- Candlestick monthly chart of refined soy oil at NCDEX depicts rise in prices. We expect prices to feature sideways trend with upward bias in the near term.
- Expected price band for next month is 1300-1480 level in near to medium term. RSI and MACD are indicating sideways sentiments

**Strategy:** Market participants are advised to go long in refined Soy oil above 1400 for a target of 1430 and 1450 with a stop loss at 1390 on closing basis.

**RSO NCDEX**

Support and Resistance				
S2	S1	PCP	R1	R2
1156.10	1282.80	1409.50	1484.60	1559.70

**Spot Market outlook:** Refined soy oil Indore (including VAT) is likely to stay in the range of 1400-1450 per 10 Kg.

**Technical Analysis (Crude Palm oil Monthly Charts)**


**Outlook – Prices are likely to trade sideways with upward bias in the days ahead. Investors are advised to buy MCX CPO (August contract) on dips.**

- Candlestick monthly chart of crude palm oil at MCX depicts sideways trend in prices. We expect prices to feature sideways trend with upward bias in the near term.
- Expected price band for next month is 1085-1220 level in near to medium term. RSI and MACD are indicating sideways sentiments
- **Strategy:** Market participants are advised to go long in CPO above 1180 for a target of 1200 and 1210 with a stop loss at 1170 on closing basis.

**CPO MCX**

Support and Resistance				
S2	S1	PCP	R1	R2
922.40	1053.80	1185.2	1252.80	1320.40

**Spot Market outlook:** Crude palm oil Kandla is likely to stay in the range of 1200-1280 per 10 Kg.

**Monthly spot prices comparison**
**Edible Oil Prices at key Markets:**

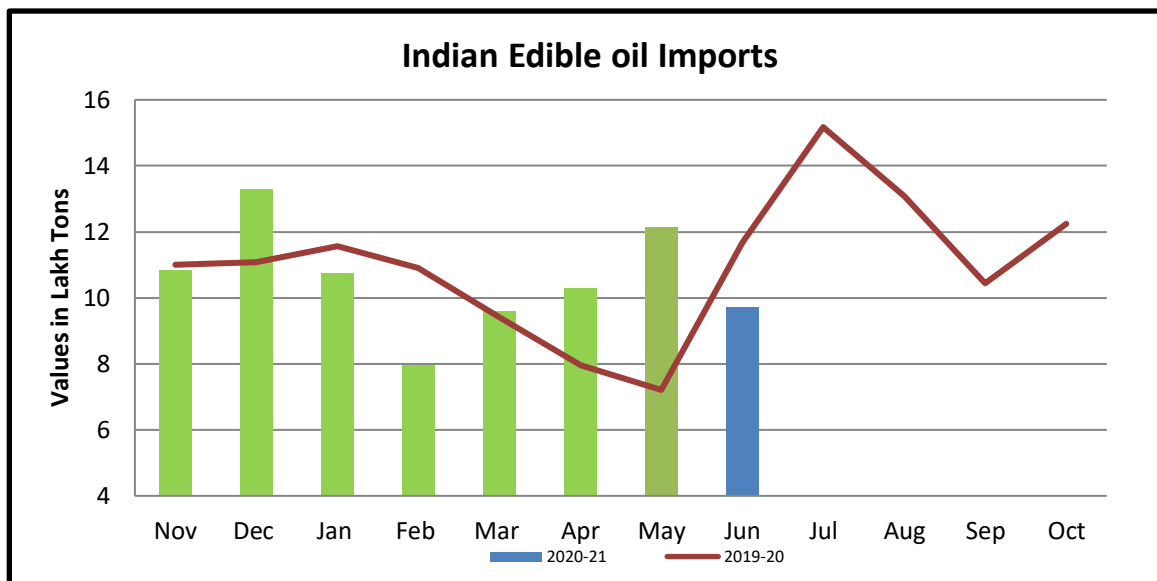
Commodity	Centre	Prices (Per 10 Kg)		Change
		2-Aug-21	1-Jul-21	
Refined Soybean Oil	Indore	1430	1280	150
	Indore (Soy Solvent Crude)	1350	1220	130
	Mumbai	1460	1290	170
	Mumbai (Soy Degum)	1380	1240	140
	Kandla/Mundra	1400	1260	140
	Kandla/Mundra (Soy Degum)	1370	1230	140
	Kolkata	1410	1290	120
	Delhi	1595	1500	95
	Nagpur	-	-	-
	Rajkot	1410	1290	120
	Kota	1420	1280	140
	Hyderabad	-	-	-
	Akola	1410	1300	110
	Amrawati	-	-	-
	Bundi	1430	1290	140
	Jalna	1415	1295	120
	Solapur	1410	1280	130
	Dhule	1430	1295	135
	Nanded	1410	1280	130
	Latur	1410	1280	130
	Argentina Crude Soya (CIF India) USD	1350	1166	184
	Argentina Crude Soya (FOB)	1327	1115	212
	Soya Oil(Rot.)( Euro/MT FOB) (1000) GMT	-	-	-
Palm Oil*	Kandla (Crude Palm Oil)	1222	1054	168
	Kandla (RBD Palm oil)	1210	1090	120
	Kandla RBD Pamolein	1245	1125	120
	Kakinada (Crude Palm Oil)	1160	995	165
	Kakinada RBD Pamolein	1285	1120	165
	Haldia Pamolein	1265	1120	145
	Chennai RBD Pamolein	1290	1130	160
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1344	1196	148
	Krishnapattanam RBD Pamolein	1285	1125	160
	Mumbai RBD Pamolein	1300	1170	130
	Mangalore RBD Pamolein	1300	1145	155
	Tuticorin (RBD Palmolein)	-	-	-
	Mumbai (Refined)	1260	1170	90

	Rajkot (Refined)	1290	1120	170
	Chennai (Refined)	1300	1125	175
	Hyderabad (Refined)	1280	1125	155
	Delhi (Refined)	-	-	-
	PFAD (Kandla)	830	765	65
	RPS (Kandla)	1005	860	145
	Superolien (Kandla)	1265	1145	120
	Superolien (Mumbai)	1320	1190	130
	Kochi (RBD Palmolein)	1335	1150	185
	Krishnapattanam (Crude Palm Oil)	1160	995	165
	Mumbai (Crude Palm Oil)	-	-	-
	Kolkata (Crude Palm Oil)	-	-	-
	Palm Kernel Oil (1000) GMT	-	-	-
Refined Sunflower Oil	Chennai (Refined)	1480	1300	180
	Chennai (Crude )	1420	1250	170
	Mumbai (Refined)	1480	1330	150
	Mumbai (Expeller Oil)	1400	1250	150
	Kandla (Refined)	1480	1300	180
	Hyderabad (Refined)	1450	1300	150
	Hyderabad (Expeller)	1390	1250	140
	Latur (Refined)	1505	1280	225
	Latur (Expeller Oil)	1385	1160	225
	Chellakere (Expeller Oil)	1410	1250	160
	Erode (Expeller Oil)	1540	1370	170
	Kakinada (Refined)	1450	1300	150
	Krishna Pattanam (Refined)	1450	1300	150
	Delhi (Refined)	-	-	-
	Sun Oil (Rotterdam)	-	-	-
Groundnut Oil	Rajkot	1450	1350	100
	Chennai	1450	1340	110
	Delhi	-	-	-
	Hyderabad *	1450	1300	150
	Mumbai	1490	1380	110
	Gondal	1450	1350	100
	Jamnagar	1450	1350	100
	Gujarat GN Telia	2320	2140	180
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1540	1395	145
	Jaipur (Kacchi Ghani Oil)	1590	1415	175
	Kota (Expeller Oil)	1550	1400	150
	Kota (Kacchi Ghani Oil)	1570	1410	160
	Neewai (Expeller Oil)	1555	1370	185
	Neewai (Kacchi Ghani Oil)	1575	1400	175

	Bharatpur (Kacchi Ghani Oil)	1570	1430	140
	Sri-Ganga Nagar(Exp Oil)	1510	1370	140
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1550	1410	140
	Mumbai (Expeller Oil)	1540	1390	150
	Kolkata(Expeller Oil)	1650	1650	Unch
	New Delhi (Expeller Oil)	1550	1390	160
	Hapur (Expeller Oil)	1570	1390	180
	Hapur (Kacchi Ghani Oil)	1600	1420	180
	Agra (Kacchi Ghani Oil)	1575	1435	140
	Nagpur (Expeller Oil)	-	-	-
Refined Cottonseed Oil	Rajkot	1480	1330	150
	Hyderabad	1475	1300	175
	Mumbai	1500	1355	145
	New Delhi	-	-	-
	Gujarat Cotton Wash	1430	1285	145
Coconut Oil	Kangayan (Crude)	1760	1720	40
	Cochin	1820	1780	40
	Coconut Oil(Rot.)(Phil/Indo)	-	-	-
Rice Bran Oil	New Delhi (40%)	-	-	-
	Punjab 4%)	1340	1080	260
	Bhatinda (Crude 4%)	1170	940	230
	Bhatinda (Refined 4%)	1285	1055	230
	Hyderabad (Crude)	1225	980	245
	Hyderabad (Refined)	1380	1170	210
	Kolkata (Crude)	-	-	-
	Kolkata (Refined)	-	-	-
	Raipur (Crude)	1310	1070	240
	Raipur (Refined)	1420	1230	190
	Odisha (Refined)	1420	1185	235
	Vijayawada (Refined)	1320	1090	230
Malaysia Palmolein USD/MT	FOB	1125	1035	90
	CNF India	1165	1060	105
Indonesia CPO USD/MT	FOB	1160	1025	135
	CNF India	1180	1060	120
Crude palm Kernel Oil India (USD/MT)	CNF India	1350	1360	-10
Ukraine Origin CSFO USD/MT Kandla	CIF	1320	1225	95
Rapeseed Oil Rotterdam Euro/MT	FOB	-	-	-
Argentina FOB (\$/MT)		2-Aug-21	1-Jul-21	Change
Crude Soybean Oil Ship		1290	1103	187
Refined Soy Oil (Bulk) Ship		1335	1142	193

Sunflower Oil Ship		1310	1185	125
Cottonseed Oil Ship		1270	1083	187
Refined Linseed Oil (Bulk) Ship		-	-	-
<i>* Indicates including GST</i>				

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).

**Annexure:**
**Indian Edible Oil Imports Scenario –:x`**


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	2018-19	2019-20	2020-21- F	% Change
Value in million tons				
Beginning Stock	6.65	4.37	2.16	-50.64%
Production	8.39	8.45	8.62	2.00%
Imports	14.91	13.46	14.30	6.22%
Total Supply	29.95	26.28	25.07	-4.60%
Exports	0.02	0.02	0.02	0.00%
Total Demand (Consumption)	25.56	24.10	24.14	0.16%
Ending Stock	4.37	2.16	0.91	-57.83%

\* Value in million tons

**Balance Sheet Highlights**

Net edible oil output is likely to be 8.62 million tons (up 2 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 14.30 million tons for 2020/21 oil year v/s 13.46 million tons last year. On the consumption side, India's edible oil consumption for 2020-21 oil year seen at 24.14 million tons, higher by 0.16 percent from last year. Ending stocks are projected lower compared to 2020-21 at 0.91 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**

<b>Landed Cost Calculation as on 2/8/2021</b>	<b>CSO Argentina</b>	<b>CSO Brazil</b>	<b>CSO US</b>	<b>CPO Indonesia</b>	<b>RBD Palmolein Malaysia</b>
FOB USD per ton	1327	1278	1366	1160	1125
Freight (USD/MT)	57	57	57	27	27.0
C & F	1384.0	1335.2	1423.4	1187.0	1152.0
Weight loss (0.25% of FOB)	3.32	3.20	3.42	2.90	2.81
Finance charges (0.4% on CNF)	5.54	5.34	5.69	4.75	4.61
Insurance (0.3% of C&F)	4.15	4.01	4.27	3.56	3.46
CIF (Indian Port - Kandla)	1397	1348	1437	1198	1163
Duty (Values in USD per tons)	472.78	472.78	472.78	367.87	380.38
GST (5% on duty) USD per ton	23.64	23.64	23.64	18.39	19.02
Exchange rate	74.38	74.38	74.38	74.38	74.38
Landed cost without customs duty in INR per ton	103909	100245	106869	89123	86495
Customs duty %	35.00%	35.00%	35.00%	32.50%	32.50%
Social Welfare Surcharge@10%	3.50%	3.50%	3.50%	3.25%	3.25%
Total Duty %	38.50%	38.50%	38.50%	35.75%	35.75%
Base import price	1228	1228	1228	1029	1064
Fixed exchange rate by customs department	75.40	75.40	75.40	75.40	75.40
Duty component in INR per ton	35647.61	35647.61	35647.61	27737.21	28680.65
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	140957	137293	143916	118260	116575
Domestic Market price INR/ton Soy Degum Kandla/CPO Kandla/RBD Kandla	137000	137000	137000	122200	124500
Total landed cost USD per ton	1895	1846	1935	1590	1567
Domestic Market price USD/tons Soy Degum Kandla/CPO Kandla 5%	1842	1842	1842	1643	1674
<b>Parity INR/MT (Domestic - Landed)</b>	<b>-3957</b>	<b>-293</b>	<b>-6916</b>	<b>3940</b>	<b>7925</b>
<b>Parity USD/MT (Domestic - Landed)</b>	<b>-53.20</b>	<b>-3.93</b>	<b>-92.98</b>	<b>52.97</b>	<b>106.54</b>
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	145456.88	141792.65	148416.13	125759.99	119375.41
Soy/Palm oil imported Price (Including tax)	152729.73	148882.29	155836.93	132047.99	125344.18
Loose price of Soy/Palm in Indore and Delhi market	150150.00	150150.00	150150.00	132600.00	132600.00
<b>Parity after processing and Taxes (Rs per MT)</b>	<b>-2579.73</b>	<b>1267.71</b>	<b>5686.93</b>	<b>552.01</b>	<b>7255.82</b>
<b>Parity after processing and Taxes (USD per MT)</b>	<b>-34.68</b>	<b>17.04</b>	<b>-76.46</b>	<b>7.42</b>	<b>97.55</b>
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	3.917	3.957	3.900	4.055	4.546
Production	53.814	55.151	55.823	57.873	60.302
Imports	10.980	9.832	10.628	11.235	11.440
Total Supply	68.711	68.940	70.351	73.163	76.288
Exports	11.328	10.561	11.174	11.950	12.120
Food Use Dom. Cons.	43.660	44.022	44.325	46.138	48.698
Domestic Consumption	53.426	54.479	55.122	56.667	59.585
Ending Stocks	3.957	3.900	4.055	4.546	4.583

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	0.838
Production	10.035	10.783	10.976	11.3	11.596
Imports	0.145	0.152	0.18	0.145	0.159
Total Supply	10.945	11.711	12.061	12.25	12.593
Exports	1.159	1.108	0.88	1.288	1.247
Industrial Dom. Cons.	2.812	3.236	3.567	3.564	3.765
Food Use Dom. Cons.	6.198	6.462	6.809	6.56	6.804
Domestic Consumption	9.01	9.698	10.376	10.124	10.569
Ending Stocks	0.776	0.905	0.805	0.838	0.777

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	24.74	14.276
Production	116.931	120.065	120.515	96.667	112.549
Imports	0.606	0.594	0.383	0.419	0.953
Total Supply	122.891	128.867	132.821	121.826	127.778
Exports	58.964	58.071	47.676	45.777	61.235
Domestic Consumption	55.719	58.873	60.405	61.773	63.289
Ending Stocks	8.208	11.923	24.74	14.276	3.254

Source: USDA

Balance Sheet (Annual) - Soybean, Brazil
*Fig. in million tons*

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
<b>Beginning Stocks</b>	23.158	32.112	32.696	32.472	20.045
<b>Production</b>	114.900	123.400	119.700	126.000	133.000
<b>Imports</b>	0.252	0.175	0.140	0.549	0.400
<b>Total Supply</b>	138.310	155.687	152.536	159.021	153.445
<b>Exports</b>	63.137	76.136	74.887	92.126	85.000
<b>Domestic Consumption</b>	43.061	46.855	45.177	46.850	48.100
<b>Ending Stocks</b>	32.112	32.696	32.472	20.045	20.345

Source: USDA

### Balance Sheet (Annual) - Soybean, Argentina

*Fig. in million tons*

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
<b>Beginning Stocks</b>	27.156	26.996	23.734	28.890	26.700
<b>Production</b>	55.000	37.800	55.300	48.800	48.000
<b>Imports</b>	1.674	4.703	6.408	4.882	4.500
<b>Total Supply</b>	83.830	69.499	85.442	82.572	79.200
<b>Exports</b>	7.025	2.132	9.104	10.002	7.000
<b>Domestic Consumption</b>	49.809	43.633	47.448	45.870	46.200
<b>Ending Stocks</b>	26.996	23.734	28.890	26.700	26.000

Source: USDA

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