



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 firm trend during this week in domestic markets. CBOT soy oil and BMD palm oil prices witnessed firm trend while in the domestic market Palm oil, Soy oil, Mustard oil and Sunflower oil prices traded firm, while Groundnut oil and Coconut oil prices softened in the week.

On the currency front, Indian rupee is hovering near 76.32 against 75.92 last weeks. Rupee is expected to depreciate and crude oil is expected to trade firm. Depreciating Indian currency will make the imports costly.

We expect Palm oil and Soy oil to trade sideways with upward bias.

Outlook:

Weekly Call -: Market participants are recommended to buy Soy oil at spot market, near 1500-1520 level and book profit near level of 1580-1600. And for Palm Oil, Market participants are advised to buy Soy oil at spot market at 1480-1500 level and book profit at 1550 level.

International Veg. Oil Market Summary

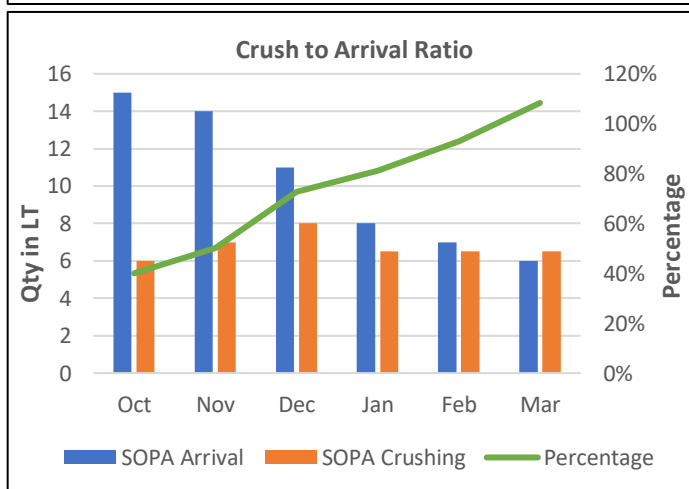
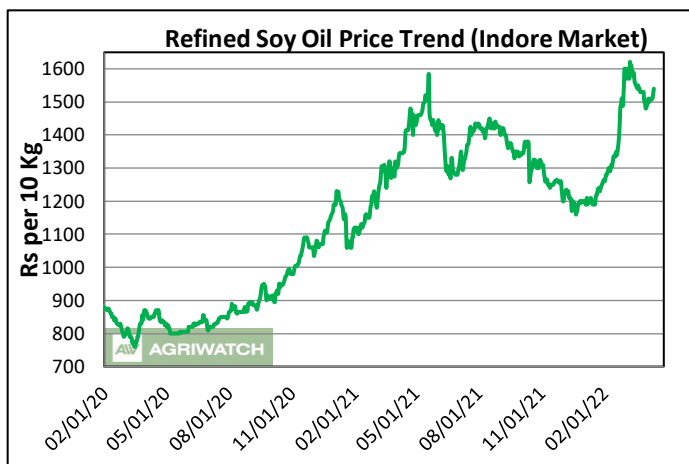
On the international front, lower global Soy oil stocks, lower US Soybean crush, lower crop production in Brazil and Argentina, falling China's demand and sideways crude oil prices will govern soy oil prices in the coming days.

Rise in competing oil prices, production in Indonesia and Malaysia, Indonesia and Malaysia's firm biodiesel policy, labour problems in Malaysia and sideways prices of crude oil are all likely to govern CPO prices in near term.

Soy oil Fundamental Analysis and Outlook:-

Domestic Front

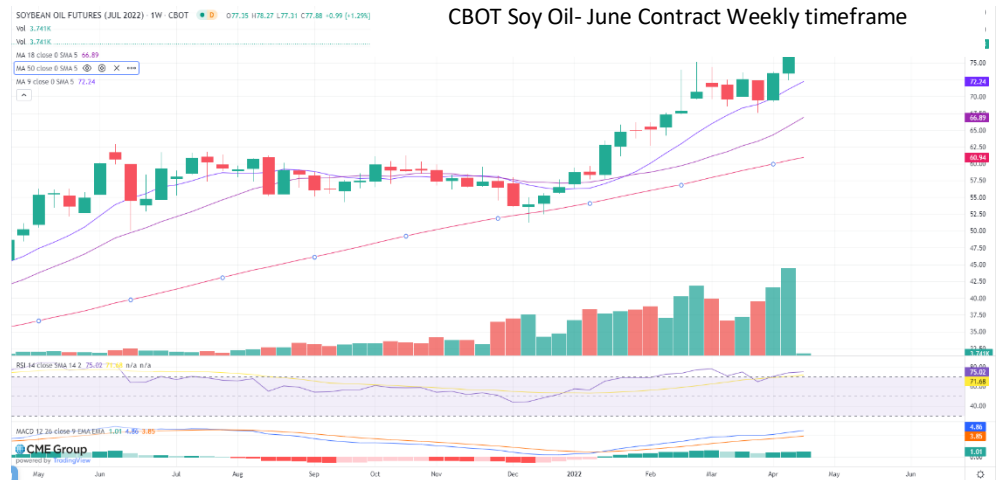
- Soy oil prices strengthened for the week in the benchmark market. Domestic prices took support from rising CBOT Soy oil.
- Major markets were closed on Thursday and Friday due to festivities.
- Domestic prices were supported by rising prices of Sunflower oil. Lower arrivals of seeds in market has also resulted in lower crushing oil availability, leading lower supply side.
- Agriwatch anticipates March import to remain in the range of 2.5-3.3 LT. Lower imports are expected as demand was affected in first and second week of March due to higher international Soy oil prices.
- According to SOPA, March's new crop arrivals stood at 6 LT, while crushing stood at 6.5 LT. Higher crushing was done as crop of previous season were carried forward.
- Imported crude soy oil Argentina FOB at Kandla West coast port is offered at USD 1814(USD 1809) per ton for Apr delivery, May is delivery is being quoted at USD 1810 (USD 1790) per ton. Values in brackets are figures of last week. Last month, C&F CDSO Mar average price was USD 1838.52(USD 1588.12 per ton in Feb 2022) per ton. AgriWatch expects April CDSO C&F to lie in the range of USD 1750-1800.



International Front

- CBOT soy oil prices traded firm in the range of 73.50-76.89 cents per pound in most active June contract. Prices were firm for the past week as marketed reacted to bullish USDA oilseed report, along with talks of new sanctions in line on Russian crude oil from European countries.
- Argentina's new soybean crop harvesting has commenced. According to the National Agency, Buenos Aires Grains Exchange (BAGE), 8.8 percent of soybean acreage had been harvested. National Transportation Federation has strike against higher fuel charges and are demanding for higher freight charges to offset the same. Strike is still on as official failed to convince truckers. This strike is affecting logistics of all the exporting commodities. Higher fuel prices are likely to impact harvesting of soybean crop as machineries are used for the same.
- After US's ban on import of Russian Crude oil import, Europe is likely to join the embargo, which is supporting the prices for edible oils as well.
- CBOT Soy oil June contract is trading firm from past two weeks, reacting positive to bullish USDA Oilseed report, which lowered the global Soybean and Soy Oil production in April report. Argentina and Brazil's Soy oil export

has also been revised downwards due to low crop production. While, China's soybean import demand is down due to freshly covid cases spike leading to new lockdown restrictions.

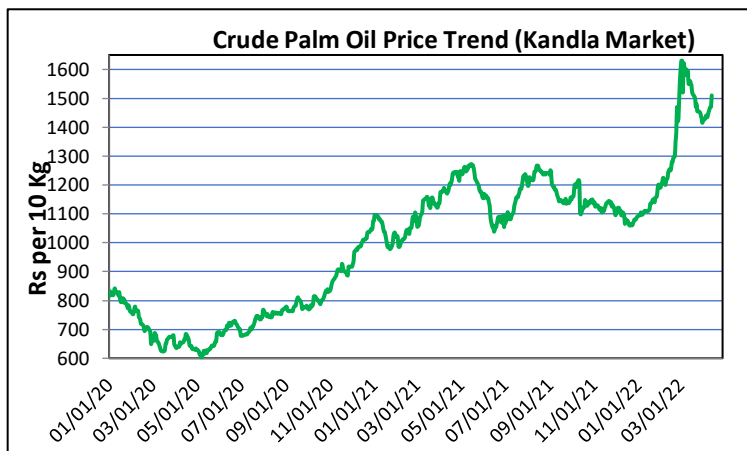


Price Outlook: We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1520-1580 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook -:

Domestic Front

- Crude palm oil (CPO) prices strengthened for the week in the benchmark market Kandla. Prices rose from Rs. 1455 to Rs. 1510 per 10 Kg at the end of week.
- Domestic Palm oil prices took support from rising prices of Sunflower oil and Soy oil. Demand amid lower stock availability is also supporting prices.
- International Palm oil prices also traded firm following crude oil prices.
- India's palm oil import demand was down in last week of Feb and first fortnight of March, as international prices had skyrocketed due to Ukraine-Russia War. However, demand in last week rose to make up for shortfall in domestic availability of edible oils. AgriWatch anticipates March imports for total Palm oil to lie in the range of 35-39 lakh tonne.
- On the trade front, C&F CPO (Indonesian origin) at Indian port is being quoted at USD 1820 (USD 1725) per ton for Apr delivery and May delivery is being quoted at USD 1760 (USD 1670) per ton.
- RBD Palmolein (Malaysian origin) C&F at Indian port, is being offered at USD 1760 (USD 1665) per ton for Apr delivery and May delivery is being quoted at USD 1720 (USD 1610) per ton.
- The CPO and palm olein prices are expected to remain firm for the week following international palm oil prices. However, for April month, prices are expected to trade sideways over increased production of Palm oil in Malaysia and Indonesia.



Monthly Average prices	March	February
Indonesia origin CPO C&F	1842.4	1576.67
Malaysia origin Olein C&F	1816.2	1548.75

International Front

- BMD Palm oil Malaysia is traded in the range of 6380-6681 Ringgit per ton. Prices are expected to remain firm for the week amid global supply crunch and rising palm oil import demand.
- BMD Palm oil prices were firm for the past week taking support from rising prices of rival Soy oil which reacted positive to bullish USDA Oilseed report. Rising crude oil prices also supported firm Palm oil prices backed by talks of Europe to join ban of Russian crude oil imports.
- Indonesia and Malaysia being world's major producer, has made statement to not compete for Palm oil prices and will try to curb price rise.
- Indonesia and Malaysia have made clear to stand firm with their current Biodiesel mandate, which will increase palm oil demand in energy sector and will underpin prices along with firm demand for edible palm oil.

- Indonesia removed the export volume restriction amid accusation of 'Panic Policy' and raised its export levy to a new maximum of \$375 per tonnes, compared to previous levy of \$175 per tonnes
- Indonesia had earlier implemented a new export policy to reserve certain volume of palm oil for domestic supply from total export volume which would have lower the global palm oil supplies.

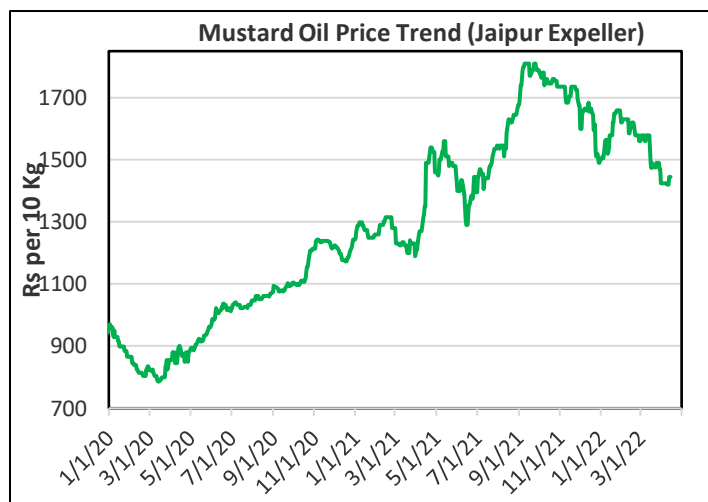


Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1480-1550 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis-

Domestic Front

- Mustard Expeller oil prices traded up in the Jaipur market for the past week.
- Prices took support from rising prices of competing oils like, Palm, Soy and Sunflower oil.
- Demand for mustard oil is firm as crushing moved into parity as seed prices also moved upwards.
- Arrivals have declined in the market and will continue to support prices amid firm demand. Mustard Jaipur Expeller oil prices are at discount compared to Palm and Soy oil which will also underpin the prices.
- Jaipur Expeller rapeseed oil is at discount over refined soy oil in domestic market by Rs 95 per 10 kg compared to Rs. 85 per 10 kg in last week.
- Jaipur Expeller rapeseed oil discount over RBD palm olein is at Rs 65 per 10 kg compared to Rs 40 per 10 Kg last week.

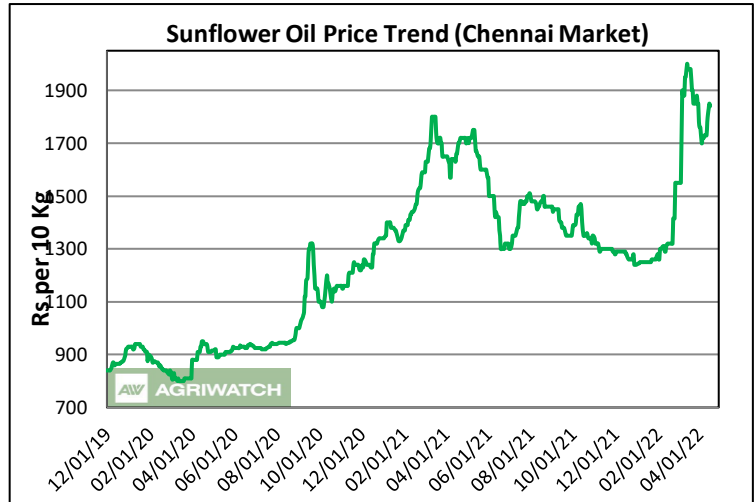


Price Outlook: Rapeseed Expeller oil (without GST) prices in Jaipur may stay in the range of Rs 1450-1545 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices at Chennai strengthened during the period under review from Rs. 1730 to Rs. 1850 per 10 Kg.
 - Upon higher prices compared to competing edible oil prices, demand is comparatively slow, however tight supply side due to low port supplies are supporting the domestic price rise.
 - India had bought 45 thousand tonnes of Sunflower oil from Russia in March, at record high price of C&F USD 2,150/ MT this compares with the pre-war C&F USD1,630/MT. 3 Lakh tonnes of Sunflower oil from Ukraine to India are stuck as loading at Ukrainian port is suspended.
 - Russian Government had announced quota of 1.5 million metric tonnes for Sunflower oil and 700,000 mt for Soymeal, applicable from 15th April to 31st August 2022. Global Sun oil supplies are already affected resulting in demand substitution to competing oils.
 - As exports from Ukraine and Russia is affected due to war, Sunflower oil's C&F price center has been shifted from Black Sea to Argentina port.
 - In the domestic market, sunflower oil price is at premium of Rs 290 over soy oil (premium of Rs 225 last week) per 10 kg. Meanwhile, refined sunflower oil (Chennai) premium over RBD palm olein (Kandla) is at Rs.320 compared to premium of Rs 280 per 10 kg last week.
- In domestic market, Sunflower oil (Chennai) is at premium over groundnut oil by Rs. 280 compared to Rs. 170 last week.
- We expect sunflower oil prices to trade sideways with slightly upward bias in the coming days due to tight supply side.



Price Outlook: Sunflower oil (without GST) prices in Chennai may stay in the range of Rs 1820-1900 per 10 Kg

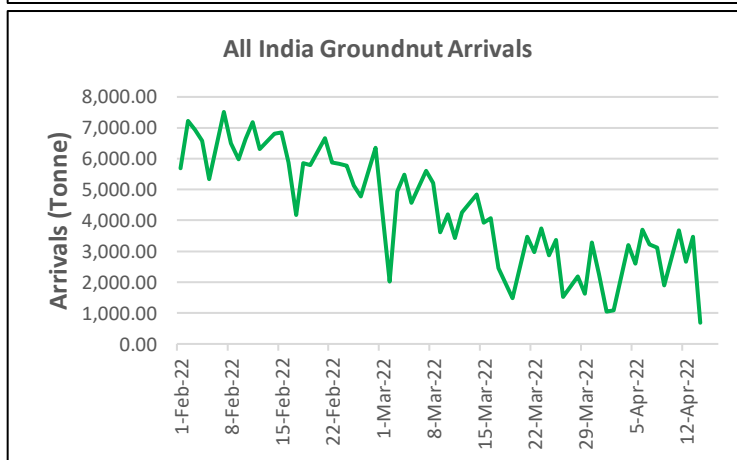
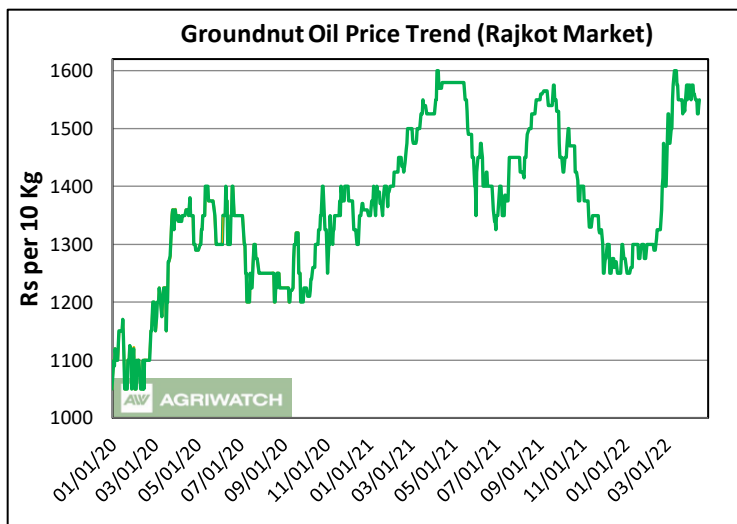
Groundnut oil Fundamental Review and Analysis:-

Domestic Front

- Groundnut oil market prices traded sideways for the week in review. Prices corrected in Rajkot market, while, other markets traded on firm tone.
- Groundnut oil prices made a lowest of Rs 1425 per 10 Kg, however rising prices of competing oil and firm demand will continue to support the prices in coming days.
- Declining seeds arrivals is also extending support to prices. All India arrivals fell for the previous week as various markets were closed from Thursday to Saturday due to festivities.
- Export demand is low, however firm domestic demand is supporting the prices.
- On the price front, currently the groundnut oil prices in Rajkot are at Rs 1,540 (Rs 1,560) per 10 Kg and it was Rs 1,580 (Rs 1,550) per 10 Kg in Chennai market on April 15, 2022. Values in brackets are figures of last week.

Price Outlook:

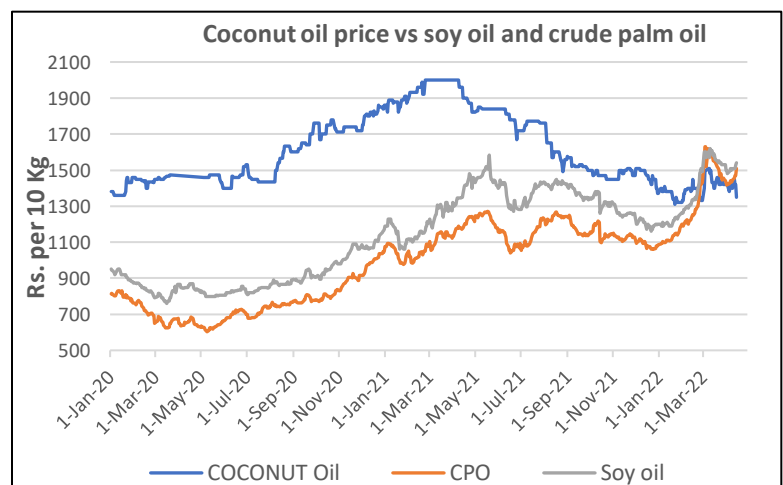
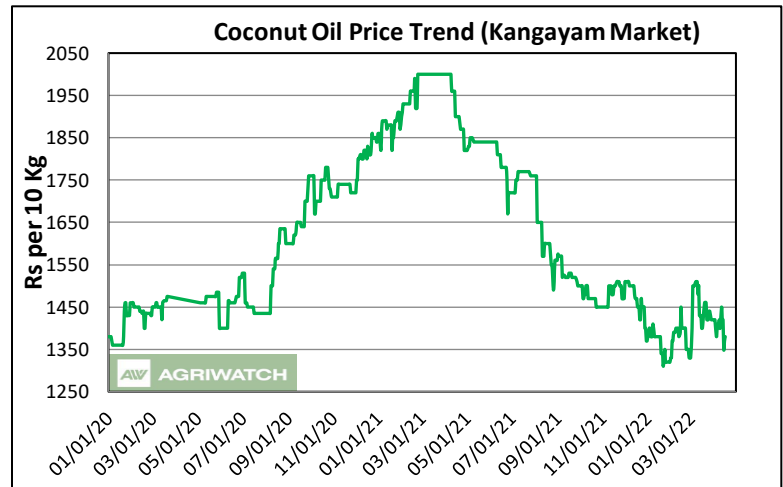
Groundnut oil (without GST) in Rajkot market is likely to trade sideways in the price band of Rs 1525-1575 per 10 Kg



Coconut Oil Fundamental Review and Analysis:-

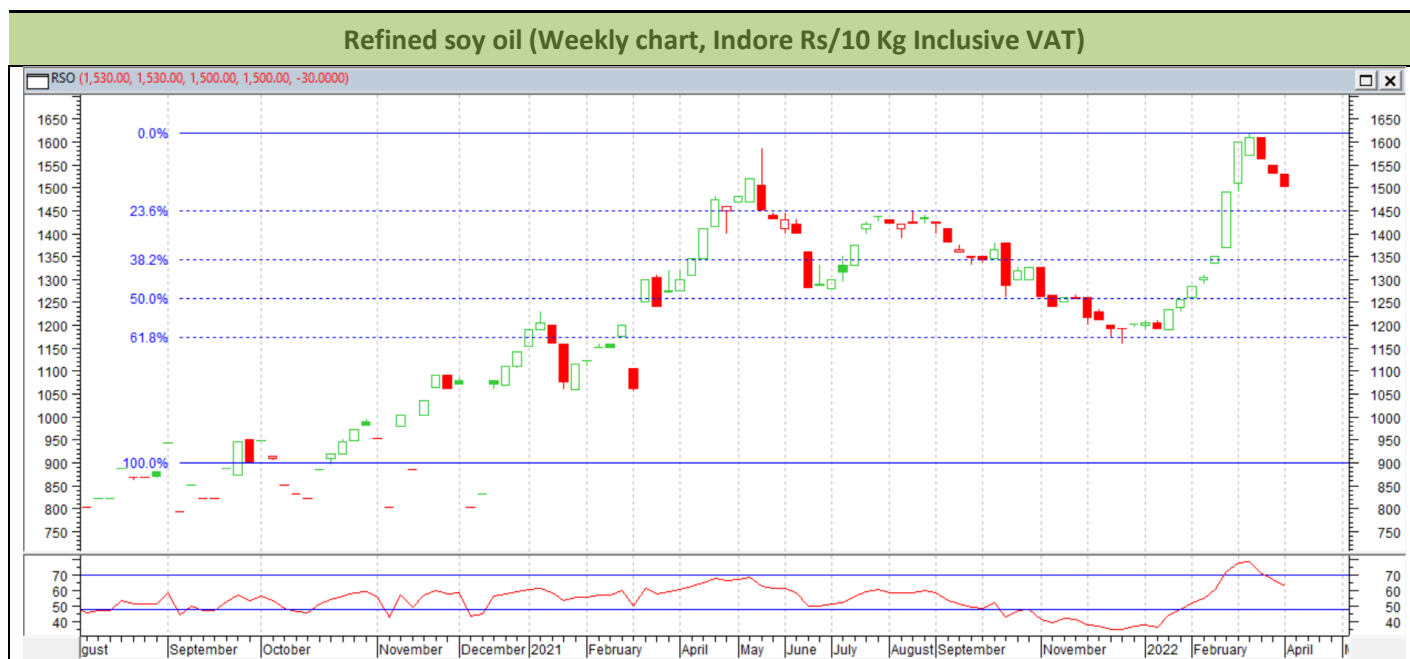
Domestic Front

- The Coconut oil prices at benchmark market Kangeyam traded sideways at Rs 1250 to 1450 per 10 Kg for the period of 11 Apr to 15 Apr.
- The demand for the coconut oil is steady, however high supply side is pressuring prices.
- Coconut oil demand are expected to be underpinned taking support from discounted price compared to competing oils.
- Coconut oil exports scenario- India exported 2,675.09 tonnes of Coconut oil in February 2022 higher compared to 1,093.16 tonnes export in January 2022, and 988.94 tonnes in February 2021.
- On the price front, currently the coconut oil prices in Kochi are hovering at Rs 1,490 (Rs 1,490) per 10 Kg and was quoted at 1,370 (Rs 1,450) per 10 Kg in Kangeyam market on 15 April, 2022.



Price Outlook: Coconut oil (without GST) prices in Kangeyam may stay in the range of Rs 1350-1450 per 10 Kg.

Technical Analysis (Refined soy oil)



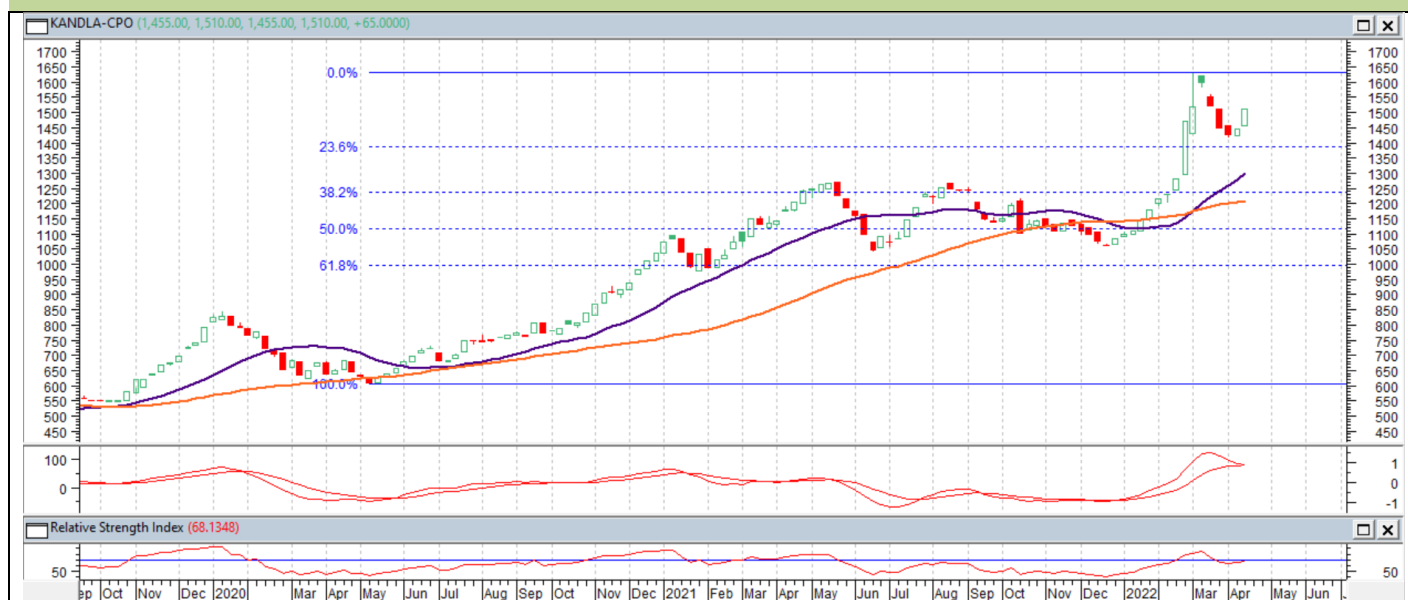
Technical Commentary –

- Previous week soybean oil prices at Indore mandi traded in range of Rs 1505 to Rs. 1540 per 10 Kg
- Prices took support at 1480 level and is expected to move to level of 1580-1600 level.

Spot Market outlook: Market participants are recommended to buy Soy oil at spot market, near 1500-1520 level and book profit near level of 1580-1600.

Technical Analysis (Crude Palm oil)

Crude palm oil (Weekly spot price chart, Kandla Rs/10 Kg)



Technical Commentary –

- In previous week CPO prices at Kandla mandi prices traded firm from Rs. 1455 to Rs 1510 per 10 Kg.
- Prices took support from Rs 1425 level and traded up.
- Prices are trading near overbought zone, with RSI of 68.13 value.

Spot Market outlook: Market participants are advised to buy Soy oil at spot market at 1480-1500 level and book profit at 1550 level.

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

Commodity	Centre	Prices (Per 10 Kg)		Change
		15-Apr-22	09-Apr-22	
Refined Soybean Oil	Indore	Closed	1505	-
	Indore (Soy Solvent Crude)	Closed	1485	-
	Mumbai	Closed	1510	-
	Mumbai (Soy Degum)	Closed	1450	-
	Kandla/Mundra	Closed	1485	-
	Kandla/Mundra (Soy Degum)	Closed	1445	-
	Kolkata	Closed	1520	-
	Delhi	1530	1580	-50
	Nagpur	1570	1505	65
	Rajkot	1520	1475	45
	Kota	1560	1520	40
	Akola	1560	1500	60
	Amrawati	1555	1500	55
	Bundi	1570	1530	40
	Jalna	1505	1510	-5
	Solapur	1620	1500	120
	Dhule	1565	1500	65
	Nanded	1560	1500	60
	Latur	1550	1500	50
	Argentina Crude Soya (CIF India) USD	Closed	1809	-
	Argentina Crude Soya (FOB)	Closed	1741	-
Palm Oil*	Kandla (Crude Palm Oil)	Closed	1445	-
	Kandla (RBD Palm oil)	Closed	1450	-
	Kandla RBD Pamolein	Closed	1460	-
	Kakinada (Crude Palm Oil)	1450	1390	60
	Kakinada RBD Pamolein	Closed	1425	-
	Haldia Pamolein	Closed	1450	-
	Chennai RBD Pamolein	1530	1450	80
	Krishnapattanam RBD Pamolein	Closed	1445	-
	Mumbai RBD Pamolein	1490	1445	45
	Mangalore RBD Pamolein	1500	1440	60
	Mumbai (Refined)	1490	1445	45
	Rajkot (Refined)	1510	1445	65
	Chennai (Refined)	1500	1440	60
	Hyderabad (Refined)	1530	1450	80
	Delhi (Refined)*	1380	1370	10
	PFAD (Kandla)	1450	1390	60

	RPS (Kandla)	1450	1390	60
	Superolien (Kandla)	Closed	1500	-
	Superolien (Mumbai)	Closed	1485	-
	Kochi (RBD Palmolein)	1415	1415	Unch
	Krishnapattanam (Crude Palm Oil)	1450	1390	60
Refined Sunflower Oil	Chennai (Refined)	1850	1730	120
	Chennai (Crude)	1780	1650	130
	Mumbai (Refined)	Closed	1680	-
	Mumbai(Expeller Oil)	Closed	1600	-
	Kandla (Refined)	Closed	1700	-
	Hyderabad (Refined)	1830	1720	110
	Hyderabad (Expeller)	1760	1650	110
	Latur (Refined)	1850	1700	150
	Latur (Expeller Oil)	1800	1650	150
	Chellakere (Expeller Oil)	1720	1570	150
	Erode (Expeller Oil)	1910	1740	170
	Kakinada (Refined)	1770	1740	30
	Krishna Pattanam (Refined)	1770	1740	30
Groundnut Oil	Rajkot	1540	1560	-20
	Chennai	1580	1550	30
	Delhi*	1620	1610	10
	Hyderabad *	1620	1570	50
	Mumbai	Closed	1620	-
	Gondal	1550	1550	Unch
	Jamnagar	1550	1550	Unch
	Gujarat GN Telia	Closed	2510	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1445	1420	25
	Jaipur (Kacchi Ghani Oil)	1585	1575	10
	Kota (Expeller Oil)	1460	1430	30
	Kota (Kacchi Ghani Oil)	1580	1570	10
	Neewai (Expeller Oil)	1410	1390	20
	Neewai (Kacchi Ghani Oil)	1575	1565	10
	Bharatpur (Kacchi Ghani Oil)	1480	1450	30
	Sri-Ganga Nagar(Exp Oil)	1455	1445	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	1570	1560	10
	Mumbai (Expeller Oil)	Closed	1470	-
	Kolkata(Expeller Oil)	1700	1740	-40
	New Delhi (Expeller Oil)*	1440	1430	10
	Hapur (Expeller Oil)	1690	1670	20

	Hapur (Kacchi Ghani Oil)	1720	1700	20
	Agra (Kacchi Ghani Oil)	1485	1455	30
Refined Cottonseed Oil	Rajkot	1580	1560	20
	Hyderabad	1580	1570	10
	Mumbai	Closed	1570	-
	New Delhi*	1520	1500	20
	Gujarat Cotton Wash	Closed	1520	-
Coconut Oil	Kangayan (Crude)	1370	1400	-30
	Cochin	Closed	1520	-
Sesame Oil	New Delhi	1440	1430	10
Rice Bran Oil	Mumbai (Refined 4%)	Closed	1325	-
	Bhatinda (Crude 4%)	1200	1170	30
	Bhatinda (Refined 4%)	1315	1285	30
	Hyderabad (Crude)	1290	1280	10
	Hyderabad (Refined)	1460	1450	10
	Raipur (Crude)	1395	1320	75
	Raipur (Refined)	1550	1440	110
	Odisha (Refined)	1530	1420	110
	Vijayawada (Refined)	1400	1350	50
Malaysia Palmolein USD/MT	FOB	Closed	1630	-
	CNF India	Closed	1665	-
Indonesia CPO USD/MT	FOB	Closed	1710	-
	CNF India	Closed	1725	-
Argentina FOB (\$/MT)		15-Apr-22	9-Apr-22	Change
Crude Soybean Oil Ship		1838	1778	60
Refined Soy Oil (Bulk) Ship		1902	1840	62
Sunflower Oil Ship		2100	2100	Unch
Cottonseed Oil Ship		1818	1758	60
* Indicates including GST				

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

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