

Domestic Fundamentals:

- Edible oils featured mostly weak tone in various market centers on Monday.
- Domestic soy oil futures and palm oil futures fell on fall in international markets. International palm oil and soy oil futures fell on oversupply concerns. Rupee depreciated below 70/USD as on fall in domestic equity markets. Crude oil prices were trading lower on Monday.
- Palm oil- Palm oil prices are expected to be expected to underpin by expectation of rise in end stocks of palm oil in Malaysia in December on rise in production of palm oil in December
Data from Malaysia Palm Oil Association show production rose 5.6 percent in first 20 days of December, raising expectation that production will end December in green on Malaysia.
End stocks of palm oil have already crossed 3 MMT in Malaysia in Nov and it is expected to top in Dec primarily due to rise in production in Dec.
Production of palm oil is estimated to have fallen in Indonesia indicating peak of palm oil production has reached.
However, exports will rise in December from Malaysia in December on higher imports by China and India.
China is buying more palm oil due to lower production of soy oil in China due to lower imports of soybean in November.
China imported fewer soybeans due to outbreak of swine flu in the country and negative crush margins of soybean.
This has led to lower supply of soy oil leading to higher imports of palm oil.
Further, China will import more in Dec and Jan on demand ahead of Chinese New Year.
India is buying to take advantage of low prices of palm oil and recent appreciation of Rupee has made palm oil cheaper to import.
- Soy oil- Soy oil prices are underpinned by record crop in Brazil, near record crop in US and lower demand of soybean from China. Trade settlement by US and China will have limited impact on soybean complex as despite Chinese demand, stocks of soybean will stay firm in US.
Data on Friday showed that China imported zero soybean from US in Nov. In Dec it is expected that around 5 MMT of soybean from US will be contracted.
Further, soybean harvest has started in Brazil and imports from US will slow as harvest in Brazil picks up pace. Brazil is expected to harvest record soybean crop in 2018/19.
This will lead to surplus soybean stocks in US which will underpin soybean complex prices.
Soybean demand from China is expected to remain low due to lowering of protein requirement by China in feed industry and measures to block exports of soy meal coupled with measures to diversify away from soybean as a major protein source by China.
Further soybean weather is conducive in South America which will harvest record stocks.
Fall in crude oil prices will underpin soy oil prices.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-20 palm oil exports rose 6.9 percent to 879,491 tons compared to 822,620 tons in the corresponding period last month. Top buyers were China at 255,010 tons (136,710 tons), India at 175,910 tons (120,700 tons), European Union 137,294 tons (176,913 tons), United States at 64,405 tons (36,329 tons) and Pakistan at 35,500 tons (15,000 tons). Values in brackets are figures of corresponding period last month.

Outlook: Edible oil basket is expected to feature range –bound to weak sentiment in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-19	-5.35	728.50	728.50	719.30	720.70	8,740	2030	39510	-190
Feb-19	-6.30	719.00	719.05	711.40	712.75	3,560	1850	16840	220

Prices & Vol-OI are at 5:30 PM

Spread	Jan-18	Feb-18
Spot	19.30	27.25
Jan-19		-7.95
Feb-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-18	-6.90	510.40	511.00	504.30	505.00	362	-41	2242	-175
Jan-19	-4.40	509.00	510.80	506.20	506.90	484	-308	5575	-175

Spread	Dec-18	Jan-19
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Spot	4.0	2.1
Dec-19		1.9
Jan-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.02	27.9	27.97	27.76	27.87
15-Mar	-0.03	28.24	28.25	28.02	28.14
15-May	-0.01	28.43	28.47	28.28	28.4
15-Jul	-0.02	28.72	28.73	28.56	28.66
15-Aug	-0.01	28.9	28.91	28.72	28.82

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jan-19	-48	2092	2103	2055	2055
Feb-19	-38	2102	2119	2084	2089
Mar-19	-32	2132	2156	2124	2128
Apr-19	-30	2180	2194	2167	2171

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/12/2018	6.90	14459	4.172	37.97	70.14	3.90	96.75	45.44

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-Dec-18	22-Dec-18	
Refined Soybean Oil	Indore	740	740	Unch
	Indore (Soy Solvent Crude)	705	698	7
	Mumbai	740	740	Unch
	Mumbai (Soy Degum)	708	712	-4
	Kandla/Mundra	725	730	-5
	Kandla/Mundra (Soy Degum)	705	708	-3
	Kolkata	800	800	Unch
	Delhi	775	780	-5
	Nagpur	730	730	Unch
	Rajkot	730	730	Unch

	Kota	730	735	-5
	Hyderabad	750	750	Unch
	Akola	732	732	Unch
	Amrawati	732	732	Unch
	Bundi	740	745	-5
	Jalna	732	732	Unch
	Alwar	Unq	Unq	-
	Solapur	721	721	Unch
	Dhule	731	731	Unch
Palm Oil*	Kandla (Crude Palm Oil)	534	537	-2
	Kandla (RBD Palm oil)	572	567	5
	Kandla RBD Pamolein	620	620	Unch
	Kakinada (Crude Palm Oil)	541	541	Unch
	Kakinada RBD Pamolein	635	635	Unch
	Haldia Pamolein	635	635	Unch
	Chennai RBD Pamolein	641	641	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	701	701	Unch
	KPT (krishna patnam) Pamolein	630	632	-2
	Mumbai RBD Pamolein	630	635	-5
	Mangalore RBD Pamolein	641	641	Unch
	Tuticorin (RBD Palmolein)	632	632	Unch
	Delhi	655	655	Unch
	Rajkot	609	609	Unch
	Hyderabad	617	617	Unch
	PFAD (Kandla)	331	331	Unch
	Refined Palm Stearin (Kandla)	404	404	Unch
	Superolien (Kandla)	693	693	Unch
	Superolien (Mumbai)	701	701	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	765	765	Unch
	Mumbai	790	800	-10
	Mumbai(Expeller Oil)	712	715	-3
	Kandla (Ref.)	770	775	-5
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	780	780	Unch
	Latur (Expeller Oil)	750	750	Unch
	Chellakere (Expeller Oil)	710	710	Unch
	Erode (Expeller Oil)	800	800	Unch
Groundnut Oil	Rajkot	960	960	Unch
	Chennai	930	930	Unch

	Delhi	950	950	Unch
	Hyderabad *	950	950	Unch
	Mumbai	985	985	Unch
	Gondal	965	965	Unch
	Jamnagar	960	960	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	800	800	Unch
	Jaipur (Kacchi Ghani Oil)	812	816	-4
	Kota (Expeller Oil)	780	790	-10
	Kota (Kacchi Ghani Oil)	795	795	Unch
	Neewai (Expeller Oil)	780	785	-5
	Neewai (Kacchi Ghani Oil)	797	802	-5
	Bharatpur (Kacchi Ghani Oil)	800	810	-10
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	785	785	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	805	805	Unch
	Mumbai (Expeller Oil)	835	830	5
	Kolkata(Expeller Oil)	940	940	Unch
	New Delhi (Expeller Oil)	830	840	-10
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	945	945	Unch
	Agra (Kacchi Ghani Oil)	805	815	-10
Refined Cottonseed Oil	Rajkot	695	695	Unch
	Hyderabad	710	710	Unch
	Mumbai	712	720	-8
	New Delhi	670	680	-10
Coconut Oil	Kangayan (Crude)	1500	1500	Unch
	Cochin	1460	1460	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1600	1700	-100
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	610	620	-10
Rice Bran Oil (4%)	Punjab	615	620	-5
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	505	510	-5
	CNF India	535	535	Unch

Indonesia CPO USD/MT	FOB	483	480	3
	CNF India	505	505	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	498	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	490	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	880	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	345	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	700	700	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	708	Closed	-
Argentina FOB (\$/MT)		22-Dec-18	21-Dec-18	Change
Crude Soybean Oil Ship		Closed	606	-
Refined Soy Oil (Bulk) Ship		Closed	627	-
Sunflower Oil Ship		Closed	605	-
Cottonseed Oil Ship		Closed	586	-
Refined Linseed Oil (Bulk) Ship		Closed	Unq	-
* indicates including GST				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons).

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