

Veg. Oil Weekly Research Report

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Executive Summary

Domestic Veg. Oil Market Summary

Edible oil prices featured sideways trend during this week in domestic market. CBOT soy oil and BMD palm oil prices quoted sideways trend during the week. Palm oil, Soy oil, mustard oil, Sunflower oil, Coconut oil, and Groundnut oil traded down.

On the currency front, Indian rupee is hovering near 75.14 against 74.31 previous weeks. Rupee expected to depreciate while crude oil prices expected to trade sideways.

We expect Palm oil to trade up and Soy oil to trade sideways on strong fundamentals.

Outlook:

Weekly Call -: In NCDEX, Market participants are advised to go short in RSO below 1240 level with a target of 1220 and 1210 with stop loss at 1245. We expect Refined soy oil Indore (without GST) is likely to stay in the range of Rs 1220-1280 per 10 Kg.

In MCX, Market participants are advised to go short in CPO below the level of 1120 with a target of 1110 and 1105 with stop loss at 1125. We expect, Crude palm oil (without GST) is likely to stay in the range of Rs 1110-1160 per 10 Kg.

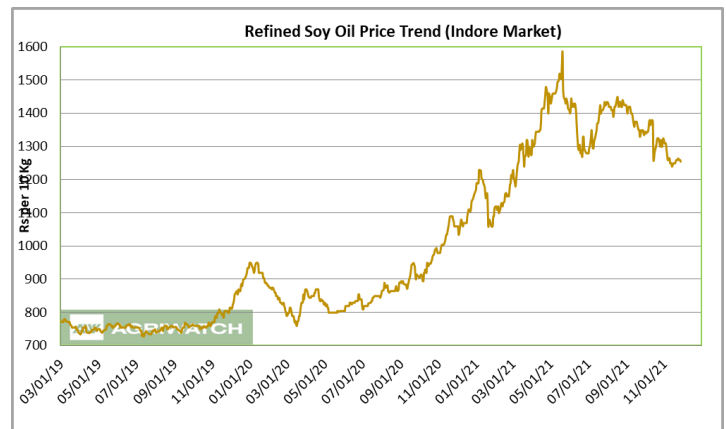
International Veg. Oil Market Summary

On the international front, rising US Soy oil stock, yields of US Soybean crop, Soybean sowing in Brazil and Argentina, Biodiesel demand, China's demand, crude oil prices will underpin soy oil prices in coming days.

Rise in competing oil prices, falling production in Indonesia and Malaysia, demand from China and India and rise in use of biofuel of crude oil are all likely to underpin CPO prices in near term.

Soy oil Fundamental Analysis and Outlook:-
Domestic Front

- Soy oil featured sideways trend at its benchmark market for the week in review. The prices reacting to mixed signal from international market.
- USDA revised the agriculture export forecast for year 2022 downwards to \$175.5 billion from the August forecast of \$2 billion. The Economic Research Service Agency says soybean exports will be down \$3.9 billion next year for a total of \$28.4 billion backed by slow demand from China and weaker soybean prices.
- Slow soybean seed arrival in market has underpinned domestic prices. Farmers are releasing their produce slow in expectation of good prices in future.
- Domestic prices will be supported by slow supply side as October imports are down.
- CBOT soy oil prices traded up following bullish USDA WASDE report. USDA report forecasted lower yield for November supporting price movement.
- UP Government stated the limits for Retailer at 10 quintals to 250 quintals. Limits for wholesalers stand at 50 quintals to 500 quintals. Telangana governments has laid out stock limits: limits for Retailer are up to 100 quintals, Stock limits for wholesalers are at 370 quintals to 5500 quintals and for Manufactures and Producers one month's production capacity or 3 years production average per month, whichever is higher.
- Import duty on Crude Soy oil, crude palm oil, and crude sunflower oil is slashed to zero, while refined oil of soy oil, palm oil, and sunflower oil duty stands at 17.5 percent from 32.5 percent. Agriculture cess on crude palm oil is revised to 7.5 percent and cess on crude soy oil and crude sunflower oil stands at 5 percent.
- According to Solvent Extractors Association (SEA), India's October edible oil imports fell 14.29 percent y-o- y to 10.49 lakh tons from 16.98 lakh tons in October 2020. Palm oil imports fell 9.81 percent y-o-y to 6.84 lakh tons from 7.58 lakh tons in October 2020. CPO imports fell 16.86 percent y-o-y in October 2021 to 6.26 lakh tons from 7.53 lakh tons in October 2020. RBD palmolein import fell to 0.58 lakh tons in October 2021 compared to 0.05 lakh tons imports in October 2020. Soy oil imports fell 22.02 percent in October y-o-y to 2.16 lakh tons from 2.77 lakh tons in October 2020. Sunflower oil imports fell 31.76 percent in October y-o-y to 1.16 lakh tons from 1.70 lakh tons in October 2020. Rapeseed (canola) oil stood at 19,125 tons imports in October compared to zero imports in last year for same period.
- According to Solvent Extractors Association (SEA), India's November edible oil stocks at ports and pipelines fell by 14.96 percent m-o-m to 17.05 lakh tons from 20.05 lakh tons in October 2021. Stocks of edible oil at ports in October is estimated at 565,000 tons (CPO 190,000 tons, RBD Palmolein 165,000, Degummed Soybean Oil 110,000 tons, Crude Sunflower Oil 85,000 tons and Rapeseed Oil 15,000 tons) and pipeline stock at 1,140,000



tons. Stocks at ports were 845,000 tons and in pipelines were 1,160,000 tons, in October 2021. India is presently holding 21 days of edible oil requirement on 1st October, 2021 at 17.05 lakh tons compared to 30 days of requirements of 20.05 lakh tons on 1st October 2021. India held 15.78 lakh tons of stocks in ports and pipelines on 1st November 2020. India's monthly edible oil requirement is 21.0 lakh tons.

- Soy oil import scenario – According to SEA, Soy oil imports fell 22.02 percent in October y-o-y to 2.16 lakh tons from 2.77 lakh tons in October 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), soy oil for period of Nov.20- Nov'21 saw fall in imports to 28.65 lakh tons compared to 33.84 lakh tons in corresponding period last oil year, low by 15.33 percent.
- Imported crude soy oil CNF at West coast port offered at USD 1458 (USD 1450) per ton for Nov delivery, Dec is delivery quoted at USD 1475 (USD 1455) per ton. Values in brackets are figures of last week. Last month, CNF CDSO Oct average price was USD 1450.48 (USD 1364.69 per ton in Sep 2021) per ton. Soy refined (Indore) quoted at Rs 1260 (Rs 1240 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 retain parity in coming days.

International Front

- CBOT Soy oil market is affected by fear of new covid variant.
- The downward revision of US's Agriculture exports for year 2022 is also pressuring prices downwards.
- Earlier, CBOT Soy oil prices were up as USDA WASDE report forecasted bullish momentum by estimating lower yield for November supporting price movement.
- Demand for soy oil is getting firm. China's demand is getting firm which will underpin prices.
- China's tight supply side and robust demand led to 10 months hike in crush margin.
- Brazil soybean planting is progressing faster than last year. Brazil has covered 24.4 percent of area compared to 9.2 percent area coverage in last year. Brazil received rainfall past week which will improve soil moisture
- According to UDSA, as on 15th Nov, 92% US soybean has been harvested vs 95% last year and 93% five-year average.
- As on 18th Nov, according to Buenos Aires Grains Exchange, Argentina's Soybean sowing has commenced and 28.6% sowing have been completed Vs 31.3% last year same period and 31.5% five-year average. farmers are expected to sow 16.5 million hectares, the smallest in the last 15 years.
- According to Ag Rural, Brazilian soybeans sowing is going on, 78% of the soybeans had been planted compared to 70% same period last year and 67% average.
- According to United States Department of Agriculture (USDA) November estimate, U.S 2020/21 ending stocks of soy oil estimate has been increased to 1,912 million lbs compared to 1,798 million lbs in October estimate. Opening stocks is increased to 2,177 million lbs compared to 2,063 million lbs last month. Production of soy oil in November is kept same as last month at 25,535 million lbs. Imports are kept same at 450 million lbs. Biofuel

is kept same at 11,000 million lbs. Food, feed and other industrial use is also stable 14,000 million lbs. Exports is also stable at 1,250 million lbs. Average price range estimate of November is same as of October at 65.0 cents per lb.

- The U.S. Department of Agriculture monthly supply and demand report for the month of November forecasts U.S. 2020/21 soybean end stocks at 340 million bushels higher than previous estimate of 320 million bushels. Opening stocks in November 2020/21 have been kept same as last month at 175 million bushels. Soybean production in November estimate is increased to 4,425 million bushels compared to 4,448 million bushels in October. U.S. soybean exports estimate in November have been decrease to 2,050 million bushels compared to 2,090 million bushels in October. Import's estimate is kept same as last month at 15 million bushels. Crushing have kept same as last month at 2,190 million bushels. Seed use in 2020/21 is lowered to 102 million bushels compared to 104 million bushels. Residual use is kept unchanged at 15 million bushels. Average price range is lowered to 12.10 cents/bushel compared to 12.35 cents/bushel October month's estimate.
- According to United States Department of Agriculture (USDA) September estimate, U.S 2020/21 ending stocks of soy oil estimate has been increased to 1,478 million lbs compared to 1,453 million lbs in August estimate. Opening stocks is increased to 1,858 million lbs compared to 1,793 million lbs last month. Production of soy oil in September is lowered to 25,420 million lbs compared to 25,710 million lbs in August's estimate. Imports in September are lowered to 450 million lbs compared to 600 million lbs. Biofuel use in September is lowered to 11,000 million lbs compared to 11,500 million lbs in August. Food, feed and other industrial use in September estimate is increased to 14,000 million lbs compared to 13,700 million lbs in August. Exports is also lowered to 1,250 million lbs compared to 1,450 million lbs last month. Average price range estimate of August is same as of July at 65.0 cents per lb.
- The U.S. Department of Agriculture monthly supply and demand report for the month of September forecasts U.S. 2020/21 soybean end stocks at 185 million bushels higher than previous estimate of 155 million lbs. Opening stocks in September 2020/21 have increased to 175 million bushels compared to 160 million bushels in August. Soybean production in September estimate is increased to 4,374 million bushels compared to 4,339 million bushels in August. U.S. soybean exports estimate in September are also increased to 2,090 million bushels compared to 2,055 million bushels in August. Import's estimate is lowered to 25 million bushels compared at 35 million bushels last month. Crush have lowered to 2,180 million bushels compared to 2,205 million bushels. Seed use in 2020/21 is same at 104 million bushels. Residual use is kept unchanged at 14 million bushels. Average price range is lowered to 12.90 cents/bushel compared to 13.70 cents/bushel August month's estimate.

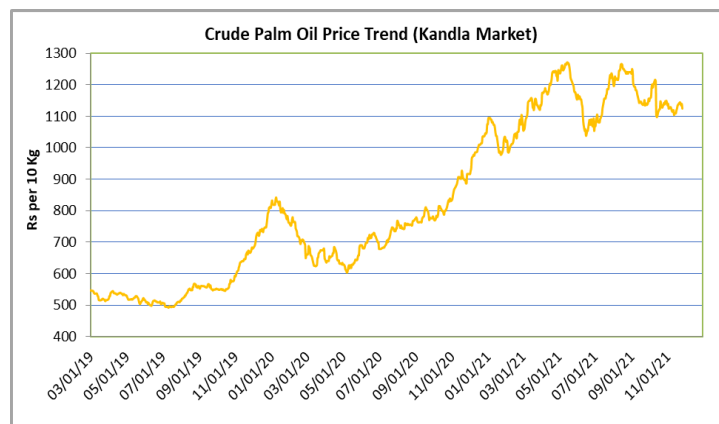


Price Outlook: We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1220-1280 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook :-

Domestic Front

- Crude palm oil (CPO) witnessed sideways trend in prices at its benchmark market at Kandla.
- Rally in international market is due to low production and tight end stock.
- Prices are also supported by low palm oil October's import.
- Currently International palm oil prices are correcting downwards as market fears over appearance of new covid variant.
- Domestic prices are also supported by HoReCa sector as demand is firming up and prices are supported from international palm oil gains.
- UP Government stated the limits for Retailer at 10 quintals to 250 quintals. Limits for wholesalers stand at 50 quintals to 500 quintals. Telangana governments has laid out stock limits: limits for Retailer are up to 100 quintals, Stock limits for wholesalers are at 370 quintals to 5500 quintals and for Manufactures and Producers one month's production capacity or 3 years production average per month, whichever is higher.
- The government of India revised Basic Custom Duty and Agricultural Cess on Edible oil to curb rising prices. Despite consecutive revisions in import duties prices were moving up. Import duty on Crude Soy oil, crude palm oil, and crude sunflower oil is slashed to zero, while refined oil of soy oil, palm oil, and sunflower oil duty stands at 17.5 percent from 32.5 percent. Agriculture cess on crude palm oil is revised to 7.5 percent and cess on crude soy oil and crude sunflower oil stands at 5 percent.
- 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 October edible oil imports fell 14.29 percent y-o- y to 10.49 lakh tons from 16.98 lakh tons in October 2020. Palm oil imports fell 9.81 percent y-o-y to 6.84 lakh tons from 7.58 lakh tons in October 2020. CPO imports fell 16.86 percent y-o-y in October 2021 to 6.26 lakh tons from 7.53 lakh tons in October 2020. RBD palmolein import fell to 0.58 lakh tons in October 2021 compared to 0.05 lakh tons imports in October 2020. Soy oil imports fell 22.02 percent in October y-o-y to 2.16 lakh tons from 2.77 lakh tons in October 2020. Sunflower oil imports fell 31.76 percent in October y-o-y to 1.16 lakh tons from 1.70 lakh tons in October 2020. Rapeseed (canola) oil stood at 19,125 tons imports in October compared to zero imports in last year for same period.



- According to Solvent Extractors Association (SEA), India's November edible oil stocks at ports and pipelines fell by 14.96 percent m-o-m to 17.05 lakh tons from 20.05 lakh tons in October 2021. Stocks of edible oil at ports in October is estimated at 565,000 tons (CPO 190,000 tons, RBD Palmolein 165,000, Degummed Soybean Oil 110,000 tons, Crude Sunflower Oil 85,000 tons and Rapeseed Oil 15,000 tons) and pipeline stock at 1,140,000 tons. Stocks at ports were 845,000 tons and in pipelines were 1,160,000 tons, in October 2021. India is presently holding 21 days of edible oil requirement on 1st October, 2021 at 17.05 lakh tons compared to 30 days of requirements of 20.05 lakh tons on 1st October 2021. India held 15.78 lakh tons of stocks in ports and pipelines on 1st November 2020. India's monthly edible oil requirement is 21.0 lakh tons.
- Palm oil import scenario – According to Solvent Extractors Association (SEA), Palm oil imports in October fell 9.81 percent y-o-y to 6.84 lakh tons from 7.58 lakh tons in October 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), Palm oil for period of Nov.20- Oct'21 saw rise in imports to 83.21 lakh tons compared to 72.12 lakh tons in corresponding period last oil year, higher by 15.37 percent compared to corresponding period last oil year.
- Crude Palm oil import scenario- According to Solvent Extractors Association (SEA), CPO Imports rose 37.23 percent y-o-y in October 2021 to 8.44 lakh tons from 6.15 lakh tons in October 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), Crude palm oil for period of Nov.20- Sep'21 saw rise in imports to 68.64 lakh tons compared to 59.12 lakh tons in corresponding period last oil year, higher by 16.10 percent compared to corresponding period last oil year.
- RBD palmolein import scenario- RBD palmolein Imports rose to 3.97 lakh tons in October 2021 compared to 0.12 lakh tons imports in October 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), RBD Palmolein oil for period of Nov.20- Sep'21 saw rise in imports to 6.28lakh tons compared to 4.16 lakh tons in corresponding period last oil year.
- On the trade front, CNF CPO (Indonesian origin) at Indian port is quoted at USD 1445 (USD 1435) per ton for Nov delivery and Dec delivery is quoted at USD 1440 (USD 1395) per ton. Last month, CNF CPO Oct average price is at 1316.76 per ton (USD 1238.54 per ton in Sep 2021). Values in brackets are figures of last week. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 1370 (USD 1370) per ton for Nov delivery and Dec delivery is quoted at USD 1320 (USD 1327.5) per ton. Last month, CIF RBD palmolein Sep average price is USD 1343.56 (USD 1224 in Sep 2021) per ton. Values in bracket depict last month quotes. Ready lift CPO duty paid prices quoted at Rs 1125 (Rs 1135) per 10. Ready lift RBD palmolein is quoted at Rs 1190 (Rs 1195) per 10 kg as on Nov 27, 2021. Values in brackets are figures of last week.
- On the parity front, margins rose for CPO while fell for RBD palm olein during this week with down trend in prices of palm oil in India markets.

International Front

Palm oil prices are rallying on good export demand and tight end stock.

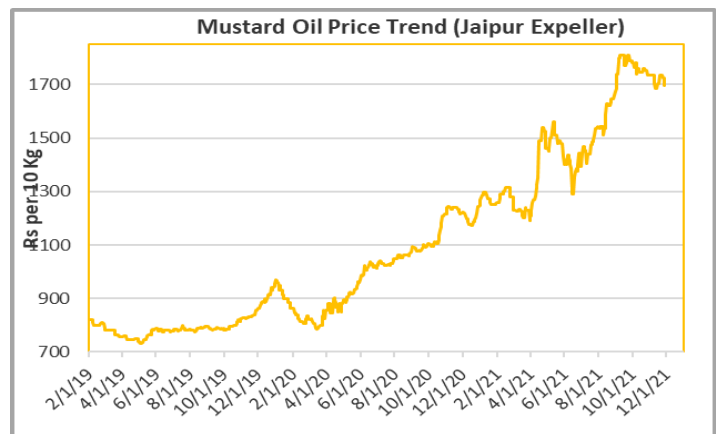
- Indonesia and Malaysia have entered low production months that will maintain tight end stock and prices will sustain an uptrend.
- Malaysia government has announced a special approval to bring in 32,000 foreign workers for the plantation sector
- Recently Indonesia Government has laid out there plans to stop palm oil raw material exports in upcoming years and to focus on exporting finished palm oil products which will be beneficial to Malaysia.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's October Crude palm oil stocks rose 5.97 percent to 9.86 lakh tons compared to 9.30 lakh tons in September 2021. Production of palm oil in September rose 1.30 percent to 17.25 lakh tons compared to 17.03 lakh tons in September 2021. Exports of palm oil in October fell 12.03 percent to 14.17 lakh tons compared to 16.11 lakh tons in September 2021. Imports of palm oil in October rose to 50,450 tons from 74,992 tons of imports in previous month. Stocks of palm oil rose to trade expectation of rise in stocks due to fall in exports.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's September Crude palm oil stocks fell 2.27 percent to 9.30 lakh tons compared to 9.52 lakh tons in August 2021. Production of palm oil in September fell 0.386 percent to 17.03 lakh tons compared to 17.10 lakh tons in August 2021. Exports of palm oil in September rose 36.83 percent to 15.97 lakh tons compared to 11.67 lakh tons in July 2021. Imports of palm oil in September fell to 74,992 tons from 91,408 tons of imports in previous month. Stocks of palm oil fell to trade expectation of fall in stocks due to high exports.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's September Crude palm oil stocks fell 2.27 percent to 9.30 lakh tons compared to 9.52 lakh tons in August 2021. Production of palm oil in September fell 0.386 percent to 17.03 lakh tons compared to 17.10 lakh tons in August 2021. Exports of palm oil in September rose 36.83 percent to 15.97 lakh tons compared to 11.67 lakh tons in July 2021. Imports of palm oil in September fell to 74,992 tons from 91,408 tons of imports in previous month. Stocks of palm oil fell to trade expectation of fall in stocks due to high exports.

Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1110-1180 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis-

Domestic Front

- Mustard oil prices traded down for the previous week in review.
- Prices are correcting as market fears over new variant of covid appears.
- Prices are strengthening on back of tight supply side and firm demand. Prices will be underpinned by high international canola prices.
- Arrival is also slow and mustard oil demand increases in winter season supporting upward price movement.
- According to the data released by SEA, India imported 19,125 tons of rapeseed oil during October month this year. Rapeseed oil imports amid tight supply has provided some slack on supply side, while firm demand has underpinned the prices.
- According to Department of agriculture, Rajasthan, as on 18th Nov, Rapeseed Mustard sowing is up by 44% and stood at 30.93 lakh hectare vs 21.51 lakh hectare last year same period. Mustard sowing expected to end with 18-20% increase in acreage.
- According to GOI, as on 12 Nov, Mustard sowing is up by 24% at 56.28 Lakh Ha compared with 45.37 Lakh Ha last year.
- Rajasthan Government have declared stock limit for edible oil and oil seeds. Stock limit for Mustard seed, Toria, Taramira and Rayda is laid out as Wholesaler 2000 Qtl and Retailer 100 Qtl. Stock limit for Mustard oil, Toria oil, Rayda oil and Taramira oil is laid out as Wholesaler 300 Qtl and Retailer 10 Qtl.
- Premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market is at Rs 480 per 10 Kg compared to Rs 515 per 10 Kg last week.
Jaipur kacchi ghani rapeseed oil premium over RBD palmolein is at Rs 545 per 10 kg compared to Rs 580 per 10 Kg last week.
- According to Solvent Extractor Association (SEA), Rapeseed oil import scenario- India imported 19,125 tons rapeseed (Canola) oil in September 2021 compared to no import in October 2020. For the current oil year 2020-21 (Nov 2020 -October 2021), soy oil for period of Nov.20- Oct'21 saw fall in imports to 0.52 lakh tons compared to 0.55 lakh tons in corresponding period last oil year.

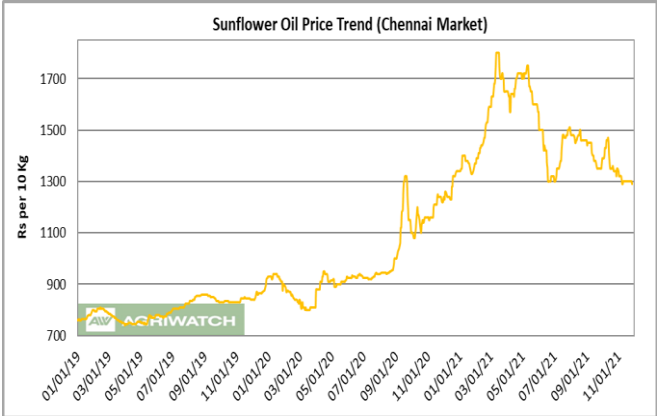


- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 1,695 (Rs 1,735) per 10 Kg, and at Kota market, it is offered at Rs 1,650 (Rs 1,680) per 10 kg as on November 27, 2021. Values in brackets are figures of last week.

Price Outlook: Rapeseed Expeller oil (without GST) prices in Jaipur may stay in the range of Rs 1675-1750 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil price traded down for the previous week in review in Chennai market.
 - Prices are firm backed by rising international prices.
 - International prices are rising backed by firm global demand and taking cue from rising prices of competing oils.
 - Domestic prices are also supported by low October month's sun oil import.
- 

The chart, titled 'Sunflower Oil Price Trend (Chennai Market)', displays the price of sunflower oil in Rs per 10 kg from January 2019 to November 2021. The y-axis ranges from 700 to 1700 in increments of 200. The x-axis shows dates from 01/01/19 to 11/01/21. The price starts around 800 in early 2019, remains relatively stable until mid-2020, then rises sharply to a peak of approximately 1700 in early 2021. It then experiences a significant drop to around 1300 in mid-2021, followed by a recovery to about 1500 by late 2021. The chart includes an 'AIW AGRIWATCH' logo in the bottom left corner.
- Government have scraped off import duty on crude sun oil from 2.5 percent. While, import duty on refined sun oil was revised down to 17.5 percent from 32.5 percent.
 - According to APK Inform, EFKO Group of Companies at the international Middle East Grains Oils Congress, estimates Russia to export 3.7 MT of sunflower crude oil in 2021/22 year. India is to remain third highest importer of Russia's sun crude oil with estimated quantity at 4.8 MT.
 - In domestic market, sunflower oil prices premium over soy oil is at Rs 35 (Rs 25 last week) per 10 kg, At present discount of sunflower oil over soy oil at CNF markets is at USD 96 (discount of USD 34 last week) per ton which indicates that sunflower oil prices is covering with soy oil at domestic markets and while diverging at CNF markets.
- In domestic market, refined sunflower oil (Chennai) premium over RBD palmolein (Kandla) is at Rs 100 (Rs 150) per 10 kg which is low compared to last week and will support sunflower oil in domestic market.
- In domestic market, Sunflower oil (Chennai) is at discount over Groundnut oil at Chennai market is at Rs 35 (discount of Rs 50 last week) per 10 kg will support sunflower oil prices.
- Sunflower oil imports scenario- According to Solvent Extractors Association (SEA), Sunflower oil imports fell y-o-y in October 2021 to 1.16 lakh tons from 1.70 lakh tons in October 2020 and on m-o-m comparison imports are down compared to 1.81 lakh tons in September 2021.
 - On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 1480 (USD 1465 per ton for Nov delivery and Dec delivery quoted at USD 1475 (USD 1455) per ton. CNF sun oil (Ukraine origin) Oct monthly average was at USD 1454.04 per ton compared to USD 1365.84 per ton in Sep. Prices are likely to stay in the range of USD 1420-1460 per ton in the near term. Values in brackets are figures of last week.



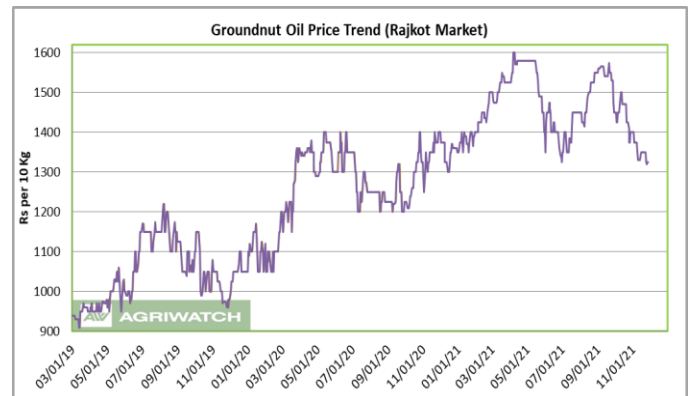
- Currently, refined sunflower oil at Chennai market is Rs 1,290 (Rs 1,300) per 10 Kg, and at Kandla/Mudra market, it is offered higher at Rs 1300 (Rs 1300) per 10 kg as on November 27, 2021. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade sideways in the coming days.

Price Outlook: Sunflower oil (without GST) prices in Chennai may stay in the range of Rs 1280-1350 per 10 Kg.

Groundnut oil Fundamental Review and Analysis:-

Domestic Front

- Groundnut oil market prices showed downtrend in the previous week.
- Prices are moving sideways while slow arrivals will support prices.
- Despite higher crop production in Gujarat, arrivals have tightened on expectation of higher prices in later months.
- Groundnut's Gujarat crop production is estimated higher, while overall groundnut production is expected to be smaller compared to last year (85.56 lakh tons).
- Solvent Extractor Association of India (SEA) has estimated Gujarat's Kharif Groundnut crop production 8.74% up at 38.55 Lakh tons from an acreage of 19.10 Lakh ha as compared to 35.45 lakh tones previous year. Gujarat's present year's average yield for groundnut stands at 2020 kg/ha against the average yield of 1715 kg/ha last year, which is nearly up by 18% compared to last year.
- Indian Oilseeds & Produce Export Promotion Council (IOPEPC) presented Kharif crop Scenario 2021 for Sesame Seeds and Groundnut in their 3rd IOPEPC Global Oilseed Conference (IGOC) held on 21st October 2021. As per their estimates, all India coverage of Kharif-2021 Groundnut stood at 49,14,300 ha. The production is estimated to be 82,03,490 tones with an average yield of 1669 kg/ha. The highest groundnut producing state, Gujarat's groundnut production is estimated at 39.55 lakh tones with an average yield of 2071 kg/ha. IOPEPC's groundnut Kharif-2021 crop estimates are in close conformity with the government's First Advance estimate of 82.54 lakh tones. As per 1st Advance Estimates, released by the Department of Agriculture and Farmers Welfare, the estimated production of kharif groundnut during 2021-22 is 82.54 lakh tons vs 85.56 lakh tons last year.
- Groundnut oil prices corrected earlier following correction in competing oils and higher domestic Kharif groundnut crop production estimates.
- Groundnut oil exports scenario- India exported 1,109.84 tons Groundnut oil in September 2021 v/s 9,387.35 tons export in September 2020 lowered by 88.18 percent. It was mainly exported to China at 960.79 tons.
- On the price front, currently the groundnut oil prices in Rajkot is Rs 13500 (Rs 13,500) per quintal and it was Rs 13,800 (Rs 13,800) per quintal in Chennai market on November 22, 2021. Values in brackets are figures of last week.



Price Outlook:

Groundnut oil (without GST) in Rajkot market is likely to trade in the price band of Rs 1300-1375 per 10 Kg

Coconut Oil Fundamental Review and Analysis:-

Domestic Front

- The Coconut oil prices at benchmark market of Kanyan corrected downwards. The demand is slow despite correction in prices.
- Heavy rains in Tamil Nadu and parts of Kerala have over past month have lowered the demand.
- Demand of coconut oil in home consumption is slow as cheaper oils are available.

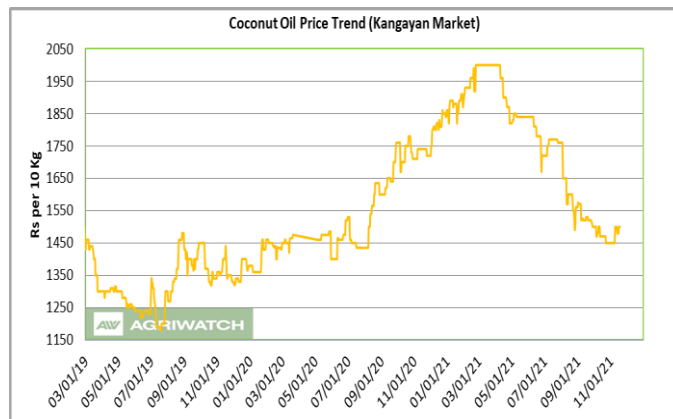
Demand of coconut oil in Cosmetic Industry are

slow and expected to get back to normal as demand is firing up.

Millers operating capacity has also slowed down amid sluggish demand in food and industrial segment and branded segment.

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

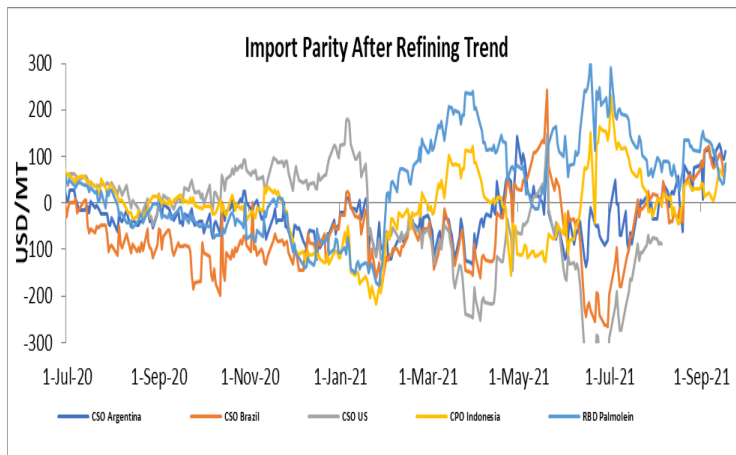
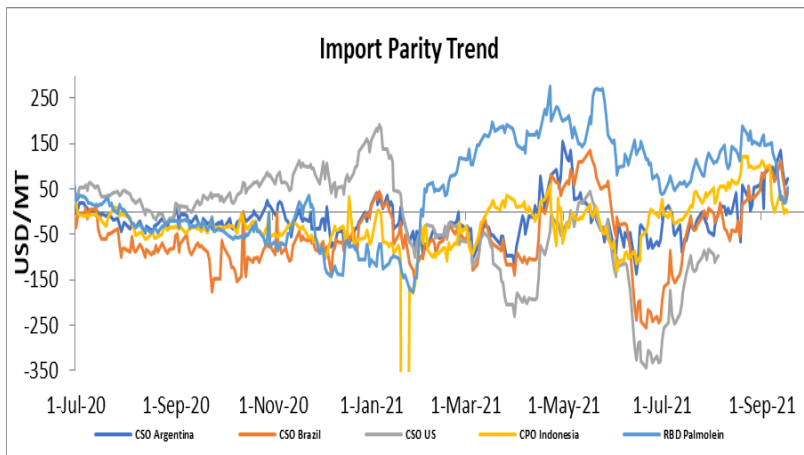
- Coconut oil exports scenario- India exported 1,410.41 tons Coconut oil in September 2021 v/s 1,1219.91 tons export in September 2020.
- On the price front, currently the coconut oil prices in Kochi are hovering remain at Rs 16,400 (Rs 16,400) per quintal and was quoted at 14,700 (Rs 15,100) per quintal in Erode market on November 27, 2021.



Price Outlook: Coconut oil (without GST) prices in Erode may stay in the range of Rs 1460-1510 per 10 Kg.

Import Parity Trend

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



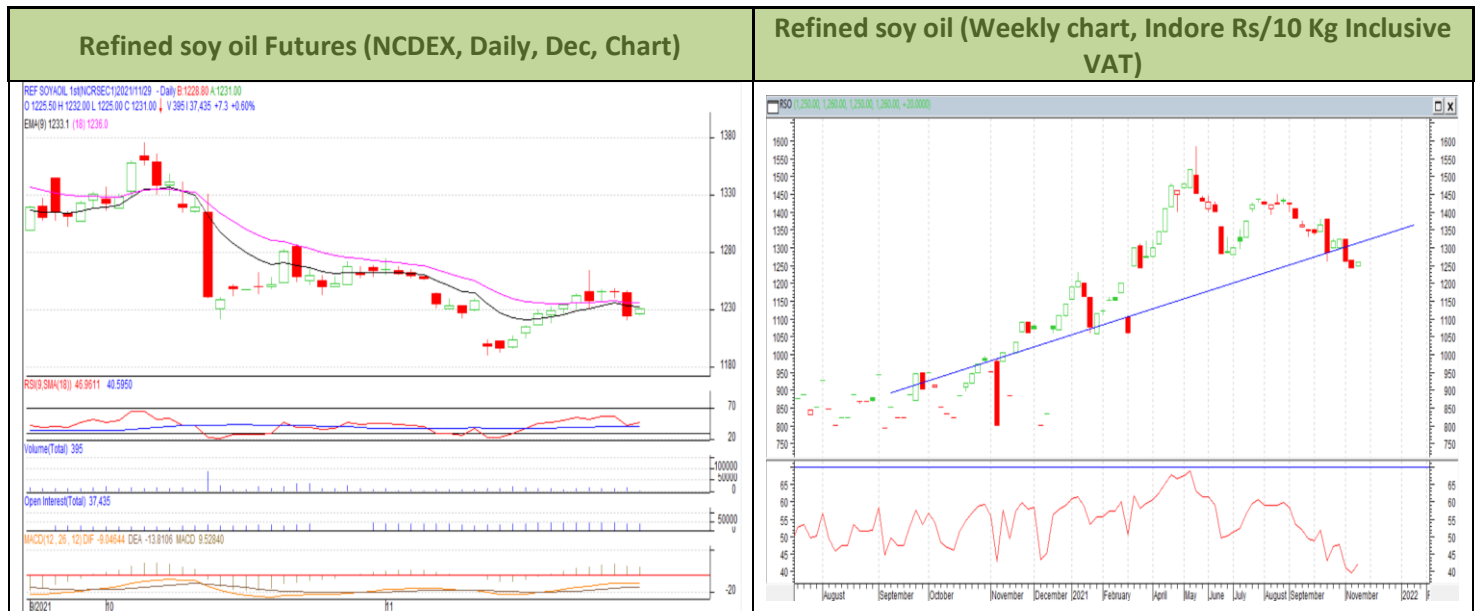
	CSO Argentina	CSO Brazil	CPO Indonesia	RBD Palm olein
Nov 8-Nov 14, 2021	100.56	92.71	13.49	122.31
Nov 15-Nov 21, 2021	108.47	83.88	69.06	53.93
Nov 22-Nov 28, 2021	71.81	87.97	31.68	136.15

Outlook:-

Refining margins for CSO Argentina achieved parity compared previous months as prices of soy oil in international markets traded sideways on back of downgrade in crop condition in US and rains in parts of US. We expect soy oil refining margin to retain parity for the present month.

Refining margin parity rose for CPO. RBD palm olein refining margin parity is lower than CPO parity. CPO parity rose as demand rose amid correction in import duty. We expected CPO to retain parity in medium term.

Technical Analysis (Refined soy oil)



Outlook – Refined soybean oil witnessed downtrend during the week in review and is likely to trade sideways in the coming week.

- Daily chart of refined soy oil at NCDEX depicts sideways trend during the upcoming week in review. We expect prices to trade sideways.
- Prices may hover between 1220-1280 levels.
- Expected price band for next week is 1200-1265 level in near to medium term. RSI and MACD are in neutral zone.

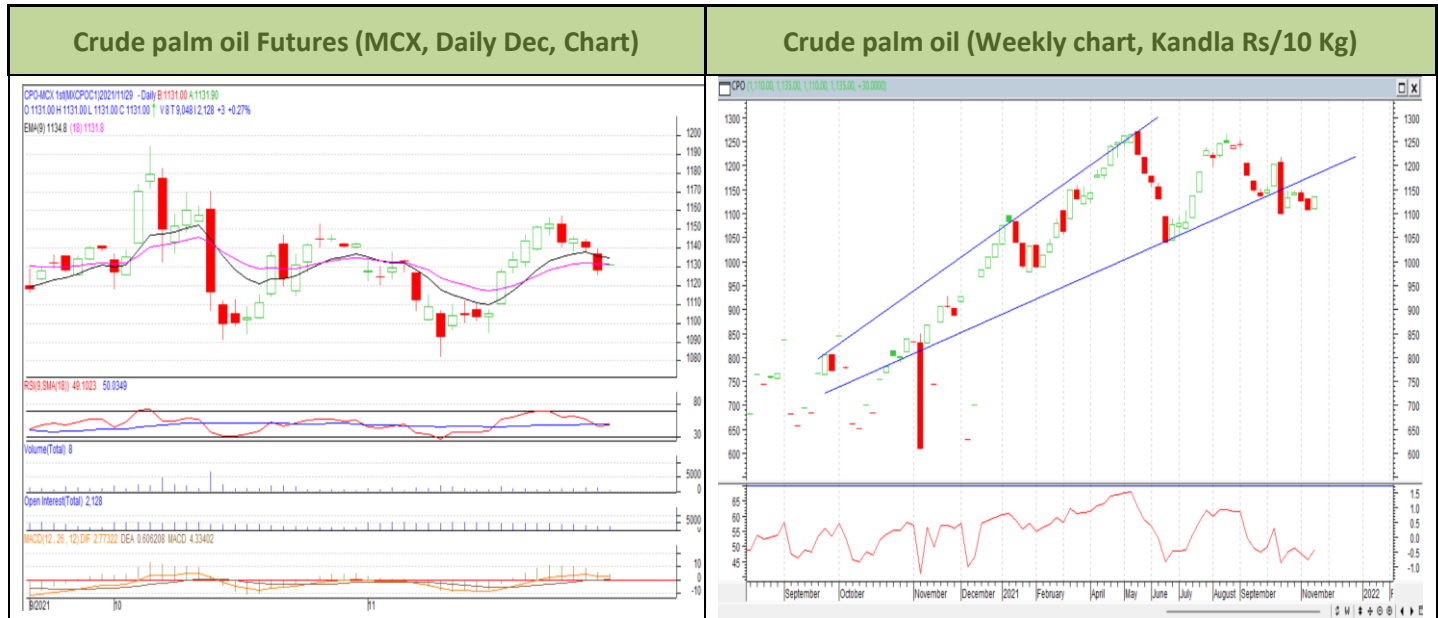
Strategy: Market participants are advised to go short in RSO below 1240 for a target of 1220 and 1210 with a stop loss at 1245 on closing basis.

RSO NCDEX (Dec)

Support and Resistance				
S2	S1	PCP	R1	R2
1193.23	1208.47	1223.7	1251.47	1279.23

Spot Market outlook: Refined soy oil Indore (without GST) is likely to stay in the range of Rs 1220-1280 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 Dec contract to trade sideways.

- Candlestick in weekly chart of crude palm oil at MCX depicts sideways trend in the prices. We expect the commodity to trade sideways in the near term.
- Price may range from Rs 1100-1160.
- Expected price band for next week is 1100-1130 level. RSI and MACD are in neutral zone.

Strategy: Market participants are advised to go short in CPO below 1120 for a target of 1110 and 1105 with a stop loss at 1125 on closing basis.

CPO MCX (Dec)

Support and Resistance				
S2	S1	PCP	R1	R2
1076.03	1091.87	1107.7	1136.77	1165.83

Spot Market outlook: Crude palm oil (without GST) is likely to stay in the range of Rs 1110-1160 per 10 Kg.

Veg. Oil Prices at Key Spot Market

Edible Oil Spot Prices at key Markets:

Commodity	Centre	Prices (Per 10 Kg)		Change
		27-Nov-21	20-Nov-21	
Refined Soybean Oil	Indore	1255	1260	-5
	Indore (Soy Solvent Crude)	1210	1215	-5
	Mumbai	1250	1250	Unch
	Mumbai (Soy Degum)	1200	1205	-5
	Kandla/Mundra	1240	1245	-5
	Kandla/Mundra (Soy Degum)	1195	1205	-10
	Kolkata	1250	1245	5
	Delhi	1496	1496	Unch
	Rajkot	1220	1230	-10
	Kota	1250	1260	-10
	Bundi	1260	1270	-10
	Argentina Crude Soya (CIF India) USD	1496	1437	59
	Argentina Crude Soya (FOB)	1442	1387	55
Palm Oil*	Kandla (Crude Palm Oil)	1125	1135	-10
	Kandla (RBD Palm oil)	1170	1175	-5
	Kandla RBD Pamolein	1190	1195	-5
	Kakinada (Crude Palm Oil)	1105	1080	25
	Kakinada RBD Pamolein	1185	1190	-5
	Haldia Pamolein	1185	1205	-20
	Chennai RBD Pamolein	1195	1200	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1251	1256	-5
	Krishnapattanam RBD Pamolein	1180	1195	-15
	Mumbai RBD Pamolein	1200	1205	-5
	Mangalore RBD Pamolein	1205	1210	-5
	Mumbai (Refined)	1190	1180	10
	Rajkot (Refined)	1210	1165	45
	Chennai (Refined)	1190	1190	Unch
	Hyderabad (Refined)	1250	1175	75
	PFAD (Kandla)	970	945	25
	RPS (Kandla)	1120	1125	-5
	Superolien (Kandla)	1220	1230	-10
	Superolien (Mumbai)	1230	1235	-5
	Kochi (RBD Palmolein)	-	1197	-
	Krishnapattanam (Crude Palm Oil)	1105	1080	25
Refined Sunflower Oil	Chennai (Refined)	1290	1300	-10

	Chennai (Crude)	1220	1240	-20
	Mumbai (Refined)	1300	1310	-10
	Mumbai(Expeller Oil)	1210	1210	Unch
	Kandla (Refined)	1300	1300	Unch
	Hyderabad (Refined)	1300	1300	Unch
	Hyderabad (Expeller)	1250	1235	15
	Latur (Refined)	1250	1260	-10
	Latur (Expeller Oil)	1200	1210	-10
	Chellakere (Expeller Oil)	1240	1240	Unch
	Erode (Expeller Oil)	1330	1320	10
	Kakinada (Refined)	1280	1300	-20
	Krishna Pattanam (Refined)	1280	1300	-20
Groundnut Oil	Rajkot	1325	1350	-25
	Chennai	1380	1380	Unch
	Hyderabad *	1430	1400	30
	Mumbai	1350	1370	-20
	Gondal	1325	1350	-25
	Jamnagar	1325	1350	-25
	Gujarat GN Telia	2090	2125	-35
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1695	1735	-40
	Jaipur (Kacchi Ghani Oil)	1735	1775	-40
	Kota (Expeller Oil)	1650	1680	-30
	Kota (Kacchi Ghani Oil)	1715	1760	-45
	Neewai (Expeller Oil)	1705	1735	-30
	Neewai (Kacchi Ghani Oil)	1725	1765	-40
	Bharatpur (Kacchi Ghani Oil)	1650	1700	-50
	Sri-Ganga Nagar(Exp Oil)	1670	1720	-50
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1710	1760	-50
	Mumbai (Expeller Oil)	1710	1690	20
	Kolkata(Expeller Oil)	1780	1800	-20
	New Delhi (Expeller Oil)	1720	1760	-40
	Hapur (Expeller Oil)	1800	1800	Unch
	Hapur (Kacchi Ghani Oil)	1830	1830	Unch
	Agra (Kacchi Ghani Oil)	1655	1705	-50
Refined Cottonseed Oil	Rajkot	1275	1275	Unch
	Hyderabad	1260	1265	-5
	Mumbai	1270	1270	Unch
	New Delhi	NR	0	-
	Gujarat Cotton Wash	1225	1260	-35

Coconut Oil	Kangayan (Crude)	1470	1510	-40
	Cochin	1680	1680	Unch
Rice Bran Oil	Punjab 4%)	1230	1240	-10
	Bhatinda (Crude 4%)	1000	1040	-40
	Bhatinda (Refined 4%)	1115	1155	-40
Malaysia Palmolein USD/MT	FOB	1330	1375	-45
	CNF India	1350	1410	-60
Indonesia CPO USD/MT	FOB	1380	1435	-55
	CNF India	1400	1440	-40
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	2240	-
Ukraine Origin CSFO USD/MT Kandla	CIF	1490	1485	5
Argentina FOB (\$/MT)		26-Nov-21	19-Nov-21	Change
Crude Soybean Oil Ship		1405	1375	30
Refined Soy Oil (Bulk) Ship		1454	1423	31
Sunflower Oil Ship		1400	1400	Unch
Cottonseed Oil Ship		1385	1355	30
* Indicates including GST				

**Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons.
The prices are exclusive of GST duty.**

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