

# 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 sideways trend during this week in domestic market. CBOT soy oil and BMD palm oil prices quoted uptrend during the week. Mustard oil, Coconut oil and Sunflower oil traded down, while Palm oil, Soy oil and Groundnut oil traded up.*

*On the currency front, Indian rupee is hovering near 74.31 against 75.76 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 -: SEBI has imposed ban on future trading of Soy oil and Crude palm oil.*

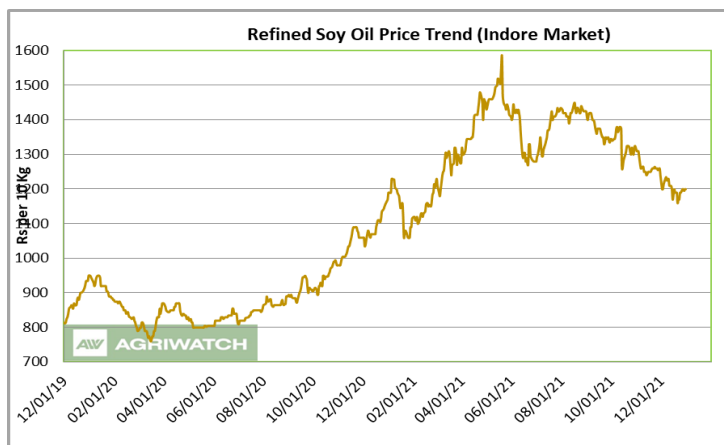
#### *International Veg. Oil Market Summary*

*On the international front, rising US Soy oil stock, yields of US Soybean crop, Soybean crop condition 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, flooding in Malaysia, supply chain interruption, 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 rising trend at its benchmark market for the week in review.
- CBOT Soy oil moved up over downgrading condition of soybean crop in Argentina and Brazil.
- International soy oil prices are supporting domestic prices along with slow domestic seed arrivals.
- SEBI has imposed ban on future trading of Soybean oil for one year, will push prices down.
- 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 Nov average price was USD 1458.13 (USD 1450.48.69 per ton in Oct 2021) per ton. Soy refined (Indore) quoted at Rs 1215 (Rs 1260 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 traded up over concerning crop condition in Argentina and Brazil. Dry and Hot weather is prevalent in North Argentina and Southern Brazil with low precipitation.
- Dry weather due to La Nina is affecting soybean crop condition in southern Brazil states, Rio Grande do Sul is majorly affected. Argentina is also expecting 25 percent less than normal rainfall in December.
- CBOT Soy oil prices corrected downwards as US EPA proposes cut in biofuel mandate. The U.S. Environmental Protection Agency (EPA), set total renewable fuel volumes at 17.13 billion gallons for 2020, down from previously set volume for last year of 20.09 billion gallons. The volumes set for year 2021 is 18.52 billion gallons and for year 2022 volumes is 20.77 billion gallons.
- China diverts to Brazil for Soybean imports as US delays the shipments.
- 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.

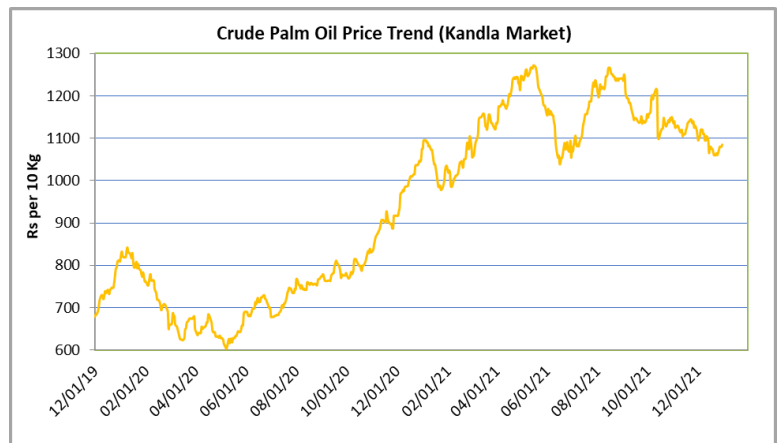
- As on 18th Nov, according to Buenos Aires Grains Exchange, Argentina's Soybean sowing has commenced and 28.6% sowing have been completed Vs 31.3% last year same period and 31.5% five-year average. farmers are expected to sow 16.5 million hectares, the smallest in the last 15 years.
- According to Ag 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.

**Price Outlook:** We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1190-1250 per 10 Kg in the near term.

### Palm oil Fundamental Analysis and Outlook -:

#### Domestic Front

- Crude palm oil (CPO) witnessed uptrend in prices at its benchmark market at Kandla.
- Prices rose following rising international palm oil prices.
- International palm oil prices were supported by low production and is expected to support domestic prices for coming months.
- Rising competing soy oil has also underpinned palm oil prices.
- 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 1420.78 per ton (USD 1316.76 per ton in Oct 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 1386.86 (USD 1343.56 in Oct 2021) per ton. Values in bracket depict last month quotes. Ready lift CPO duty paid prices quoted at Rs 1105 (Rs 1125) per 10. Ready lift RBD palmolein is quoted at Rs 1180 (Rs 1190) per 10 kg as on Dec 25, 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

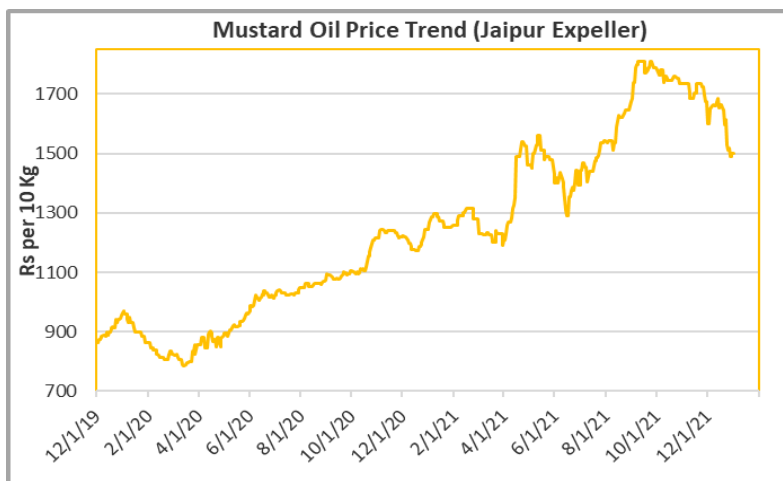
- Palm oil prices were supported by low production and firm demand.
- Heavy rainfalls in Malaysia have caused flooding in Malaysia Peninsula will support palm oil prices.
- Indonesia and Malaysia are expected to receive heavy rainfall in Jan-March 2022 due to La Nina which might cause flood like situation.
- Malaysia and Indonesia are in talks to send 5000- 10000 Indonesian workers to Malaysia to curb labor shortages. Agreement is yet to be signed.
- Indonesia and Malaysia have entered low production months that will maintain tight end stock and prices will sustain an uptrend.
- 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 fell 4.45 percent to 9.42 lakh tons compared to 9.86 lakh tons in October 2021. Production of crude palm oil in November fell by 5.27 percent to 16.34 lakh tons compared to 17.25 lakh tons in October 2021. Exports of palm oil in November rose by 3.30 percent to 14.67 lakh tons compared to 14.20 lakh tons in October 2021. Imports of palm oil in November rose to 97,092 tons from 50,450 tons of imports in previous month. Stocks of palm oil fell as expected by trade participants due to fall in production amid firm export demand.
- 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.

**Price Outlook:** We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1075-1125 per 10 Kg in the near term.



Rapeseed oil Fundamental Review and Analysis-Domestic Front

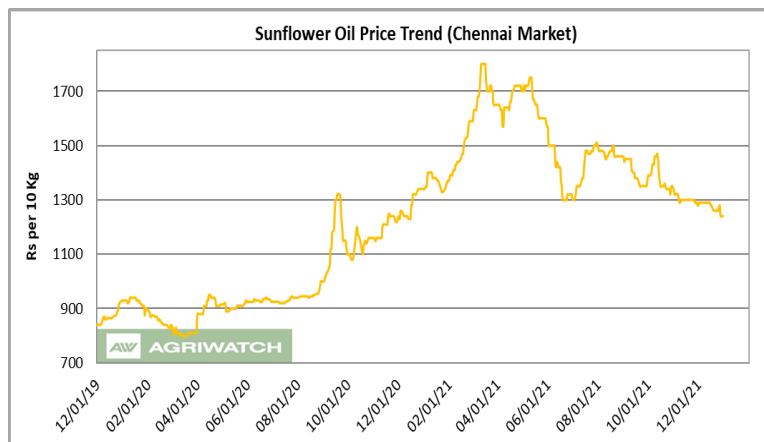
- Mustard oil prices traded down for the previous week in review.
- Prices are touched lowest prices of 1490 over increased arrivals while winter demand and tight supply side supported price and were backed to 1500 Rs.
- Mustard seed arrivals are currently steady in market.
- Rajasthan Government have 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.
- 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 GOI, as on 31st Dec, All India Mustard sowing is up by 22.5% at 88.54 Lakh Ha compared with 72.30 Lakh Ha last year.
- According to Department of agriculture, Rajasthan, as on 28<sup>th</sup> Dec, Rapeseed Mustard sowing is up by 120.98% and stood at 33.87 lakh hectare vs 24.78 lakh hectare last year same period
- Premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market is at Rs 300 per 10 Kg compared to Rs 320 per 10 Kg last week.
- Jaipur kacchi ghani rapeseed oil premium over RBD palm olein is at Rs 355 per 10 kg compared to Rs 385 per 10 Kg last week.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 1,500 (Rs 1,510) per 10 Kg, and at Kota market, it is offered at Rs 1,520 (Rs 1,530) per 10 kg as on December 31, 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 1600-1660 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-Domestic Front

- Sunflower oil price traded downwards for the previous week in review in Chennai market.
- Domestic prices are pressured following price correction in international sun oil.
- International prices are down pressuring from price correction of competing oils. For long term, prices are expected to rise as global demand has increased for sun oil.



- 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 40 (Rs 70 last week) per 10 kg, At present premium of sunflower oil over soy oil at CNF markets is at USD 36 (discount of USD 40 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 135) per 10 kg which is higher compared to last week. Small premium over soy oil 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 (Premium of Rs 10 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) Nov monthly average was at USD 1467.39 per ton compared to USD 1454.04 per ton in Oct. 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 1,240 (Rs 1,260) per 10 Kg, and at Kandla/Mudra market, it is offered higher at Rs 1250 (Rs 1250) per 10 kg as on December 31, 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 1230-1300 per 10 Kg.

**Groundnut oil Fundamental Review and Analysis:-****Domestic Front**

- Groundnut oil market prices showed rising trend for the previous week.
  - Prices are trading sideways in range of 1250-1300 from past two weeks as seeds are arriving in batches.
  - Prices are expected to remain sideways as farmers are releasing their produce slowly.
  - Prices are expected to rise as arrival are expected to tighten further.
- | Date     | Price (Rs per 10 Kg) |
|----------|----------------------|
| 12/01/19 | 1050                 |
| 02/01/20 | 1150                 |
| 04/01/20 | 1350                 |
| 06/01/20 | 1350                 |
| 08/01/20 | 1250                 |
| 10/01/20 | 1350                 |
| 12/01/20 | 1350                 |
| 02/01/21 | 1450                 |
| 04/01/21 | 1550                 |
| 06/01/21 | 1350                 |
| 08/01/21 | 1450                 |
| 10/01/21 | 1350                 |
| 12/01/21 | 1275                 |
- Groundnut rabi sowing is higher at 3.46 lakh Ha compared to 3.41 La Ha last year for same timeframe.
  - Groundnut oil exports scenario- India exported 618.94 tons Groundnut oil in October 2021 v/s26,487.90 tons export in October 2020 lowered by 80.16 percent. It was mainly exported to China at 425.91 tons.
  - On the price front, currently the groundnut oil prices in Rajkot is Rs 12,750 (Rs 12,500) per quintal and it was Rs 13,100 (Rs 12,800) per quintal in Chennai market on December 31, 2021. Values in brackets are figures of last week.

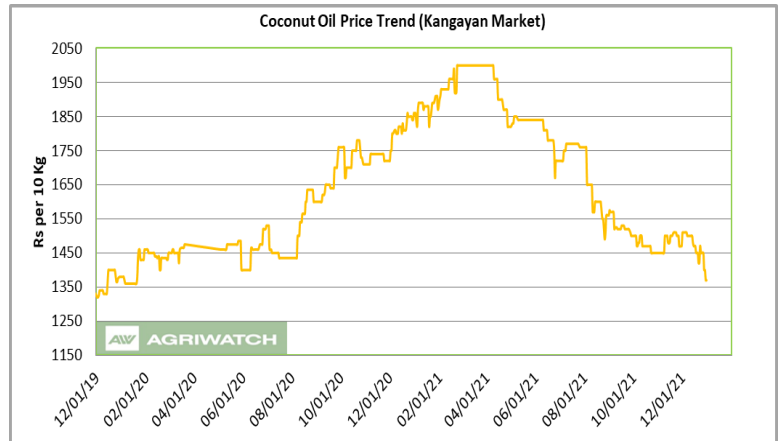
**Price Outlook:**

Groundnut oil (without GST) in Rajkot market is likely to trade in the price band of Rs 1275-1325 per 10 Kg

### Coconut Oil Fundamental Review and Analysis:-

#### Domestic Front

- The Coconut oil prices at benchmark market of Kangayan closed downwards due to slow demand.
- The demand is slow despite low prices compared to last month as cheaper competing oils are available.
- Copra prices were steady for the week due to slow demand.
- Demand of coconut oil in home consumption is slow.



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.

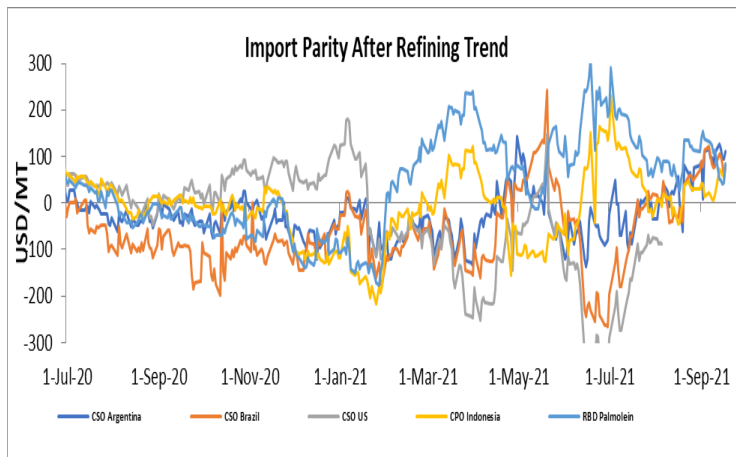
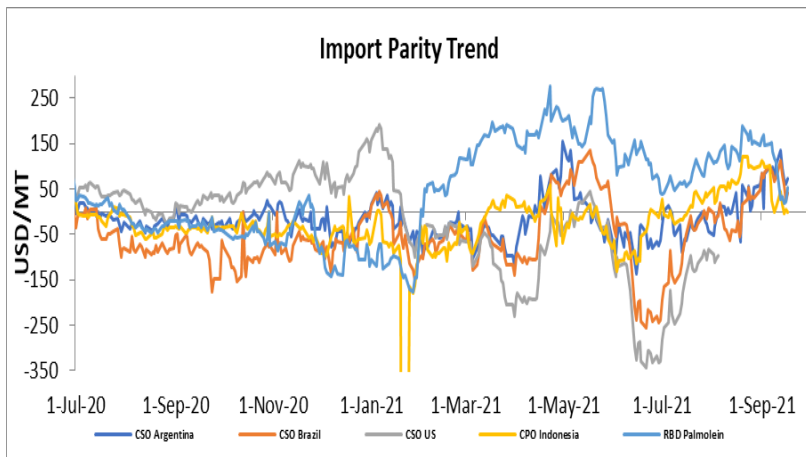
Coconut oil prices are expected to be sideways in days ahead.

- Coconut oil exports scenario- India exported 1,035.82 tons Coconut oil in October 2021 v/s 1,243.94 tons export in October 2020.
- On the price front, currently the coconut oil prices in Kochi are hovering remain at Rs 15,300 (Rs 15,900) per quintal and was quoted at 13,700 (Rs 14,500) per quintal in Erode market on December 31, 2021.

**Price Outlook:** Coconut oil (without GST) prices in Erode may stay in the range of Rs 1340-1400 per 10 Kg.

### Import Parity Trend

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

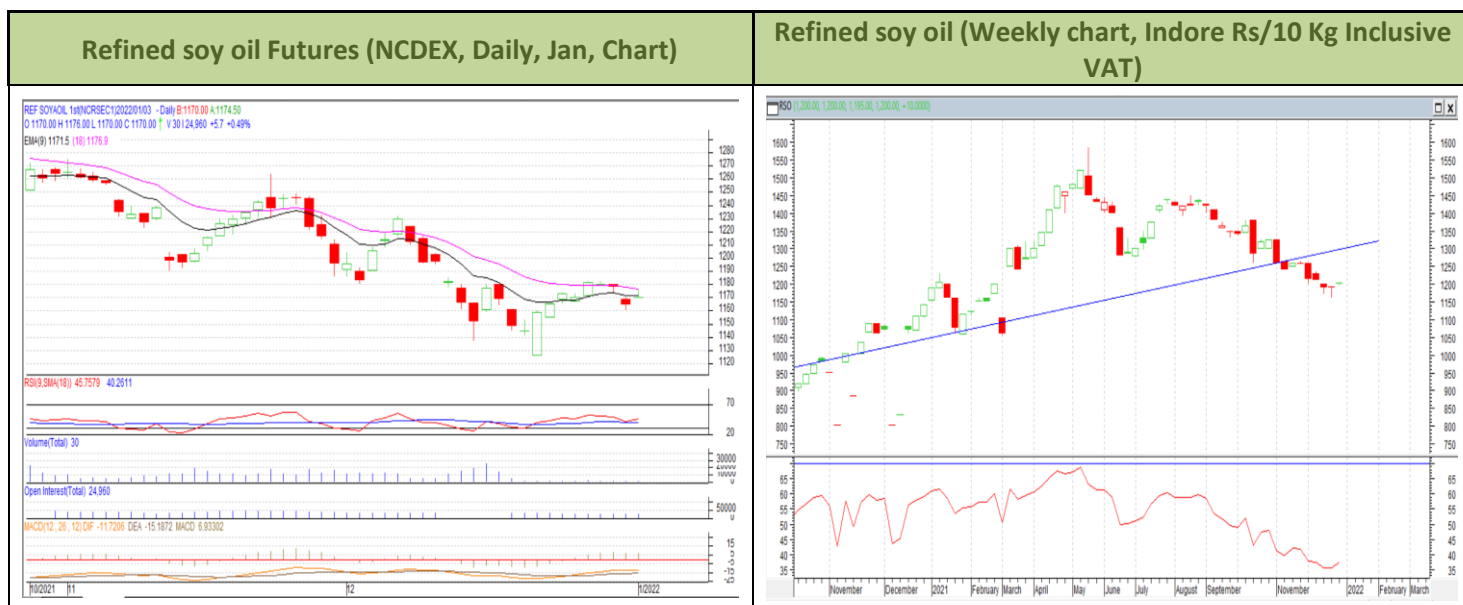


	CSO Argentina	CSO Brazil	CPO Indonesia	RBD Palm olein
<b>Dec 13-Dec 19, 2021</b>	64.86	83.45	56.27	117.97
<b>Dec 20-Dec 26, 2021</b>	81.71	85.1	52.33	102.68
<b>Dec 27- Jan 2, 2022</b>	71.81	87.97	54.3	136.15

### Outlook:-

Refining margins for CSO Argentina parity rose compared to previous weeks as prices of soy oil in international markets traded up on back of downgrade in crop condition in Argentina and Brazil. 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 higher than CPO parity. We expected CPO to retain parity in medium term.

**Technical Analysis (Refined soy oil)**


**Outlook** – Refined soybean oil witnessed uptrend during the week in review and is likely to trade up in the coming week.

- Daily chart of refined soy oil at NCDEX depicts rising trend during the upcoming week in review. We expect prices to trade up.
- Prices may hover between 1190-1250 levels.

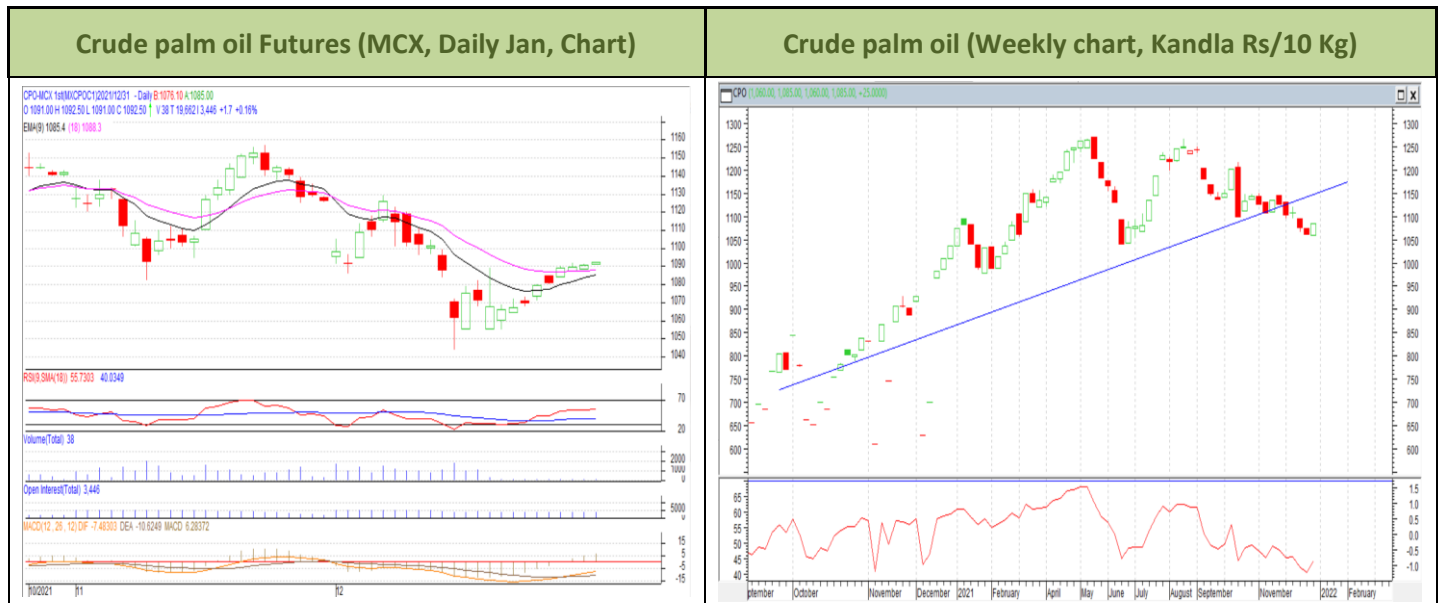
**Strategy:** No new Position as allowed due to SEBI ban on CPO

**RSO NCDEX (Jan)**

Support and Resistance				
S2	S1	PCP	R1	R2
-	-	-	-	-

**Spot Market outlook:** Refined soy oil Indore (without GST) is likely to stay in the range of Rs 1190-1250 per 10 Kg.

### Technical Analysis (Crude Palm oil)



**Outlook – Kandla Daily CPO spot prices showed uptrend in prices during the week. We expect that CPO Dec contract to trade up.**

- Candlestick in weekly chart of crude palm oil at MCX depicts rising trend in the prices. We expect the commodity to move up in the near term.
- Price may range from Rs 1075-1125.

**Strategy:** No new Position as allowed due to SEBI ban on CPO

#### CPO MCX (Jan)

Support and Resistance				
S2	S1	PCP	R1	R2
-	-	-	-	-

**Spot Market outlook:** Crude palm oil (without GST) is likely to stay in the range of Rs 1075-1125 per 10 Kg.



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

Commodity	Centre	Prices (Per 10 Kg)		Change
		31-Dec-21	24-Dec-21	
Refined Soybean Oil	Indore	1200	1190	10
	Indore (Soy Solvent Crude)	1145	1130	15
	Mumbai	1210	1200	10
	Mumbai (Soy Degum)	1150	1145	5
	Kandla/Mundra	1185	1175	10
	Kandla/Mundra (Soy Degum)	1145	1140	5
	Kolkata	1235	1195	40
	Delhi	1413	1413	Unch
	Nagpur	1215	1190	25
	Rajkot	1180	1170	10
	Kota	1200	1190	10
	Akola	1198	1177	21
	Amrawati	1215	1190	25
	Bundi	1210	1200	10
	Jalna	1205	1185	20
	Solapur	1200	1165	35
	Dhule	1200	1185	15
	Nanded	1200	1180	20
	Latur	1210	1165	45
	Argentina Crude Soya (CIF India) USD	1374	1410	-36
	Argentina Crude Soya (FOB)	1353	1354	-1
Palm Oil*	Kandla (Crude Palm Oil)	1085	1065	20
	Kandla (RBD Palm oil)	1125	1115	10
	Kandla RBD Pamolein	1140	1125	15
	Kakinada (Crude Palm Oil)	1050	1070	-20
	Kakinada RBD Pamolein	1135	1135	Unch
	Haldia Pamolein	1140	1125	15
	Chennai RBD Pamolein	1140	1140	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1198	1194	4
	Krishnapattanam RBD Pamolein	1135	1135	Unch
	Mumbai RBD Pamolein	1150	1140	10
	Mangalore RBD Pamolein	1145	1150	-5
	Mumbai (Refined)	1145	1130	15
	Rajkot (Refined)	1115	1120	-5
	Chennai (Refined)	1130	1140	-10
	Hyderabad (Refined)	1158	1160	-2

	PFAD (Kandla)	975	930	45
	RPS (Kandla)	1100	1085	15
	Superolien (Kandla)	1170	1155	15
	Superolien (Mumbai)	1180	1170	10
	Kochi (RBD Palmolein)	-	1145	-
	Krishnapattanam (Crude Palm Oil)	1050	1070	-20
Refined Sunflower Oil	Chennai (Refined)	1240	1260	-20
	Chennai (Crude )	1180	1190	-10
	Mumbai (Refined)	1260	1270	-10
	Mumbai(Expeller Oil)	1200	1190	10
	Kandla (Refined)	1250	1250	Unch
	Hyderabad (Refined)	1270	1260	10
	Hyderabad (Expeller)	1210	1200	10
	Latur (Refined)	1180	1170	10
	Latur (Expeller Oil)	1130	1120	10
	Chellakere (Expeller Oil)	1160	1150	10
	Erode (Expeller Oil)	1290	1280	10
	Kakinada (Refined)	1260	1220	40
	Krishna Pattanam (Refined)	1260	1220	40
Groundnut Oil	Rajkot	1275	1250	25
	Chennai	1310	1280	30
	Hyderabad *	1330	1320	10
	Mumbai	1320	1290	30
	Gondal	1275	1250	25
	Jamnagar	1275	1250	25
	Gujarat GN Telia	2060	2030	30
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1500	1530	-30
	Jaipur (Kacchi Ghani Oil)	1550	1600	-50
	Kota (Expeller Oil)	1520	1530	-10
	Kota (Kacchi Ghani Oil)	1585	1550	35
	Neewai (Expeller Oil)	1520	1575	-55
	Neewai (Kacchi Ghani Oil)	1550	1595	-45
	Bharatpur (Kacchi Ghani Oil)	1510	1540	-30
	Sri-Ganga Nagar(Exp Oil)	1505	1540	-35
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1535	1570	-35
	Mumbai (Expeller Oil)	1540	1520	20
	Kolkata(Expeller Oil)	1760	1750	10
	New Delhi (Expeller Oil)	1550	1590	-40
	Hapur (Expeller Oil)	1690	1700	-10
	Hapur (Kacchi Ghani Oil)	1720	1730	-10

	Agra (Kacchi Ghani Oil)	1515	1545	<b>-30</b>
<b>Refined Cottonseed Oil</b>	Rajkot	1185	1150	<b>35</b>
	Hyderabad	1175	1145	<b>30</b>
	Mumbai	1195	1190	<b>5</b>
	Gujarat Cotton Wash	1135	1115	<b>20</b>
<b>Coconut Oil</b>	Kangayan (Crude)	1370	1450	<b>-80</b>
	Cochin	1700	1700	<b>Unch</b>
<b>Rice Bran Oil</b>	Mumbai (Refined 4%)	1110	1110	<b>Unch</b>
	Bhatinda (Crude 4%)	890	890	<b>Unch</b>
	Bhatinda (Refined 4%)	1005	1005	<b>Unch</b>
	Hyderabad (Crude)	960	960	<b>Unch</b>
	Hyderabad (Refined)	1150	1150	<b>Unch</b>
	Raipur (Crude)	1040	1130	<b>-90</b>
	Raipur (Refined)	1200	1260	<b>-60</b>
	Odisha (Refined)	1190	1260	<b>-70</b>
	Vijayawada (Refined)	1070	1170	<b>-100</b>
<b>Malaysia Palmolein USD/MT</b>	FOB	1290	1280	<b>10</b>
	CNF India	1350	1300	<b>50</b>
<b>Indonesia CPO USD/MT</b>	FOB	1345	1335	<b>10</b>
	CNF India	1380	1370	<b>10</b>
<b>Crude palm Kernel Oil India (USD/MT)</b>	CNF India	-	2150	-
<b>Ukraine Origin CSFO USD/MT Kandla</b>	CIF	1410	1370	<b>40</b>
<b>Argentina FOB (\$/MT)</b>		<b>31-Dec-21</b>	<b>24-Dec-21</b>	<b>Change</b>
<b>Crude Soybean Oil Ship</b>		1345	1350	<b>-5</b>
<b>Refined Soy Oil (Bulk) Ship</b>		1392	1397	<b>-5</b>
<b>Sunflower Oil Ship</b>		1370	1375	<b>-5</b>
<b>Cottonseed Oil Ship</b>		1325	1330	<b>-5</b>
<b>* Indicates including GST</b>				

**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.**

\*\*\*\*\*

#### 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.