

# FMCG Raw Material Prices Monitor

## Copra & oils up; beverage commodities ease

- We assessed commodity price trends relevant to the FMCG sector, mapping the trajectory of key input costs across recent periods.
- Grain prices remained largely unchanged, though wheat showed early signs of inflation (+3% mom), while rice and maize held steady.
- Beverage/Confectionary inputs such as coffee, cocoa, and tea continued to soften, offering input cost relief for Nestlé, Tata Consumer, and HUL's beverage portfolios.
- Edible oils turned inflationary, with palm oil up 12% yoy/4% qoq and copra prices soaring 29% qoq.
- Crude and derivatives remained stable yoy. However, early signs of mom inflation and geopolitical risks may drive renewed cost pressures on packaging and logistics in the coming quarters.

### Agri Commodities – Grains steady, but wheat edges up

- **Rice, maize, barley** remained broadly stable qoq, supporting input cost predictability.
- **Wheat** prices rose ~3% mom in Jul'25, led by tighter domestic availability.

### Beverage Inputs – Correction continues

- **Coffee (Arabica/Robusta)** extended its downtrend, helped by improving Brazilian crop outlook and normalizing global logistics.
- **Cocoa** prices fell another ~12% mom, continuing their decline post the 4QFY25 peak.
- **Tea** prices were down 7% yoy, reflecting improved domestic supplies and expectations of higher plucking yields.

### Edible Oils – Reversing trend with upward bias

- **Copra** prices rose sharply by ~29% qoq, driven by seasonality and lower arrivals. Marico has flagged continued cost pressure and implemented price hikes in its coconut oil portfolio.
- **Palm oil** surged ~12% yoy and 4% qoq, with recent shifts in import parity adding to the pressure.
- **Soybean, sunflower, and mustard oil** prices saw sequential upticks, ending the deflationary cycle.

### Crude and Derivatives – Volatility ahead

- **Crude oil** remained range-bound at Rs 60-65/litre, providing a supportive base for packaging and freight. That said, geopolitical tensions warrant caution.
- **Crude-linked inputs** (like HDPE, LLP) showed some uptick.

**End-use snapshot:** Stable grain and beverage input prices bode well for companies like Britannia, Nestlé, and Tata Consumer. However, the sharp sequential increase in copra poses a direct margin risk for Marico. Early signs of broad-based inflation in edible/palm oils call for close monitoring, while volatility in crude and its derivatives remains a key monitorable for packaging material and home & personal care segments.

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## Exhibit 1: Key RM Prices

Particulars	Unit	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	Spot	12M change	3M change	1M change	Companies in focus
Wheat	Rs/ Kg	24.5	26.7	29.4	30.0	25.1	25.7	26.7	-4%	2%	3%	BRIT, BECTORS, NEST, ITC, AVANTI
Wheat Atta	Rs/ Kg	38.7	38.5	39.6	40.4	40	39.8	39.8	3%	0%	0%	BRIT, BECTORS, NEST, ITC, AVANTI
Rice	Rs/ Kg	44.5	43.9	43.4	42.8	42.6	42.6	42.6	-3%	0%	0%	UBBL, UNSP
Maize	Rs/ Kg	23.8	25.3	26.2	25.6	24.8	24.9	24.9	-1%	0%	1%	CLGT, DABUR, HUVR
Barley	Rs/ Kg	20.6	22.2	24	23.9	22.8	22.4	23.4	1%	-1%	0%	UBBL, HUVR
Sugar	Rs/ Kg	37.2	37.6	36.8	38.6	39.5	39.4	40.2	5%	0%	0%	BRIT, BECTORS, NEST, ITC, HUVR, DABUR
Groundnut Oil Packed	Rs/ Kg	187	185	195	195	193	191	191	3%	-1%	0%	MRCO, DABUR
Mustard Oil Packed	Rs/ Kg	146	147	168	171	172	179	179	22%	4%	3%	MRCO, DABUR
Soya Oil Packed	Rs/ Kg	127	124	141	146	148	149	149	20%	1%	0%	MRCO, DABUR
Sunflower Oil Packed	Rs/ Kg	138	133	149	156	160	162	162	22%	2%	1%	MRCO, DABUR
Palm Oil (KO1)	Rs/ Kg	71.1	75.1	92.7	91.2	80.6	83.9	85.6	12%	4%	4%	BRIT, BECTORS, NEST, ITC, HUVR, DABUR, JYL, GCPL
Palm Oil (MCX)	Rs/ Kg	89.2	94.4	128	129	116	110	113	16%	-6%	3%	BRIT, BECTORS, NEST, ITC, HUVR, DABUR, JYL, GCPL
Palm Fatty Acid (Index)	Rs/ Kg	67.1	70.0	80.8	89.0	74.8	68.8	77.0	-2%	-8%	8%	BRIT, BECTORS, NEST, ITC, HUVR, DABUR, JYL, GCPL
Soya meal	Rs/ Kg	38.4	35.6	29.9	30.5	33.5	34.1	37.4	-4%	2%	1%	AVANTI
Fishmeal (CIF Peru)	Rs/ Kg	143	144	136	139	145	NA	145	1%	4%	1%	AVANTI
Coffee Arabica	Rs/ Kg	184	206	240	326	312	257	259	25%	-18%	-11%	HUVR, NEST, TACN
Coffee Robusta	Rs/ Kg	326	387	405	470	405	293	292	-24%	-28%	-16%	HUVR, NEST, TACN
Cocoa	USD/Ton	9,467	8,555	8,709	9,668	9,359	8,479	8,506	-1%	-9%	-12%	HUVR, NEST, TACN
Tea	Rs/ Kg	190	220	203	148	195	204	205	-7%	5%	-2%	HUVR, NEST, TACN
Milk	Rs/ Ltr	54.1	52.5	53.1	54.0	58.5	57.3	60.0	9%	-2%	0%	BRIT, BECTORS, NEST, ITC, HUVR
Skimmed milk powder	Rs/ Kg	241	246	258	256	241	240	244	-3%	0%	-1%	BRIT, BECTORS, NEST, ITC, HUVR
Egg	Rs/100 eggs	530	547	603	504	555	557	557	2%	0%	-6%	BRIT, BECTORS, NEST, ITC, HUVR
Salt	Rs/ Kg	22.5	22.2	22.1	21.7	21.4	21.4	21.4	-4%	0%	0%	TACN
Crude	Rs/ Ltr	70.9	65.9	62.5	65	57.1	59.9	63.5	-9%	5%	0%	HUL, GCPL, JYL, APNT, BRGR
HDPE	USD/MT	1,035	1,030	964	942	927	948	950	-8%	2%	3%	All companies (Packaging material)
TOI2	CNY/Kg	16.7	15.8	15.2	15	14.8	13.7	13.7	-13%	-8%	-4%	APNT, BRGR
Menthol	Rs/ Kg	1,006	1,012	1,002	1,021	1,007	992	1,010	-2%	-1%	0%	HMN, P&G
Polyethylene	CNY/Ton	8,490	8,176	8,314	7,904	7,326	7,369	7,369	-10%	1%	1%	APNT, BRGR
Polyvinyl	CNY/Ton	6,017	5,521	5,128	4,914	4,868	5,100	5,100	-8%	5%	4%	VIP, SAFARI
Polypropylene	CNY/Ton	7,678	7,537	7,383	7,320	7,139	7,138	7,138	-5%	0%	0%	VIP, SAFARI
Soda Ashh	CNY/Ton	2,091	1,773	1,545	1,485	1,354	1,304	1,304	-26%	-4%	3%	HUVR, GCPL, JYL
PVC	Rs/ Kg	83.9	84.4	77.4	73.9	71.5	73.6	73.6	-13%	3%	1%	VIP, SAFARI
Milling Copra	Rs/Kg	101	108	138	156	198	256	256	138%	29%	12%	MRCO, DABUR

*\*All prices are as of July'25, with spot prices representing the closing values.*

Source: Equirus, Bloomberg, Trading Economics, Ministry of Consumer Affairs

## Exhibit 2: Peer Valuation

Company Name	CMP (INR)	Mcap (Rs bn)	Target Price	Rating	Target date	P/E			EV/EBIDTA			ROE %		
						FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Nestle India	2,277	2,195	2,508	ADD	Sep-26	69	58	51	43	38	34	75%	83%	90%
Britannia Industries	5,767	1,397	5,920	ADD	Jun-26	53	47	41	38	34	30	56%	54%	52%
Godrej Consumer Products	1,249	1,296	1,419	LONG	Jun-26	52	44	38	37	32	28	20%	21%	22%
Dabur India	530	948	541	ADD	Sep-26	49	43	38	37	33	30	17%	18%	19%
Tata Consumer Products	1,073	1,059	1,133	ADD	Sep-26	65	51	42	38	32	27	8%	9%	11%
Marico	723	922	765	LONG	Jun-26	54	44	40	38	32	28	43%	50%	52%
Colgate-Palmolive (India)	2,254	614	2,465	REDUCE	Jun-26	44	39	36	31	28	26	85%	93%	102%
Emami	612	270	754	LONG	Sep-26	32	30	27	24	22	20	29%	28%	27%
Jyothy Labs	333	122	441	LONG	Jun-26	32	28	24	22	20	17	26%	26%	27%
Mrs. Bectors Food Specialities	1,462	90	1,685	LONG	Jun-26	53	38	29	30	23	18	14%	17%	19%
United Spirits	1,340	962	1,748	LONG	Jun-26	57	49	43	40	35	31	21%	22%	23%
United Breweries	1,938	509	2,037	REDUCE	Sep-26	87	59	45	48	35	28	13%	18%	21%
Radico Khaitan	2,798	380	3,000	ADD	Sep-26	68	54	45	42	35	30	19%	20%	20%
V I P Industries	464	64	448	LONG	Sep-26	155	58	36	33	23	17	7%	17%	25%
Safari Industries	2,100	103	2,624	LONG	Sep-26	58	41	32	36	27	21	17%	20%	22%
Gujarat Ambuja Exports	108	51	138	LONG	Sep-26	18	12	10	10	7	5	9%	12%	13%
Avanti Feeds	668	91	815	ADD	Jun-26	18	16	14	11	9	7	15%	15%	15%
Procter & Gamble Hygiene Healthcare	13,558	444	18,413	LONG	Dec-25	49	48	44	36	35	32	95%	69%	56%

Source: Equirus, Company Data



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