



EDIBLE OIL WEEKLY RESEARCH REPORT

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Executive Summary

Domestic Veg. Oil Market Summary

Edible oil prices featured weak trend during this week in domestic markets. CBOT soy oil and BMD Malaysia Palm oil prices witnessed down trend. In domestic market, Sunflower oil, palm oil prices, Soy oil, and Coconut oil corrected downwards, while Groundnut oil traded steady and Mustard oil traded marginally up at their respective benchmark markets.

On the currency front, Indian rupee is hovering near 79.42 against 7965 last weeks. Rupee is expected to depreciate and crude oil is expected to trade sideways with upward bias. Depreciating Indian currency will make the imports costly and will make exports cheaper.

We expect Palm oil and Soy oil to trade with weak bias on weak fundamentals.

International Veg. Oil Market Summary

On the international front, lower global Soy oil stocks, higher US Soybean crush, US's rising Soybean acreage, falling China's demand and sideways crude oil prices is likely to govern soy oil prices in the coming days.

Rise in competing oil prices, production in Malaysia, Indonesia and Malaysia's firm biodiesel policy, Indonesia's scheme to revive its palm oil exports, Malaysia's palm oil export policy and sideways prices of crude oil are all likely to govern CPO prices in near term.

Acreage and Rainfall Statistics
Acreage

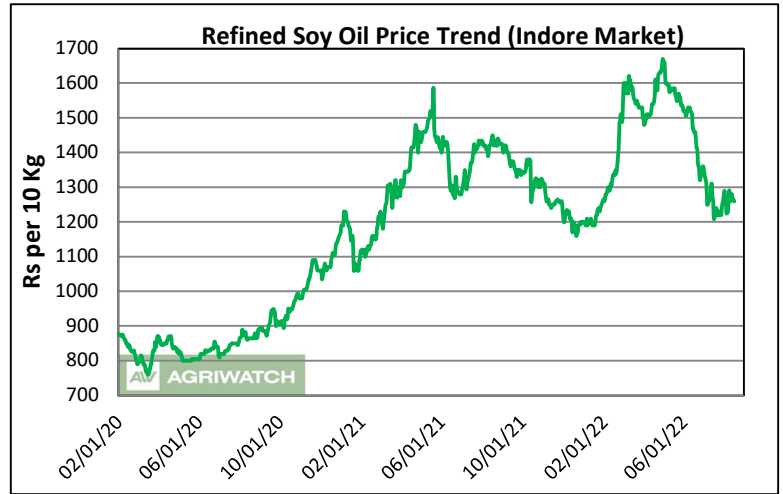
Area Covered (Lakh Ha) as of 19 August 2022			
Crop	2022	2021	% Change
Soybean	119.54	119.04	0.42%
Groundnut	44.32	47.95	-7.57%
Sunflower	1.84	1.43	28.67%
Sesamum	12.24	12.38	-1.13%
Niger	0.36	0.29	24.14%
Castor	6.01	4.65	29.25%
Other Oilseeds	0.12	0.1	20.00%
Total Oilseeds	184.42	185.85	-0.77%

Rainfall

District wise Week by Week Cumulative Rainfall Departure				
STATE/ DISTRICT	Week End 27/7/2022	Week End 3/8/2023	Week End 10/8/2024	Week End 17/8/2025
STATE: GUJARAT				
Kutchh	171	125	104	107
Gir somnath	58	38	43	59
Junagarh	44	25	30	41
Amreli	19	6	21	21
Jamnagar	33	14	10	16
Rajkot	30	12	15	17
Bhavnagar	-7	-15	-1	2
Banaskatha	55	28	29	57
STATE: MADHYA PRADESH				
Dewas	72	53	55	66
Videsha	61	41	27	52
Rajgarh	56	36	29	72
Shajapur	60	36	24	37
Indore	16	2	18	25
Ashok nagar	16	4	-4	23
Ujjain	20	0	6	31
Mandsaur	11	-6	-10	18
Dhar	0	-13	-5	-1
Ratlam	12	-9	-5	28
STATE: MAHARASHTRA				
Nagpur	62	44	72	72
Yavatmal	53	37	46	43
Amrawati	27	11	17	19
Washim	16	5	19	19
Buldhana	20	7	7	6
Akola	6	-4	-4	0
Latur	84	67	65	51
Parbhani	64	50	45	34
Jalna	24	22	21	14
Hingoli	21	13	13	5
STATE: RAJASTHAN				
Kota	86	65	42	51
Bundi	49	34	25	34
Jhalawar	51	31	17	40
Baran	31	23	10	20
Chittorgarh	34	13	6	19
Pratapgarh	14	0	3	35

Soy oil Fundamental Analysis and Outlook:- Domestic Front

- Soy oil prices gained by 3.25 percent from Rs 1230 to Rs 1270 per 10 Kg. Domestic prices edged up taking support from CBOT soy oil upward momentum.
- Prices are likely to trade sideways in the range of Rs 1250-1290/10 Kg supported by CBOT soy oil prices, while zero import duty and higher global soybean supply may weigh on prices.
- As of 12th August, acreage under Soybean kharif 2022 stood at 118.74 Lakh Ha compared to 117.93 Lakh Ha last year same timeframe. Higher acreage is seen as farmers have fetched higher prices for soybean seeds last year.
- Untimely heavy rains in top 3 soybean growing states is likely to render crop losses, which would add to price gains.
- Soy oil import for the current marketing year is already at higher side as domestic crush has lowered due to slow soy meal demand.
- Prices are anticipated to trade sideways in coming term in tandem with sluggish Soy oil international market.

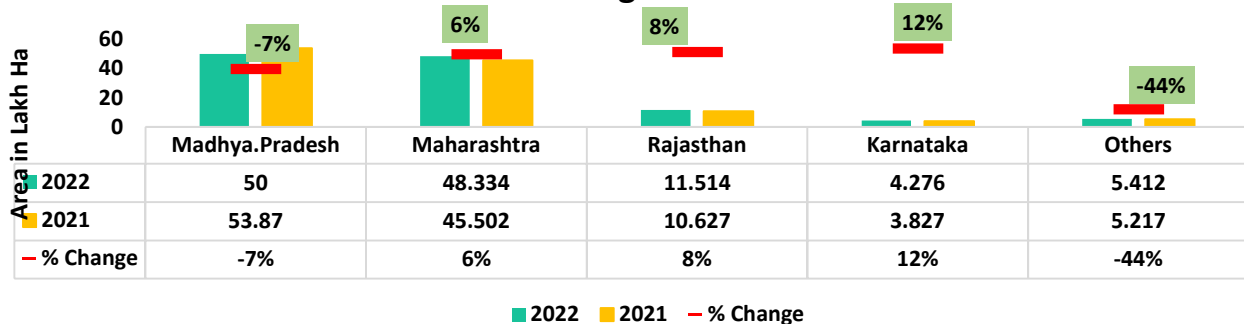


International Front

- CBOT soy oil prices witnessed upward movement by 6.25% from 64.30 to 67.97 cents per pound backed by rising drought condition in US's key soybean growing areas.
- Energy prices are gradually trading up, which would support edible oil prices as well.
- Dry weather is anticipated to prevail for the coming two weeks in major Soybean sown area in US with slight scattered rains, hence sideways momentum with upward bias is anticipated in CBOT soy oil prices.

Price Outlook: We expect refined soy oil (without GST) at Indore to stay in the range of Rs 1250-1300 per 10 Kg in the near term.

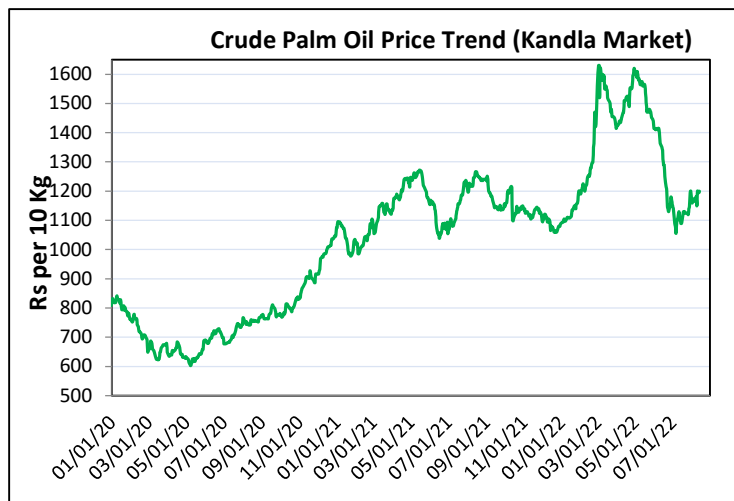
State-Wise Progress of Area Coverage Under Kharif Soybean as on 19-Aug-2022



Palm oil Fundamental Analysis and Outlook -:

Domestic Front

- Crude palm oil (CPO) prices edged up for the previous week in the benchmark market Kandla by 3.91%. However, mixed sentiments were seen in various other markets.
- Domestic palm oil prices are supported by brisk movement in competing soy oil as well as in BMD palm oil futures.
- Domestic prices are likely to trade sideways with upward bias as gains in CBOT Soy oil is likely to underpin international palm oil prices, which would extend the support to domestic palm oil prices. However, higher global supply side for Palm oil may pressure gains.



International Front

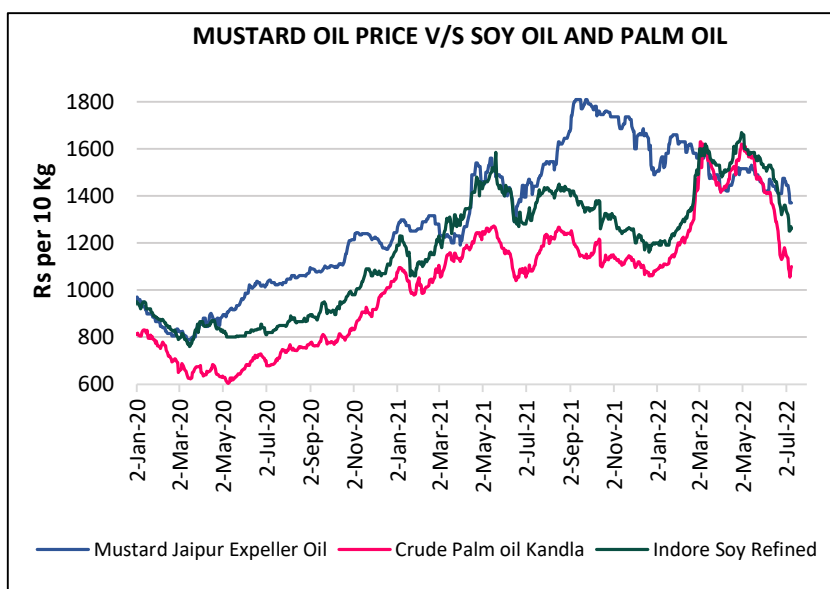
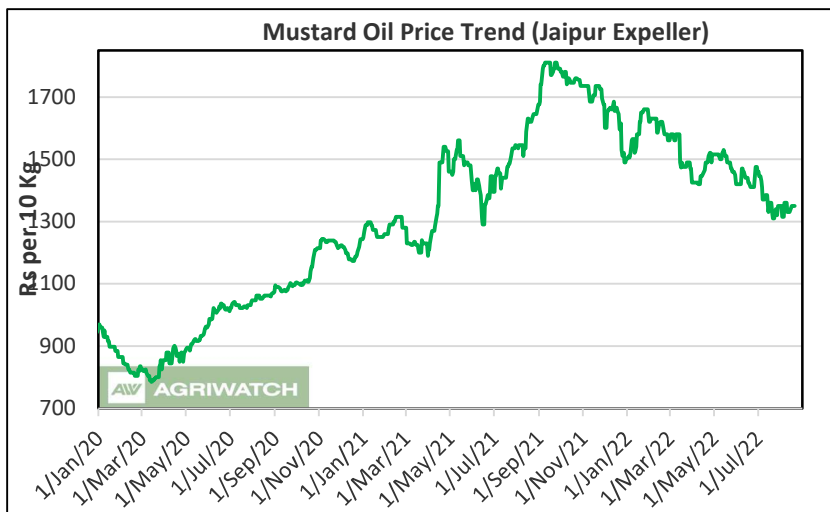
- BMD Palm oil Malaysia in past week traded up taking support from rival CBOT Soy oil prices. Marginal rise in Crude oil prices is also extending the support to palm oil prices.
- Indonesia scrapped off the palm oil export levy from \$200 per tonne to boost their palm oil exports, weighing on global palm oil prices. This has made Indonesian Palm oil cheaper compared to Malaysian Palm oil hence India's demand is likely to shift towards Indonesia.

Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 1150-1220 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis-

Domestic Front

- Mustard oil prices witnessed downward correction in prices at various markets for the week in review. Prices traded down from Rs 1360 to Rs 1330 per 10 Kg, down by 2.21%.
- Demand for mustard oil also slowed down as it has gained premium compared to palm and Soy oil, diverting the demand towards cheaper available oils.
- Mustard oil is keenly following Soy oil and Palm oil hence a sideways momentum in prices can be seen.
- Seeds arrivals have also declined to the lower levels in the various markets while the demand is slow, thus prices are anticipated to steady sideways.
- Jaipur Expeller rapeseed oil premium over refined soy oil in domestic market by Rs 60 per 10 kg compared to Rs 130 per 10 Kg last week.
- Jaipur Expeller rapeseed oil regained its premium over RBD palm olein at Rs 85 per 10 kg compared to Rs 150 per 10 Kg last week.

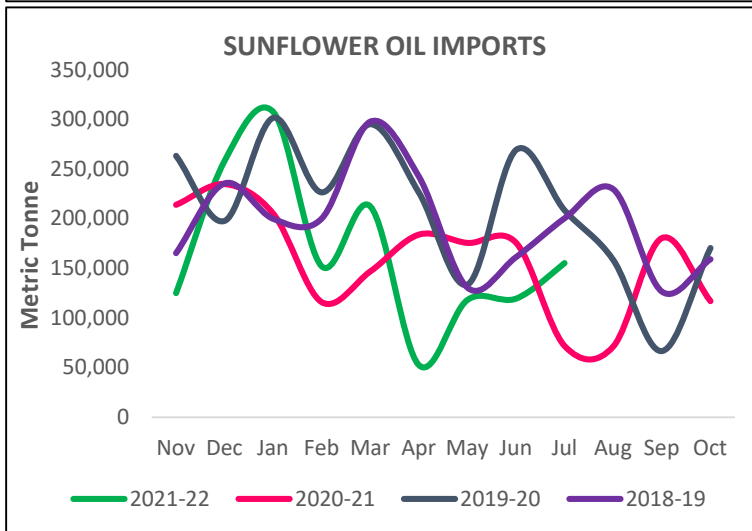
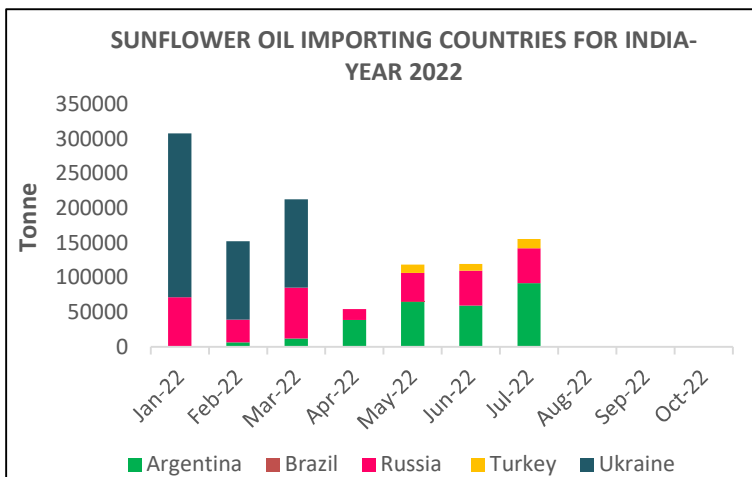
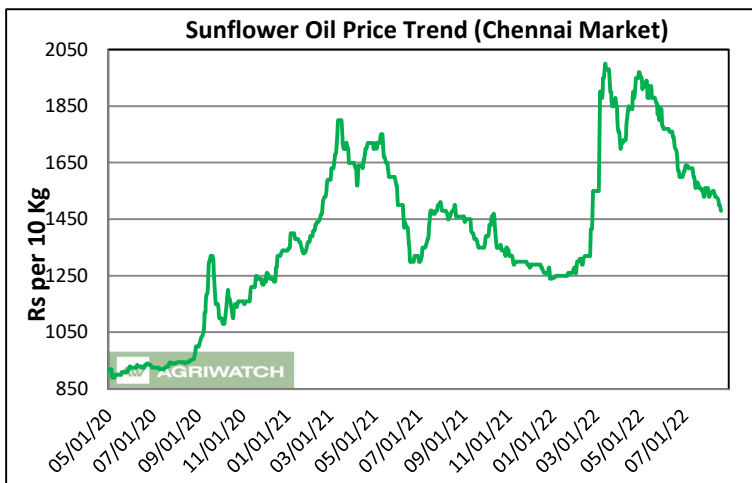


Price Outlook: Rapeseed Expeller oil (without GST) prices in Jaipur may trade in the range of Rs 1320-1420 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices at Chennai featured mixed sentiments at various markets. However, prices edged down at benchmark Chennai from Rs. 1540 to Rs. 1530 per 10 Kg, down by 0.65 percent.
- Prices have been under correction since the government allowed Tariff Rate Quota (TRQ) for the Sunflower oil imports for the financial year 2022-23 and 2023-24. Under TRQ, imports of 20Lakh tonne of Sun oil would bear zero import duty.
- Prices are also pressured by higher imports of sunflower oil, increasing its domestic supply side.
- As sun oil imports ceased from Ukraine, India is sourcing Sun oil from countries like Argentina, and Turkey. It is clearly visible from the chart named '**Sunflower Oil Importing Countries for India- Year 2022**', that India turned Argentina for the imports of Sun oil since Ukraine-Russian conflict started rising. However, with opening of grain corridor in Black Sea, Ukraine's sun oil shipments may resume, which would add to the global sun oil supply side.
- July's Sun oil import stood at 1.15 LT compared to m-o-m at 1.19 LT and y-o-y at 1.75 LT. India sourced 0.59 LT and 0.50 LT from Argentina and Russia respectively.
- In the domestic market, sunflower oil price is at premium over Soy oil by Rs 260 compared to Rs 310 per 10 Kg last week. Meanwhile, refined sunflower oil (Chennai) premium over RBD palm olein (Kandla) is at Rs. 285 compared to premium of Rs 330 per 10 kg last week.



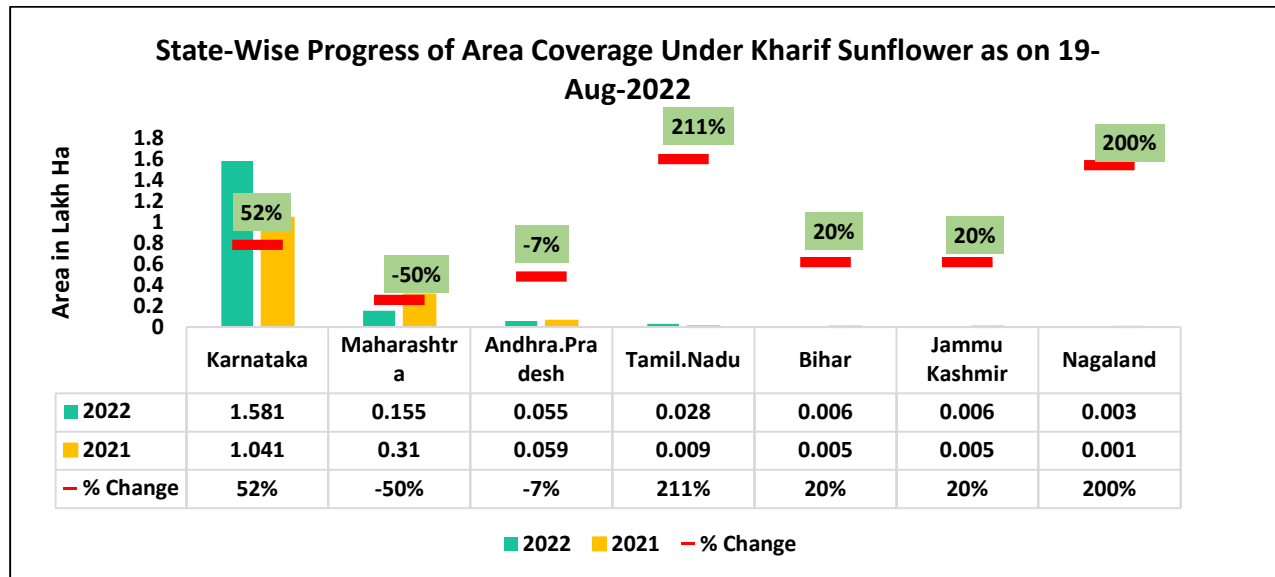
In domestic market, Sunflower oil's (Chennai) is at discount over groundnut oil by Rs. 95 compared to a discount of Rs. 60 last week.

Sunflower oil's premium over competing Palm and Soy oil is marginally down compared to last week.

We expect sunflower oil prices to trade with weak bias backed by higher imports of sunflower oil.

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

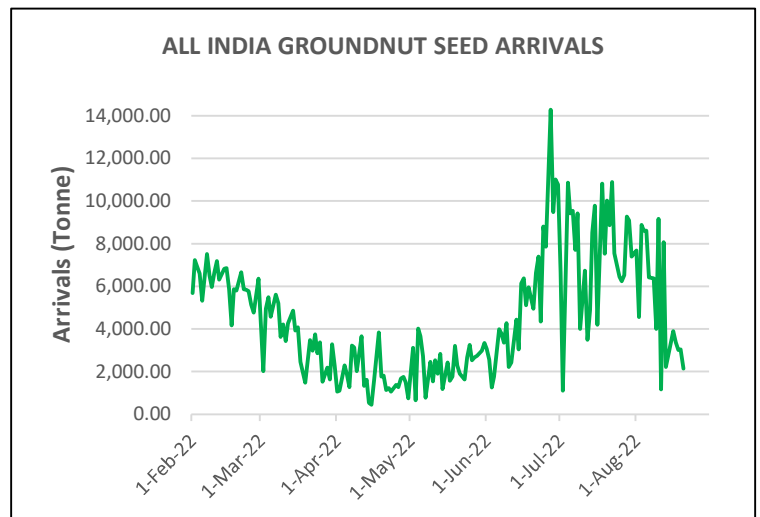
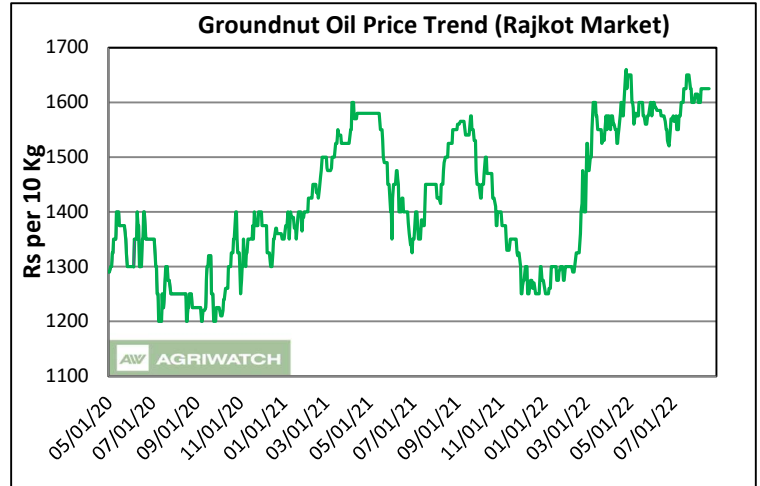
Sowing update:



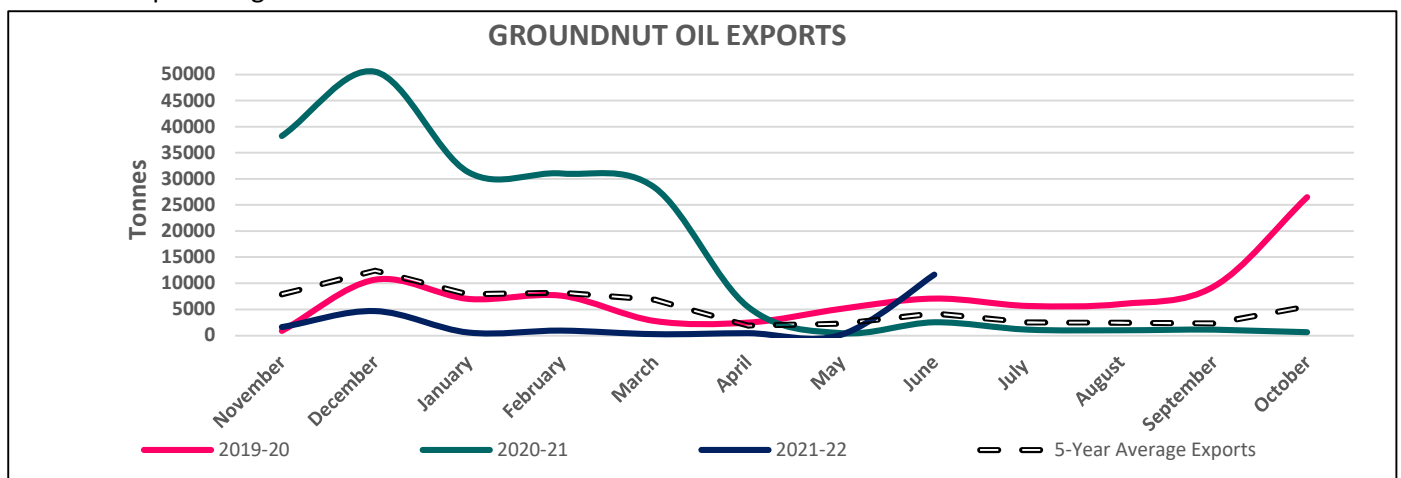
Groundnut oil Fundamental Review and Analysis:-

Domestic Front

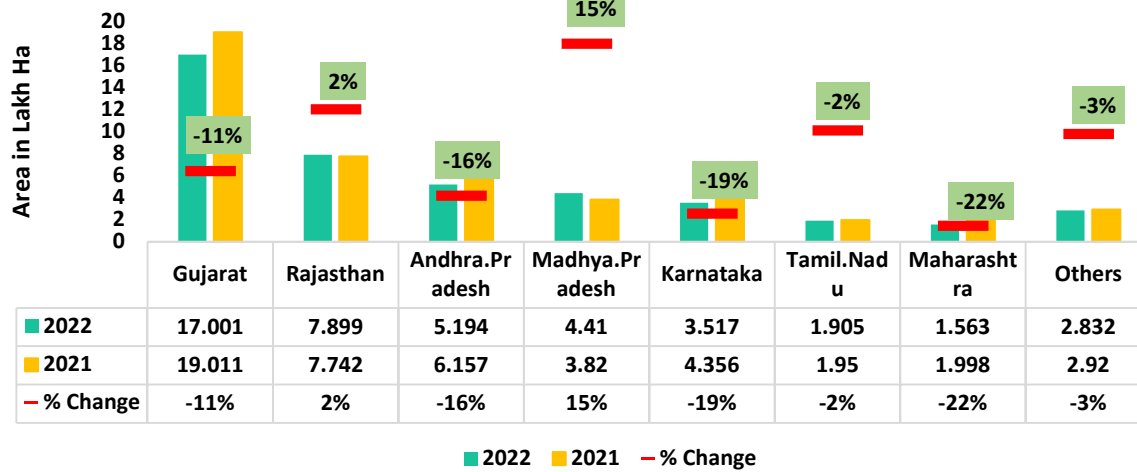
- Groundnut oil prices traded steady at various market for the week in review. Market is trading steady, rangebound in the level of Rs 1600 to Rs 1650 per 10 Kg.
- Prices are likely to be supported backed by improved export demand.
- Slow sowing progression for Kharif groundnut crop is likely to support the price movement.
- Heavy rainfall in key GN sowing region of Gujarat like Kutch,
- As anticipated in previous report, higher import of China for GN oil from Mercosur countries led to low stock, which diverted the demand back to India.
- As can be seen in the chart named '**ALL INDIA GROUNDNUT ARRIVALS**', All India GN seed arrivals are declining.
- Arrivals specially from Gujarat is down due to low summer GN crop production, and export demand is mainly fulfilled from the Gujarat states.
- Groundnut oil has gained its premium over competing Palm and Soy oil. Declining prices of Sunflower oil are narrowing down the discount of groundnut oil over the same, which is likely to weigh in the gains of groundnut oil prices.



Price Outlook: Groundnut oil (without GST) prices in Rajkot is likely to trade steady in the range of Rs 1600-1650 per 10 Kg.



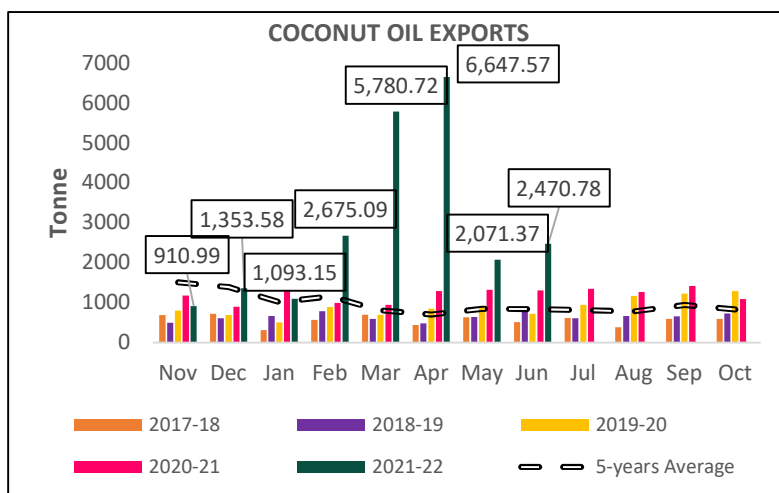
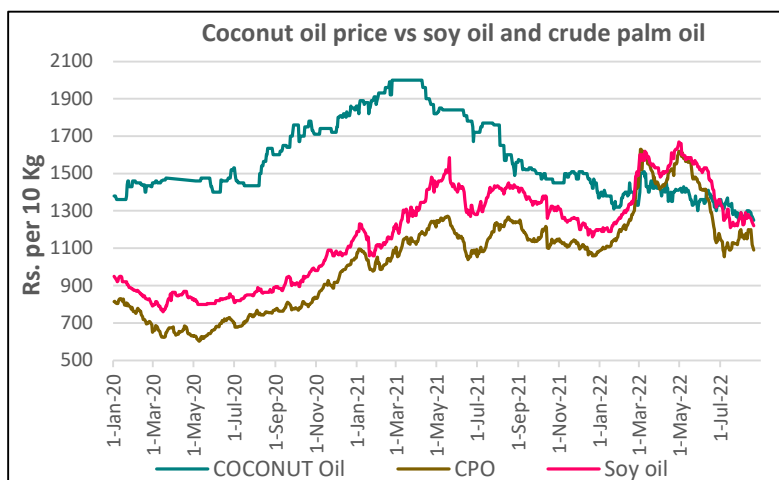
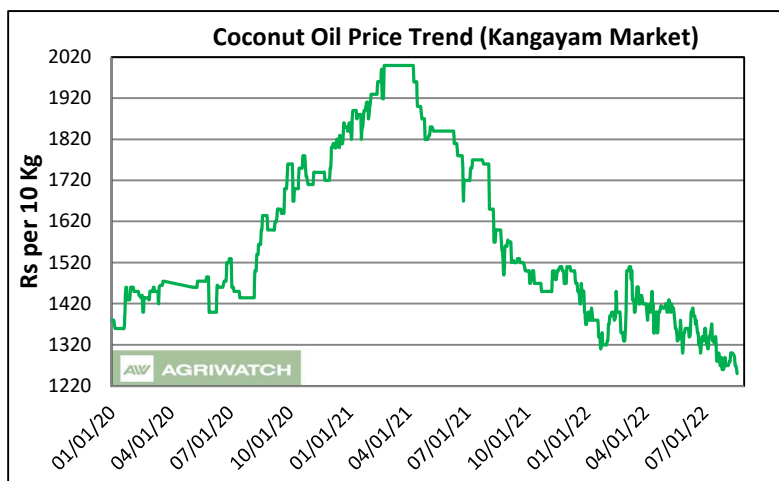
State-Wise Progress of Area Coverage Under Kharif Groundnut as on 19-Aug-2022



Coconut Oil Fundamental Review and Analysis:-

Domestic Front

- The Coconut oil prices at benchmark market Kangeyam declined from the level of Rs 1300 to Rs 1250 per 10 Kg level, down by 3.85%.
- The demand for the coconut oil is steady. However, higher supply side is weighing on the prices.
- Onam festival is coming up. It is the time, when coconut oil demand shoots up. However, declining prices of competing oil as well as a good supply side may limit the gains.
- Coconut oil has gained premium over competing CPO and is almost at par with Soy oil prices, which pressured the price momentum for the coconut oil in the past week.
- Export demand has also declined compared to exports in April month, which is likely to cap the gains in prices.
- Export demand edged marginally up in June compared to May'22. Demand is mainly coming from UAE, Saudi Arab and Vietnam.
- Coconut oil exports scenario- India exported 2,470.78 tonnes of Coconut oil in June 2022 higher compared to 2,071.37 tonnes export in May 2022, and 1,297.13 tonnes in June 2021. If export demand arises from the importing countries in June, it is likely to limit the fall in prices.
- On the price front, currently the coconut oil prices are being quoted at 1,250 (Rs 1,300) per 10 Kg in Kangeyam market on 22 Aug, 2022.



Price Outlook: Coconut oil (without GST) prices in Kangeyam is likely to trade sideways with weak bias in the range of Rs 1200-1280 per 10 Kg.

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

Commodity	Centre	Prices (Per 10 Kg)		Change
		20-Aug-22	13-Aug-22	
Refined Soybean Oil	Indore	1220	1270	-50
	Indore (Soy Solvent Crude)	1160	1220	-60
	Mumbai	1250	1285	-35
	Mumbai (Soy Degum)	1210	1250	-40
	Kandla/Mundra	1190	1255	-65
	Kandla/Mundra (Soy Degum)	1190	1230	-40
	Kolkata	1235	1265	-30
	Nagpur	1265	1255	10
	Rajkot	Closed	1240	-
	Kota	1260	1280	-20
	Akola	1265	1245	20
	Amrawati	1265	1245	20
	Bundi	1270	1290	-20
	Jalna	1265	1250	15
	Solapur	1255	1245	10
	Dhule	1285	1270	15
	Nanded	1245	1235	10
	Latur	1270	1260	10
	Argentina Crude Soya (CIF India) USD	1422	1468	-46
	Argentina Crude Soya (FOB)	1342	1388	-46
Palm Oil*	Kandla (Crude Palm Oil)	1090	1195	-105
	Kandla (RBD Palm oil)	1190	1210	-20
	Kandla RBD Pamolein	1175	1245	-70
	Kakinada (Crude Palm Oil)	1080	1105	-25
	Kakinada RBD Pamolein	1100	1210	-110
	Haldia Pamolein	1230	1235	-5
	Chennai RBD Pamolein	1100	1200	-100
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1190	1276	-86
	Krishnapattanam RBD Pamolein	1100	1195	-95
	Mumbai RBD Pamolein	1190	1255	-65
	Mangalore RBD Pamolein	1120	1225	-105

	Mumbai (Refined)	1130	1200	-70
	Rajkot (Refined)	-	1190	-
	Chennai (Refined)	1100	1190	-90
	Hyderabad (Refined)	1090	1180	-90
	Delhi (Refined)*	-	0	-
	PFAD (Kandla)	740	735	5
	RPS (Kandla)	1050	1050	Unch
	Superolien (Kandla)	1205	1275	-70
	Superolien (Mumbai)	1220	1285	-65
	Kochi (RBD Palmolein)	-	1255	-
	Krishnapattanam (Crude Palm Oil)	1080	1105	-25
Refined Sunflower Oil	Chennai (Refined)	1480	1530	-50
	Chennai (Crude)	1450	1490	-40
	Mumbai (Refined)	1560	1600	-40
	Mumbai (Expeller Oil)	1480	1500	-20
	Kandla (Refined)	1550	1590	-40
	Hyderabad (Refined)	1490	1550	-60
	Hyderabad (Expeller)	1390	1440	-50
	Latur (Refined)	1470	1530	-60
	Latur (Expeller Oil)	1410	1455	-45
	Chellakere (Expeller Oil)	1320	1360	-40
	Erode (Expeller Oil)	1520	1560	-40
	Kakinada (Refined)	1460	1510	-50
	Krishna Pattanam (Refined)	1460	1510	-50
Groundnut Oil	Rajkot	1625	1625	Unch
	Chennai	1600	1600	Unch
	Hyderabad *	1550	1560	-10
	Mumbai	1670	1650	20
	Gondal	Closed	1650	-
	Jamnagar	Closed	1650	-
	Gujarat GN Telia	2550	2580	-30
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	1350	1330	20
	Jaipur (Kacchi Ghani Oil)	1455	1425	30
	Kota (Expeller Oil)	1360	1350	10
	Kota (Kacchi Ghani Oil)	1430	1410	20
	Neewai (Expeller Oil)	1330	1325	5
	Neewai (Kacchi Ghani Oil)	1445	1440	5
	Bharatpur (Kacchi Ghani Oil)	1400	1390	10
	Sri-Ganga Nagar (Exp Oil)	1375	1355	20

	Sri-Ganga Nagar (Kacchi Ghani Oil)	1420	1400	20
	Mumbai (Expeller Oil)	1390	1380	10
	Kolkata(Expeller Oil)	1540	1550	-10
	Hapur (Expeller Oil)	1570	1550	20
	Hapur (Kacchi Ghani Oil)	1620	1600	20
	Agra (Kacchi Ghani Oil)	1405	1395	10
Refined Cottonseed Oil	Rajkot	Closed	1495	-
	Hyderabad	1470	1485	-15
	Mumbai	1500	1510	-10
	Gujarat Cotton Wash	1430	1455	-25
Coconut Oil	Kangayan (Crude)	1250	1300	-50
	Cochin	1380	1380	Unch
Rice Bran Oil	Mumbai (Refined 4%)	1220	1220	Unch
	Bhatinda (Crude 4%)	1060	1070	-10
	Bhatinda (Refined 4%)	1175	1185	-10
	Hyderabad (Crude)	1080	1070	10
	Hyderabad (Refined)	1250	1230	20
	Raipur (Crude)	1130	1120	10
	Vijayawada (Refined)	1160	1150	10
Malaysia Palmolein USD/MT	FOB	1070	1155	-85
	CNF India	1015	1105	-90
Indonesia CPO USD/MT	FOB	Unq	0	-
	CNF India	1090	1180	-90
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	1270	-
Ukraine Origin CSFO USD/MT Kandla	CIF	1650	1650	Unch
Argentina FOB (\$/MT)		19-Aug-22	12-Aug-22	Change
Crude Soybean Oil Ship		1371	1416	-45
Refined Soy Oil (Bulk) Ship		1419	1466	-47
Sunflower Oil Ship		1490	1475	15
Cottonseed Oil Ship		1351	1396	-45
* 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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