

## **Strategy Shift – Edible Oil Buyers Prioritize Prompt Shipments**

**The Conflict Factor:** Indian edible oil buyers are undergoing a tactical shift, moving away from long-term forward contracts toward "prompt shipments." This urgency is driven by the escalating Middle East conflict, which threatens the traditional maritime routes used for importing soyoil (from Argentina and Brazil) and sunflower oil (from Russia and Ukraine).

**Logistical Bottlenecks:** Currently, a sea voyage from South America to India takes over six weeks. If tensions in the Red Sea and Suez Canal worsen, vessels may be forced to divert around the Cape of Good Hope (Africa). Industry experts, including Sunvin Group CEO Sandeep Bajoria, estimate this would add at least 10 days to transit times and increase freight costs by \$20 per ton or more.

**Refiner Sentiment:** Despite the surge in global prices, many Indian refiners are hesitant to commit to new, expensive overseas purchases. Instead, they are relying on existing lower-priced local inventory. This "wait-and-see" approach aims to protect margins, which have recently slipped into negative territory due to the rapid rise in landed costs. While this helps refiners manage costs now, it may lead to a tightening of local supplies by April if global price corrections do not occur soon.

**Reference:** Reuters. (2026). *Indian edible oil buyers move to secure prompt shipments as prices surge*. The Economic Times. **Link:** [Read Full Article](#)