

Veg. Oil Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Recommendations
- ❖ International Veg. Oil Market Summary
- ❖ Domestic Market Fundamentals
- ❖ Technical Analysis (Spot Market)
- ❖ Technical Analysis (Futures Market)
- ❖ Veg. Oil Prices at Key Spot Markets

Executive Summary

Domestic Veg. Oil Market Summary

Edible oil prices featured rising trend during this week in domestic market. CBOT soy oil and BMD palm oil prices quoted rising trend during the week. Soy oil, Mustard oil, Palm oil, Sunflower oil, Coconut oil and Groundnut oil showed firm movements in April month.

On the currency front, Indian rupee is hovering near 72913 against 73.22 previous weeks. Rupee expected to depreciate while crude oil prices expected to rise.

We expect Palm oil to rise and Soy oil to feature down trend on strong fundamentals.

Outlook:

Weekly Call -: In NCDEX, Market participants are advised to go short below 1390 levels for a target of 1365 and 1350 with a stop loss at 1400 on closing basis. We expect Refined soy oil Indore (without GST) is likely to stay in the range of Rs 1350-1480 per 10 Kg.

In MCX, Market participants are advised to go short in CPO below 1215 for a target of 1195 and 1185 with a stop loss at 1225 on closing basis. We expect, Crude palm oil (without GST) is likely to stay in the range of Rs 1150-1230 per 10 Kg.

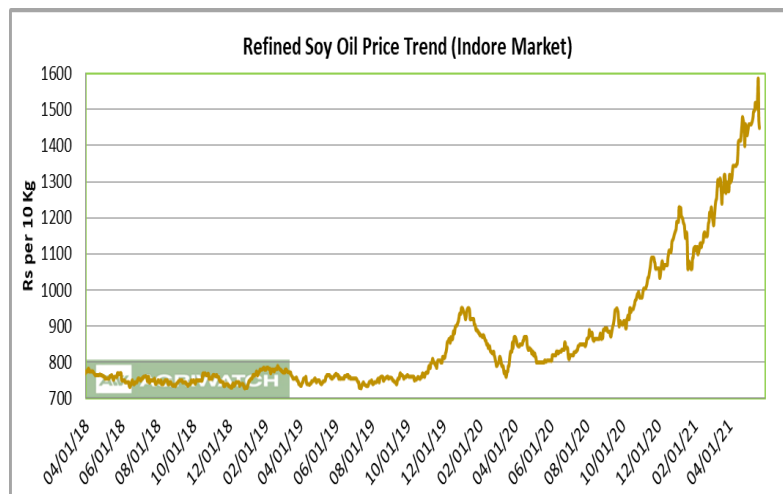
International Veg. Oil Market Summary

On the international front, Us Soy stock, rising Biodiesel demand, crop condition and rise in crude oil prices will underpin soy oil prices in coming days.

Rise in competing oil prices, demand from China and India and rise in crude oil prices are all likely to underpin CPO prices in near term.

Soy oil Fundamental Analysis and Outlook:-
Domestic Front

- Soy oil featured downward trend in domestic markets for the week in review due to hiked prices. The news of government reducing the import duty of edible oils played the major role in bringing the prices down. Sharp rise in prices of edible oils amid rise in covid cases has affected the consumer purchasing power.
- Soy oil demand is expected to remain firm for coming months as domestic demand is firm.



Weather varies in South America has supported prices of Soy complex in International market. Dry weather in Argentina is helping farmers to proceed with the harvesting, whereas, in Brazil, low rains has affected the waterways.

Low US supply will support the prices while decrease in Soy import duty in India will lower the prices.

Currently, for 2020-21 Argentina's 33 percent soy crop has been harvested compared to 68 percent last year and 56 percent on average. According to the Buenos Aires Grain Exchange, the nationwide average soybean yield is 3,030 kg/ha (45.1 bushel/acre), which is unchanged from last week. The yields are ranging from 1,670 kg/ha to 3,250 kg/ha (24.8 bushel/acre to 48.4 bushel/acre). The Buenos Aires Grain Exchange left their soybean estimate unchanged at 43.0 million tons.

Amid low global edible oil stock and price inflation in food, the Argentinian Soy crop may relieve such pressures.

CDSO premium over CPO at high seas is high and may cap gains while refined soy oil discount over rapeseed oil is high so may increase demand. In USD terms, premium of CDSO CNF over CPO CNF is high and decrease demand of CDSO at CNF markets. Further, refined soy oil discount over refined sunflower and soy oil CNF discount over sunflower oil CNF is high may support soy oil prices. Moreover, refined soy oil premium over RBD palmolein is high may cap soy oil prices in domestic markets.

- According to Solvent Extractors Association (SEA), India's March edible oil imports rose 2.6 percent y-o-y to 9.80 lakh tons from 9.55 lakh tons in March 2020. Palm oil imports in March rose 57.01 percent y-o-y to 5.26 lakh tons from 3.35 lakh tons in March 2020. CPO imports rose 71.52 percent in March y-o-y to 2.95 lakh tons from 5.06 lakh tons in March 2020. RBD palmolein import fell 93 percent to 0.02 lakh tons in March vs. 0.30

lakh tons in March 2020. Soy oil imports fell 2.73 percent in March y-o-y to 2.84 lakh tons from 2.92 lakh tons in March 2020. Sunflower oil imports fell 50.17 percent y-o-y in March to 1.47 lakh tons from 2.95 lakh tons in March 2020. Rapeseed (canola) oil stood at 0 imports in February compared to import of 0.17 lakh tons in March 2020.

- According to Solvent Extractors Association (SEA), India's March edible oil stocks at ports and pipelines fell 5.43 percent m-o-m to 16.90 lakh tons from 17.87 lakh tons in February 2021. Stocks of edible oil at ports in March estimated at 580,000 tons (CPO 270,000 tons, RBD Palmolein 10,000, Degummed Soybean Oil 180,000 tons and Crude Sunflower Oil 120,000) and about 1,110,000 tons in pipelines. (Stocks at ports were 657,000 tons and in pipelines were 1,130,000 tons, in February 2020). India is presently holding 30 days of edible oil requirement on 1st March, 2021 at 18.15 lakh tons compared to 25 days of requirements of 14.31 lakh tons on 1st February 2021. 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.
- Soy oil import scenario – According to SEA, Soy oil imports fell 2.73 percent in March y-o-y to 2.84 lakh tons from 2.92 lakh tons in March 2020. 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.
- Imported crude soy oil CNF at West coast port offered at USD 1308.4(USD 1237) per ton for May delivery, Jun delivery quoted at USD 1306 (USD 1214) per ton and Jul delivery quoted at USD 1304 (USD 1168) per ton. Values in brackets are figures of last week. Last month, CNF CDSO April average price was USD 1285.36 (USD 1259.28 per ton in March 2020) per ton. Soy refined (Indore) quoted at Rs 1460 (Rs 1430 last week) per 10 kg.
- On the parity front, margins fell slightly during the week after sideways trend in prices of soy oil in international markets. We expect margins to improve in coming days.

International Front

- Soy oil prices are supported by low US supply. US Soy crush touched highest in previous month over demand for biodiesel oil.
- Argentina has recently lowered the their discount over CBOT, supporting the soy prices.
- 2020-21 Argentina's 33 percent soy crop has been harvested compared to 68 percent last year and 56 percent on average. According to the Buenos Aires Grain Exchange, the nationwide average soybean yield is 3,030 kg/ha (45.1 bushel/acre), which is unchanged from last week. The yields are ranging from 1,670 kg/ha to 3,250 kg/ha (24.8 bushel/acre to 48.4 bushel/acre). The Buenos Aires Grain Exchange left their soybean estimate

unchanged at 43.0 million tons. Soybeans were rated 30% poor/very poor, 61% fair, and 9% good/excellent as of late last week. The good/excellent percentage was unchanged compared to the prior week.

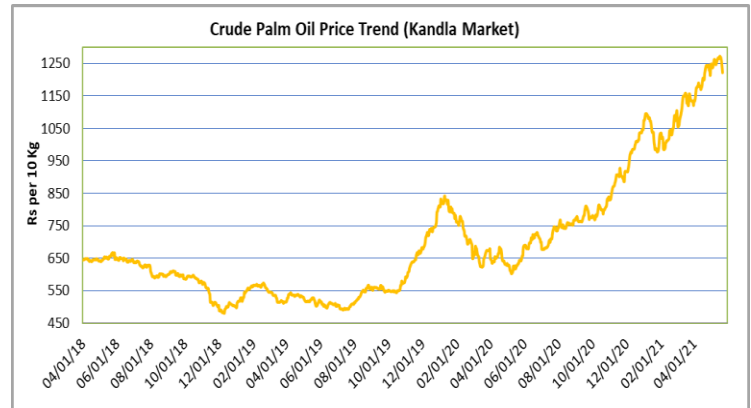
- CONAB has raised Brazil's 2020/21 soybean crop estimate to 135.54 million tonnes vs 135.131 million tonnes in March forecast and 124.845 million tonnes in 2019/20.
- Brazil's soybean exports is estimated to reach to 16.1 million tonnes in March vs 16.4 million tonnes forecast in previous week – ANEC
- According to the data released by NOPA, US crushed 178 million bushels of soybeans in March21, second consecutive month of reduction also slightly less than expected. The soybean processing was down from 181.4 million bushels in March 2020 but up from 155.2 million bushels in March 2020.

Price Outlook: We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1350-1480 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook :-

Domestic Front

- Crude palm oil (CPO) featured downward trend at its benchmark market at Kandla after expectation of reduction in palm import duty. Ramazan has backed the higher buying in current month. Further, decrease trading in Soy and mustard oil has supported MCX CPO. BMD International was also down traded on expectation of demand destruction from India due to lockdown and Restriction in various states in India.



Malaysia's production rose for March month with rise in end stock despite 31.83 percent rise in export of CPO. Imports of palm oil by India rose in April and may further see rise in shipments as the stockiest are stocking. Prices of CPO raised more on high seas and were reflected on CNF markets compared to last week indicating good demand at high seas.

CDSO CNF premium over CPO CNF and CDSO soy oil high seas over CPO high seas is high, may result in rise in CPO demand and imports. CPO discount over sunflower oil at CNF and domestic markets is high and may increase its demand and imports.

- According to Solvent Extractors Association (SEA), India's March edible oil imports rose 2.6 percent y-o-y to 9.80 lakh tons from 9.55 lakh tons in March 2020. Palm oil imports in March rose 57.01 percent y-o-y to 5.26 lakh tons from 3.35 lakh tons in March 2020. CPO imports rose 71.52 percent in March y-o-y to 2.95 lakh tons from 5.06 lakh tons in March 2020. RBD palmolein import fell 93 percent to 0.02 lakh tons in March vs. 0.30 lakh tons in March 2020. Soy oil imports fell 2.73 percent in March y-o-y to 2.84 lakh tons from 2.92 lakh tons in March 2020. Sunflower oil imports fell 50.17 percent y-o-y in March to 1.47 lakh tons from 2.95 lakh tons in March 2020. Rapeseed (canola) oil stood at 0 imports in February compared to import of 0.17 lakh tons in March 2020.
- According to Solvent Extractors Association (SEA), India's March edible oil stocks at ports and pipelines fell 5.43 percent m-o-m to 16.90 lakh tons from 17.87 lakh tons in February 2021. Stocks of edible oil at ports in March estimated at 580,000 tons (CPO 270,000 tons, RBD Palmolein 10,000, Degummed Soybean Oil 180,000 tons and Crude Sunflower Oil 120,000) and about 1,110,000 tons in pipelines. (Stocks at ports were 657,000 tons and in pipelines were 1,130,000 tons, in February 2020). India is presently holding 30 days of edible oil requirement on 1st March, 2021 at 18.15 lakh tons compared to 25 days of requirements of 14.31 lakh tons on

1st February 2021. 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.

- Palm oil import scenario – According to Solvent Extractors Association (SEA), Palm oil imports in March rose 57.48 percent y-o-y to 5.26 lakh tons from 3.34 lakh tons in March 2020. 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 71.53 percent y-o-y in March to 5.06 lakh tons from 2.95 lakh tons in March 2020. 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 fell to 93.54 percent in March to 0.02 lakh tons from 0.31 lakh tons in March 2020. 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 1227(USD 1125) per ton for May delivery and Jun delivery is quoted at USD 1180 (USD 1100) per ton. Last month, CNF CPO April average price is at 1175.72 per ton (USD 1121.2 per ton in March 2021). Values in brackets are figures of last week. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 1300 (USD 1250) per ton for May delivery and Jun delivery is quoted at USD 1250 (USD 1180) per ton. Last month, CIF RBD palmolein April average price is USD 1043.75 (USD 1099.2 in March 2021) per ton. Values in bracket depict last month quotes. Ready lift CPO duty paid prices quoted at Rs 1345 (Rs 1320) per 10 Kg and Apr delivery duty paid is offered at Rs 1340 (Rs 1300 per 10 kg). Ready lift RBD palmolein is quoted at Rs 1350 (Rs 1325) per 10 kg as on May 8, 2021. Values in brackets are figures of last week.
- On the parity front, margins fell during this week with up trend in prices of palm oil in India markets.

International Front

Palm oil prices traded sideways following rally in rival soy oil while expectation of low demand from India due to lockdown lowered the palm oil prices. Correction in prices were seen after Malaysia's stock rose while US's green energy drive may limit the correction as oils demand will rise further.

Competing oil prices like soy oil and sunflower oil prices rose last week underpinning palm oil prices. More rise in competing oils prices can be seen in coming weeks.

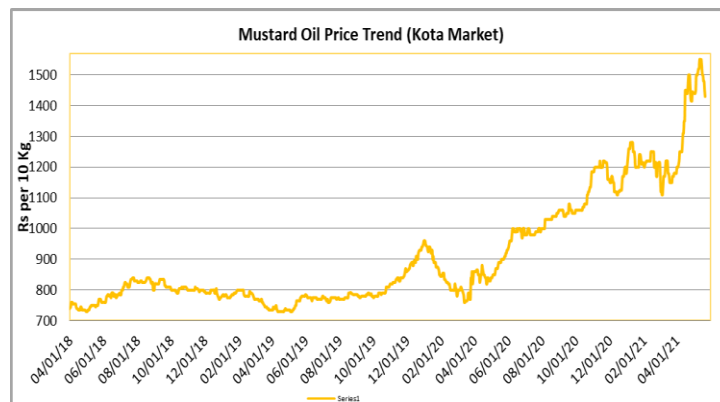
Palm oil exports in Malaysia is expected to rise due to firm buying by importing countries especially India and China.

- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's May 1-20 palm oil exports rose 17.14 percent to 953,474 tons compared to 813,946 tons last month for same period.
- According to Amspec, Malaysia's May 1-20 palm oil exports rose 16.19 percent to 953,860 tons compared to 820,946 tons last month for same period.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's April palm oil stocks rose 5.80 percent to 7.85 lakh tons compared to 7.42 lakh tons in March 2021. Production of palm oil in April rose 6.98 percent to 15.22 lakh tons compared to 14.23 lakh tons in March 2021. Exports of palm oil in April rose 12.62 percent to 13.38 lakh tons compared to 11.88 lakh tons in March 2021. Imports of palm oil in April rose 64.13 percent to 8,046 tons compared to 4,903 tons in March 2021. End stocks of palm oil rose compared to trade expectation of rise in stocks. Rise in stocks was mainly due to higher production.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's April palm oil exports rose 10.1 percent to 1,397,916 tons compared to 1,270,058 tons last month.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's April palm oil exports rose 13.4 percent to 1,413,094 tons compared to 1,245,567 tons in March.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's March palm oil stocks rose 10.72 percent to 14.45 lakh tons compared to 13.06 lakh tons in February 2021. Production of palm oil in March rose 28.43 percent to 14.23 lakh tons compared to 11.08 lakh tons in February 2021. Exports of palm oil in March rose 31.83 percent to 11.82 lakh tons compared to 8.96 lakh tons in February 2021. Imports of palm oil in March rose 57.26 percent to 1.37 lakh tons compared to 0.87 lakh tons in February 2021. End stocks of palm oil rose compared to trade expectation of rise in stocks. Rise in stocks was mainly due to higher production.

Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1150-1230 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis- Domestic Front

- Mustard oil prices showed down trend in benchmark market due to news of import duty reduction to control food price inflation.
- Mustard oil prices sharply rose since February 2021 despite availability of higher crop compared to previous year.
- Mustard oil consumption has risen compared to last year due to immunity boosting properties leading to high demand.
- In February and March 17 lakh tons of mustard was crushed.



Mustard oil prices are moving up following international market scenario as import oils prices are already high. The Government estimation of mustard crop is high at 10.4 MT while the Agriwatch estimate is around 8 MT. The COOIT has estimated mustard production at 8.90 MT.

Premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market is at Rs 120 per 10 Kg compared to Rs 100 per 10 Kg last week.

Jaipur kacchi ghani rapeseed oil premium over RBD palmolein is at Rs 250 per 10 kg compared to Rs 215 per 10 Kg last week. The premium of Mustard oil raised compared to last week on arrival of new crop.

- Rapeseed oil import scenario- India imported 0.00 lakh tons rapeseed (Canola) oil in March 2020 v/s 0.17 lakh tons imports in March 2021. 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 1,430 (Rs 1,510) per 10 Kg, and at Kota market, it is offered at Rs 1,490 (Rs 1,510) per 10 kg as on May 22, 2021. Values in brackets are figures of last week.
- We expect RM seed oil prices to trade down in the coming days.

Price Outlook: Rapeseed oil (without GST) prices in Kota may stay in the range of Rs 1320-1450 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil price closed on down trend during the week in review in Chennai on account high premiums over competing oils. Prices of sunflower has huge price premium over competing oils is leading to correcting in its price. Similarly, Sunflower oil international markets also corrected after hiked prices.

Sunflower seed production rose in India to 2.24 lakh tons compared to 2.13 lakh tons in

previous year. Droughts conditions in sunflower belts in Ukraine, Russia and Argentina has led to low crops hence cut global supply of sunflower in 2020 leading to higher prices and its effects can be seen in current year too. These will keep sunflower CNF prices supported in coming months.

Ukraine's economy ministry said that sunflower seed production could lower by 8.5% to 14 MT from 15.3 MT due to drought; this will affect the sunflower oil prices in international market as the import demand is increasing.

Import parity fell and refining margins are also low despite higher prices of sunflower oil in Indian markets.

Imports of sunflower oil fell in Jan on negative import party and negative refining margins, while, it has higher premium over competing oils and rise in its prices will slow its demand.

In domestic market, sunflower oil prices premium over soy oil is at Rs 350 (Rs 350 last week) per 10 kg, At present premium of sunflower oil over soy oil at CNF markets is at USD 337 (USD 337 last week) per ton which indicates that sunflower oil prices is diverging with soy oil at domestic markets and CNF markets and the premium is still high.

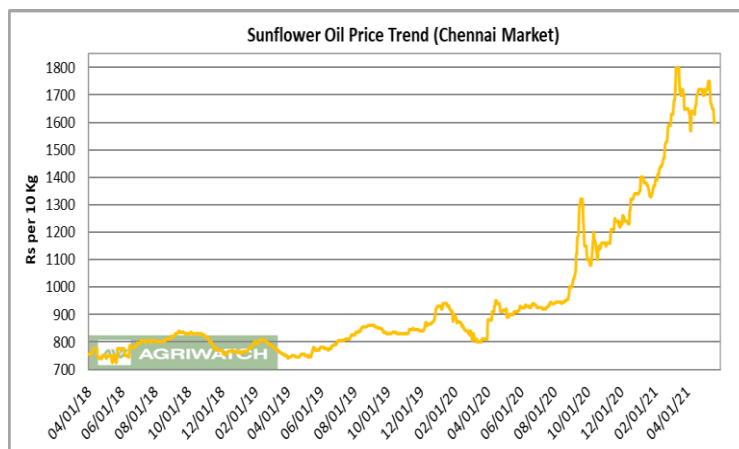
High sunflower oil premium over CPO at CNF India is at USD 495 (USD 530 last week) which will affect imports.

In domestic market, refined sunflower oil (Chennai) premium over RBD palmolein (Kandla) is at Rs 435 (Rs 470) per 10 kg which is high will cap sunflower oil in domestic market.

In domestic market, Sunflower oil (Chennai) premium over Groundnut oil at Chennai market is at Rs 125 (Rs 100 last week) per 10 kg will lower sunflower oil prices.

Prices of sunflower oil expected to trade sideways as International prices are hiked up due to tight supply.

- In the latest official rabi oilseeds planting report, by the Ministry of Agriculture, the total coverage area under rabi oilseeds is reported at 83.60 lakh hectares, up 5% from 79.37 lakh ha in the corresponding period of last year. Sunflower seed sowing is reported at 1.01 lakh ha vs 1.02 lakh ha during the same period last year.



- Sunflower oil imports scenario- According to Solvent Extractors Association (SEA), Sunflower oil imports fell 50.50 percent y-o-y in March to 1.46 lakh tons from 2.95 lakh tons in March 2020. Imports in oil year 2019-20 (November 2019-October 2020) were reported higher by 7.14 percent y-o-y at 25.18 lakh tons compared to 23.50 lakh tons in last oil year.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 1610 (USD 1585 per ton for May delivery and June delivery quoted at USD 1620 (USD 1585) per ton. CNF sun oil (Ukraine origin) April monthly average was at USD 1614.2 per ton compared to USD 1651.8 per ton in March). Prices are likely to stay in the range of USD 1600-1615 per ton in the near term. Values in brackets are figures of last week.
- Currently, refined sunflower oil at Chennai market is Rs 1,600 (Rs 1,670) per 10 Kg, and at Kandla/Mudra market, it is offered higher at Rs 1700 (Rs 1760) per 10 kg as on May 22, 2021. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade of firm tone in the coming days.

Price Outlook: Sunflower oil (without GST) prices in Chennai may stay in the range of Rs 1500-1600 per 10 Kg.

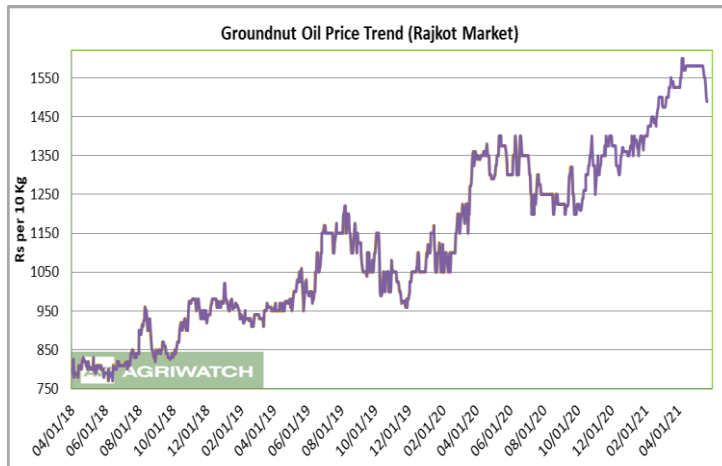
Groundnut oil Fundamental Review and Analysis:-

Domestic Front

- Groundnut oil market prices showed downward movement in various markets amid slow demand and slow supply in domestic market.

Groundnut oil bench market, Gujarat Rajkot Mandi opened on 17 May as it was closed due to lockdown.

- Groundnut oil prices are low due to slow domestic demand and slow export demand as well as affect of whole edible oil basket prices coming down due to news of reduction in import duty of importing oils.



- Groundnut oil exports scenario- India exported 31,041.03 tons Groundnut oil in February 2021 v/s 7,609.12 tons export in February 2020. In the Financial year 2020-21 (April 2020 - February 2021) rose to 213,448.21 tons in Apr-Jan 2020, from 35,629.51 tons in corresponding period last year. It was mainly exported to China at 30,900.77 tons.
- On the price front, currently the groundnut oil prices in Rajkot is Rs 14,900 (Rs 15,800) per quintal and it was Rs 15,300 (Rs 15,700) per quintal in Chennai market on May 22, 2021. Values in brackets are figures of last week.
- Groundnut oil prices are likely to trade down in the coming days.

Price Outlook:

Groundnut oil (without GST) in Rajkot market is likely to trade in the price band of Rs 1380-1480 per 10 Kg

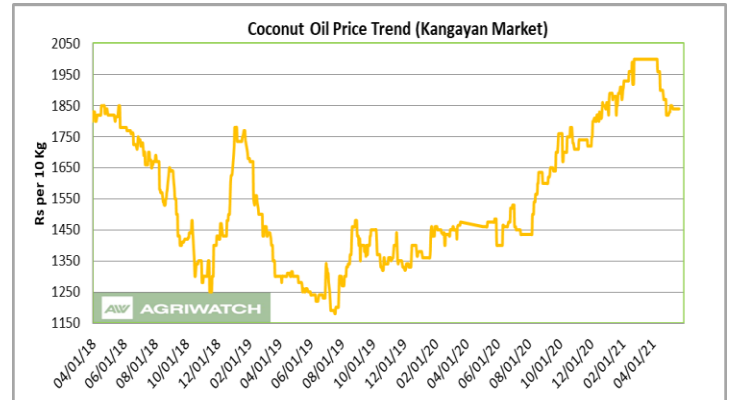
Coconut Oil Fundamental Review and Analysis:-

Domestic Front

- Coconut oil benchmark market of Kangayan showed firm trend amid decline in prices of competing oils.

High prices of copra and labour constraints has supported its price.

Demand of coconut oil in home consumption is stable but skyrocketed price may lead to substitution to cheaper oils.



Demand of coconut oil in Cosmetic Industry were rising but expectations of 2.0 lockdown may lower the demand.

Millers operating capacity is improving due to improving demand in food and industrial segment and branded segment. Demand of coconut oil is firm, as competing oil prices are rising are competing for shares in market. The demand is firm and prices of branded coconut oils and legal blended coconut oils are also increasing. Big companies are procuring coconuts from Tamil Nadu also where the prices are high.

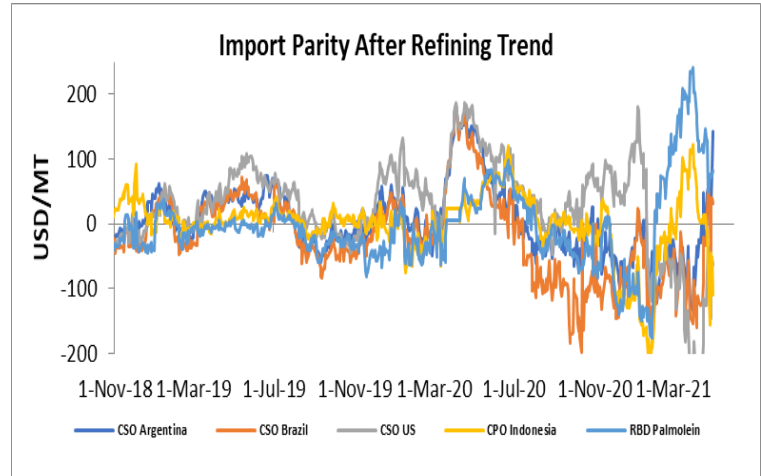
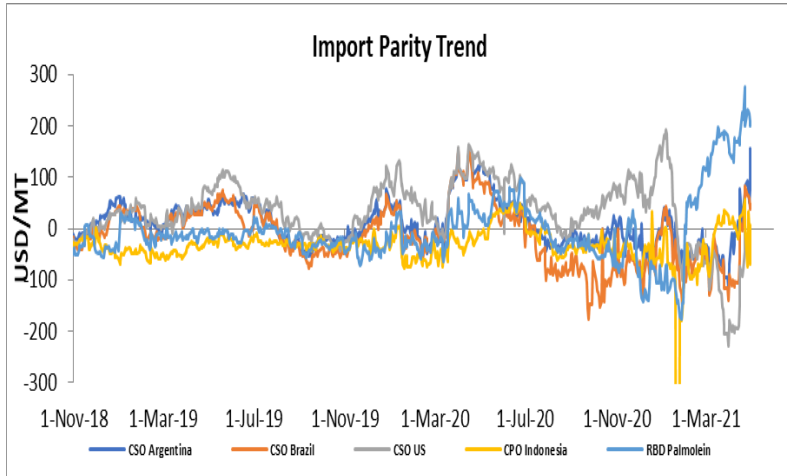
Coconut oil prices are expected to be firm in days ahead.

- Coconut oil exports scenario- India exported 988.94 tons Coconut oil in February 2021 v/s 882.08 tons export in February 2020. In the Financial year 2020-21 (April 2020- February 2021) exports were 11,415.11 tons compared to 7,356.65 tons in last oil year, up 56.32 percent y-o-y.
- On the price front, currently the coconut oil prices in Kochi is hovering remain at Rs 17,500 (Rs 17,600) per quintal, and was quoted at 18,400 (Rs 18,400) per quintal in Erode market on May 22, 2021.

Price Outlook: Coconut oil (without GST) prices in Erode may stay in the range of Rs 1750-1850 per 10 Kg.

Import Parity Trend

Import Parity After Refining in US dollar per ton (Weekly Average)

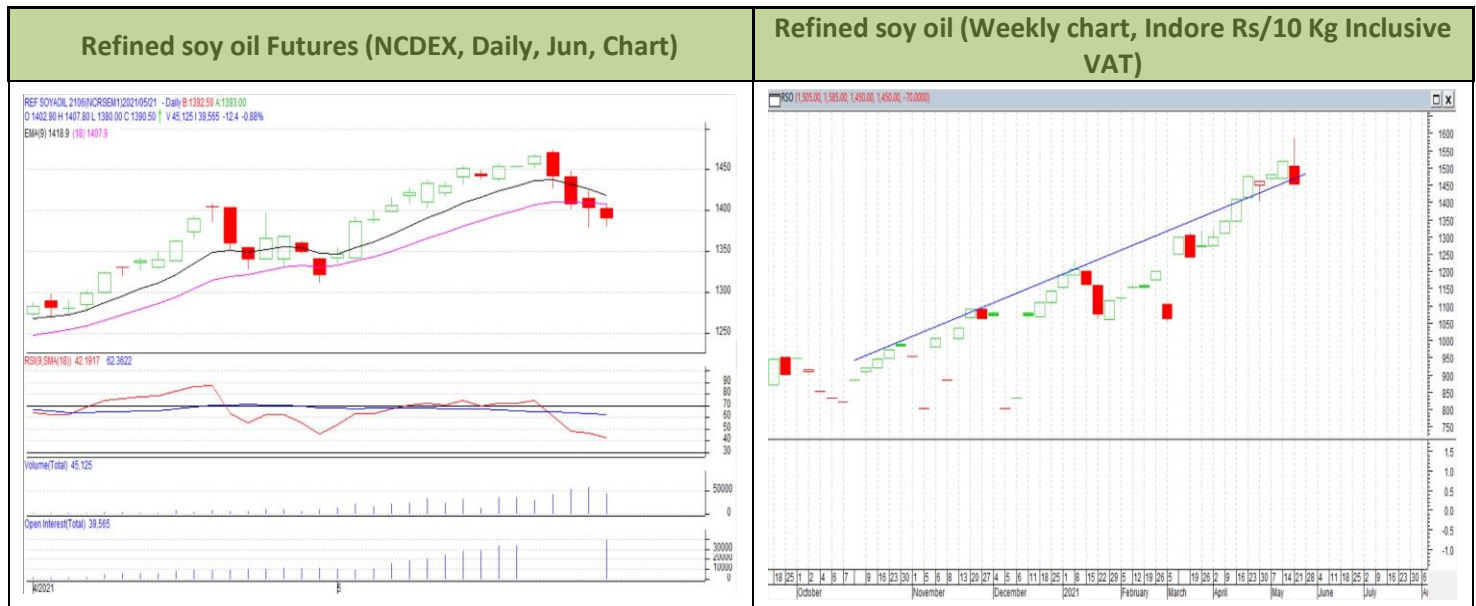


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
May 3-May 9, 2021	-4.18	-96.17	-189.67	5.18	114.32
May 10-May 16, 2021	19.04	3.47	-90.03	-20.19	113.94
May 17-May 23, 2021	51.87	14.99	-78.51	-83.46	76.40

Outlook-:

Refining margins achieved parity for crude soy oil from Argentina as US stocks are low along with sideways trend in prices of soy oil in international markets. We expect soy oil refining margin to retain parity in medium term due to expectation of firm prices of soy oil in Indian markets.

Refining margin parity fell for CPO with sideways sentiments in domestic prices. RBD palmolein refining margin parity also with fall in prices in international bench market. We expected CPO to retain parity in medium term.

Technical Analysis (Refined soy oil)


Outlook – Refined soybean oil witnessed downward trend during the week in review and is likely to trade down in the coming days.

- Daily chart of refined soy oil at NCDEX depicts declining trend during the upcoming week in review. We expect prices to trade down in the near term.
- Prices may hover between 1350-1480 levels.
- Expected price band for next week is 1340-1420 level in near to medium term. RSI and MACD are in neutral zone.

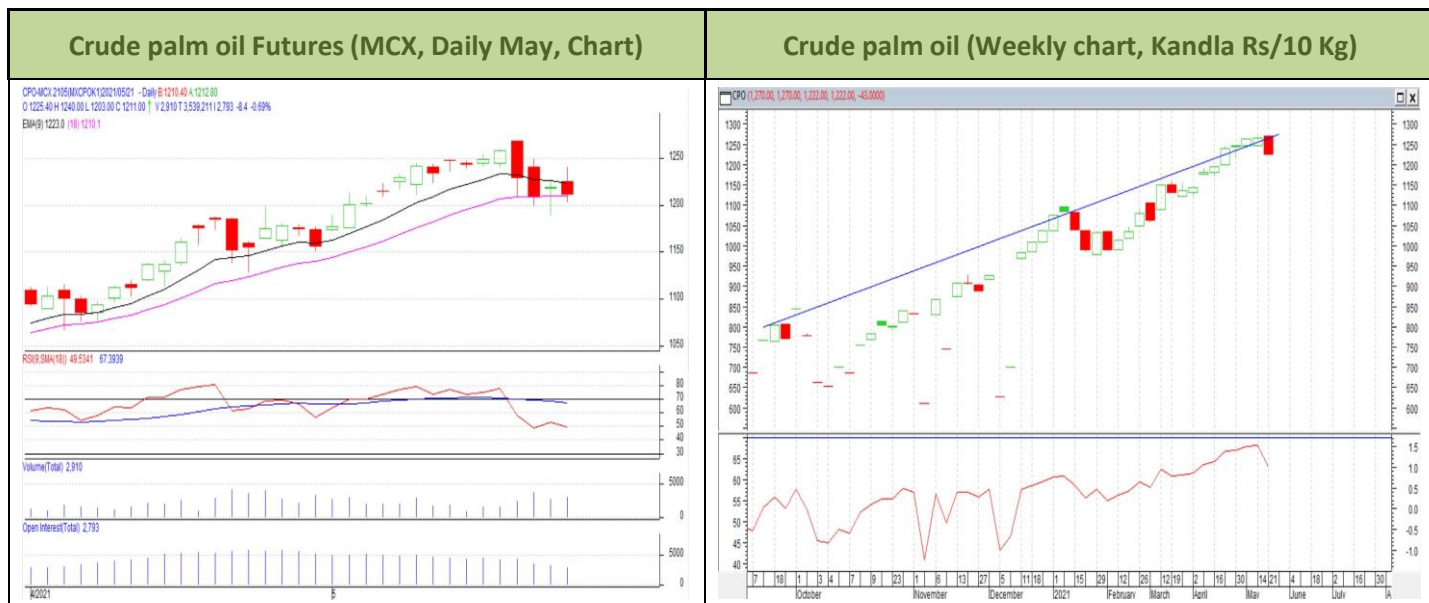
Strategy: Market participants are advised to go short in RSO below 1390 for a target of 1365 and 1350 with a stop loss at 1400 on closing basis.

RSO NCDEX (Jun)

Support and Resistance				
S2	S1	PCP	R1	R2
1257.83	1318.17	1390.50	1450.83	1511.17

Spot Market outlook: Refined soy oil Indore (without GST) is likely to stay in the range of Rs 1350-1480 per 10 Kg.

Technical Analysis (Crude Palm oil)



Outlook – Kandla Daily CPO spot prices showed down trend in prices during the week. We expect that CPO May contract to trade in down tone.

- Candlestick in weekly chart of crude palm oil at MCX depicts downward trend in the prices. We expect the commodity to trade down in the near term.
- Price may range from Rs 1150-1230.
- Expected price band for next week is 1165-1225 level. RSI and MACD are in neutral zone.

Strategy: Market participants are advised to go short in CPO below 1215 for a target of 1195 and 1185 with a stop loss at 1225 on closing basis.

CPO MCX (May)

Support and Resistance				
S2	S1	PCP	R1	R2
1142.60	1176.80	1211.00	1256.90	1302.80

Spot Market outlook: Crude palm oil (without GST) is likely to stay in the range of Rs 1150-1230 per 10 Kg.

Veg. Oil Prices at Key Spot Market
Edible Oil Prices at key Markets:

Commodity	Centre	Prices (Per 10 Kg)		Change
		22-May-21	15-May-21	
Refined Soybean Oil	Indore	1450	1520	-70
	Indore (Soy Solvent Crude)	1395	1440	-45
	Mumbai	1470	1490	-20
	Mumbai (Soy Degum)	1420	1460	-40
	Kandla/Mundra	1450	1480	-30
	Kandla/Mundra (Soy Degum)	1410	1450	-40
	Kolkata	1470	1490	-20
	Delhi	1347	1347	Unch
	Nagpur	1270	1270	Unch
	Rajkot	1430	1330	100
	Kota	1440	1500	-60
	Hyderabad	NA	0	-
	Akola	1320	1320	Unch
	Amrawati	1315	1315	Unch
	Bundi	1450	1510	-60
	Jalna	1260	1260	Unch
	Solapur	1265	1265	Unch
	Dhule	1250	1250	Unch
	Nanded	1255	1255	Unch
	Latur	1315	1315	Unch
	Argentina Crude Soya (CIF India) USD	1411	1433	-22
	Argentina Crude Soya (FOB)	1372	1373	-1
	Soya Oil(Rot.)(Euro/MT FOB) (1000) GMT	1155	1155	Unch
Palm Oil*	Kandla (Crude Palm Oil)	1222	1265	-43
	Kandla (RBD Palm oil)	1280	1330	-50
	Kandla RBD Pamolein	1320	1350	-30
	Kakinada (Crude Palm Oil)	1200	1270	-70
	Kakinada RBD Pamolein	1320	1355	-35
	Haldia Pamolein	1330	1365	-35
	Chennai RBD Pamolein	1320	1360	-40
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1382	1416	-34
	Krishnapattanam RBD Pamolein	1325	1360	-35
	Mumbai RBD Pamolein	1340	1370	-30
	Mangalore RBD Pamolein	1340	1365	-25
	Tuticorin (RBD Palmolein)	1375	1375	Unch
	Mumbai (Refined)	1340	1385	-45

	Rajkot (Refined)	1310	Closed	-
	Chennai (Refined)	1320	1360	-40
	Hyderabad (Refined)	1330	1420	-90
	Delhi (Refined)	1326	1326	Unch
	PFAD (Kandla)	875	885	-10
	RPS (Kandla)	1090	1105	-15
	Superolien (Kandla)	1350	1370	-20
	Superolien (Mumbai)	1370	1395	-25
	Kochi (RBD Palmolein)	1355	1370	-15
	Krishnapattanam (Crude Palm Oil)	1200	1270	-70
	Mumbai (Crude Palm Oil)	1160	1160	Unch
	Kolkata (Crude Palm Oil)	1130	1130	Unch
	Palm Kernel Oil (1000) GMT	1470	1470	Unch
Refined Sunflower Oil	Chennai (Refined)	1600	1670	-70
	Chennai (Crude)	1500	1550	-50
	Mumbai (Refined)	1690	1750	-60
	Mumbai (Expeller Oil)	1640	1680	-40
	Kandla (Refined)	1700	1760	-60
	Hyderabad (Refined)	1630	1750	-120
	Hyderabad (Expeller)	1550	1670	-120
	Latur (Refined)	1540	1610	-70
	Latur (Expeller Oil)	1450	1520	-70
	Chellakere (Expeller Oil)	1480	1550	-70
	Erode (Expeller Oil)	1680	1750	-70
	Kakinada (Refined)	1620	1760	-140
	Krishna Pattanam (Refined)	1620	1760	-140
	Delhi (Refined)	1700	1700	Unch
	Sun Oil (Rotterdam)	1620	1620	Unch
Groundnut Oil	Rajkot	1490	Closed	-
	Chennai	1530	1570	-40
	Delhi	NR	0	-
	Hyderabad *	1550	1650	-100
	Mumbai	1570	1600	-30
	Gondal	1500	Closed	-
	Jamnagar	1500	Closed	-
	Gujarat GN Telia	2420	2480	-60
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1490	1510	-20
	Jaipur (Kacchi Ghani Oil)	1570	1560	10
	Kota (Expeller Oil)	1430	1550	-120
	Kota (Kacchi Ghani Oil)	1555	1520	35

	Neewai (Expeller Oil)	1515	1520	-5
	Neewai (Kacchi Ghani Oil)	1545	1550	-5
	Bharatpur (Kacchi Ghani Oil)	1530	1600	-70
	Sri-Ganga Nagar(Exp Oil)	1535	1560	-25
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1545	1570	-25
	Mumbai (Expeller Oil)	1460	1480	-20
	Kolkata(Expeller Oil)	1720	1700	20
	New Delhi (Expeller Oil)	1230	1230	Unch
	Hapur (Expeller Oil)	1490	1450	40
	Hapur (Kacchi Ghani Oil)	1520	1500	20
	Agra (Kacchi Ghani Oil)	1535	1605	-70
	Nagpur (Expeller Oil)	1367	1367	Unch
Refined Cottonseed Oil	Rajkot	1470	1390	80
	Hyderabad	1470	1530	-60
	Mumbai	1480	1530	-50
	New Delhi	1260	1260	Unch
	Gujarat Cotton Wash	1420	1470	-50
Coconut Oil	Kangayan (Crude)	1840	1840	Unch
	Cochin	1900	1900	Unch
	Coconut Oil(Rot.)(Phil/Indo)	1480	1480	Unch
Vanaspati Oil	Uttar Pradesh	1690	1690	Unch
	Kolkata	1600	1600	Unch
	Rajkot	1823	1823	Unch
Sesame Oil	New Delhi	1410	1410	Unch
	Mumbai	NA	0	-
Kardi	Mumbai	NA	0	-
Rice Bran Oil	New Delhi (40%)	985	985	Unch
	Punjab 4%)	1390	1410	-20
	Bhatinda (Crude 4%)	1160	1200	-40
	Bhatinda (Refined 4%)	1275	1315	-40
	Hyderabad (Crude)	1280	1220	60
	Hyderabad (Refined)	1480	1440	40
	Kolkata (Crude)	1070	1070	Unch
	Kolkata (Refined)	1170	1170	Unch
	Raipur (Crude)	1220	1300	-80
	Raipur (Refined)	1350	1440	-90
	Odisha (Refined)	1380	1450	-70
	Vijayawada (Refined)	1300	1360	-60

Malaysia Palmolein USD/MT	FOB	1135	1225	-90
	CNF India	1215	1230	-15
Indonesia CPO USD/MT	FOB	1230	1290	-60
	CNF India	1300	1280	20
RBD Palm oil (Malaysia Origin USD/MT)	FOB	1068	1068	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	1055	1055	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1450	1450	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	980	980	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	1550	1620	-70
Ukraine Origin CSFO USD/MT Kandla	CIF	1610	1630	-20
Rapeseed Oil Rotterdam Euro/MT	FOB	1080	1080	Unch
Argentina FOB (\$/MT)		21-May-21	14-May-21	Change
Crude Soybean Oil Ship		1368	1410	-42
Refined Soy Oil (Bulk) Ship		1416	1459	-43
Sunflower Oil Ship		1500	1510	-10
Cottonseed Oil Ship		1348	1390	-42
Refined Linseed Oil (Bulk) Ship		NA	0	-
* indicates including GST				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2021 Indian Agribusiness Systems Ltd.