

Domestic Fundamentals:

- Edible oils featured mixed tone in various market centers on Thursday.
- Domestic soy oil futures and palm oil futures rose on fall in international markets. International palm oil and soy oil futures rose on optimism in global markets after days of selloff in global markets. Rupee appreciated around 70/USD on rise in domestic equity markets. Crude oil prices were trading higher on Thursday.
- Palm oil- Palm oil prices are expected to be expected to underpinned 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 in first 20 days of December, raising expectation that production will end December in green in 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.
Exports are showing subdued performance from Malaysia in December mainly on low demand from top importer EU.
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.
Fall in competing oils like CBOT soy oil and RBD Palmolein will support fall in palm oil prices.
Weak crude oil prices will be drag on palm oil prices.
- 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.
Further soybean weather is conducive in South America which will harvest record stocks.
Rise in crude oil prices are expected to support soy oil prices.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-25 palm oil exports rose 0.4 percent to 1,078,274 tons compared to 1,074,486 tons in the corresponding period last month. Top buyers were China at 268,910 tons (161,660 tons), European Union 195,064 tons (243,633 tons), India at 185,910 tons (176,200 tons), United States at 64,405 tons (43,524 tons) and Pakistan at 60,000 tons (34,400 tons). Values in brackets are figures of corresponding period last month.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia kept January export duty unchanged at zero. Both threshold prices and tax rates have been kept unchanged. Indonesia has kept crude palm oil export duty at zero since May 2017 as it expects that it will miss certain thresholds.

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	5.00	719.50	724.10	718.70	723.75	9,110	-870	37480	-1360
Feb-19	3.80	711.90	713.25	708.70	713.25	6,350	-1330	21290	1880

Prices & Vol-OI are at 5:30 PM

Spread	Jan-18	Feb-18
Spot	4.25	14.75
Jan-19		-10.50
Feb-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-18	0.50	506.00	506.10	502.80	504.50	477	54	1815	-330
Jan-19	4.20	510.00	512.00	508.70	512.00	1028	404	5701	129

Spread	Dec-18	Jan-19
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Spot	1.5	-6
Dec-19		7.5
Jan-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.11	27.49	27.57	27.36	27.47
15-Mar	0.10	27.8	27.86	27.64	27.75
15-May	0.10	28.06	28.11	27.9	28.02
15-Jul	0.11	28.32	28.4	28.19	28.31
15-Aug	0.10	28.49	28.51	28.34	28.45

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jan-19	-5	2023	2039	2010	2012
Feb-19	9	2062	2084	2058	2060
Mar-19	10	2107	2129	2100	2105
Apr-19	6	2157	2174	2148	2153

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
27/12/2018	6.87	14564	4.171	38.54	70.05	3.92	96.70	45.57

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-Dec-18	26-Dec-18	
Refined Soybean Oil	Indore	728	730	-2
	Indore (Soy Solvent Crude)	695	692	3
	Mumbai	740	735	5
	Mumbai (Soy Degum)	705	705	Unch
	Kandla/Mundra	725	725	Unch
	Kandla/Mundra (Soy Degum)	700	700	Unch
	Kolkata	780	780	Unch
	Delhi	775	775	Unch
	Nagpur	726	726	Unch
	Rajkot	725	730	-5

	Kota	730	730	Unch
	Hyderabad	750	750	Unch
	Akola	727	727	Unch
	Amrawati	728	728	Unch
	Bundi	740	740	Unch
	Jalna	726	726	Unch
	Alwar	Unq	Unq	-
	Solapur	719	719	Unch
	Dhule	724	724	Unch
Palm Oil*	Kandla (Crude Palm Oil)	530	530	Unch
	Kandla (RBD Palm oil)	571	565	6
	Kandla RBD Pamolein	614	612	2
	Kakinada (Crude Palm Oil)	538	538	Unch
	Kakinada RBD Pamolein	630	630	Unch
	Haldia Pamolein	627	627	Unch
	Chennai RBD Pamolein	635	635	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	696	701	-5
	KPT (krishna patnam) Pamolein	625	625	Unch
	Mumbai RBD Pamolein	635	635	Unch
	Mangalore RBD Pamolein	635	635	Unch
	Tuticorin (RBD Palmolein)	622	630	-8
	Delhi	640	655	-15
	Rajkot	604	604	Unch
	Hyderabad	606	617	-11
	PFAD (Kandla)	320	326	-5
	Refined Palm Stearin (Kandla)	394	399	-5
	Superolien (Kandla)	688	688	Unch
	Superolien (Mumbai)	696	696	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	765	765	Unch
	Mumbai	790	790	Unch
	Mumbai(Expeller Oil)	705	705	Unch
	Kandla (Ref.)	760	770	-10
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	775	780	-5
	Latur (Expeller Oil)	750	750	Unch
	Chellakere (Expeller Oil)	710	710	Unch
	Erode (Expeller Oil)	800	800	Unch
Groundnut Oil	Rajkot	975	960	15
	Chennai	960	950	10

	Delhi	950	950	Unch
	Hyderabad *	980	950	30
	Mumbai	985	985	Unch
	Gondal	975	975	Unch
	Jamnagar	960	960	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	790	-10
	Jaipur (Kacchi Ghani Oil)	805	804	1
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	785	790	-5
	Neewai (Expeller Oil)	780	780	Unch
	Neewai (Kacchi Ghani Oil)	797	797	Unch
	Bharatpur (Kacchi Ghani Oil)	810	800	10
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	775	780	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	800	-10
	Mumbai (Expeller Oil)	830	835	-5
	Kolkata(Expeller Oil)	930	940	-10
	New Delhi (Expeller Oil)	827	825	2
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	945	945	Unch
	Agra (Kacchi Ghani Oil)	815	805	10
Refined Cottonseed Oil	Rajkot	690	680	10
	Hyderabad	695	715	-20
	Mumbai	702	705	-3
	New Delhi	670	670	Unch
Coconut Oil	Kangayan (Crude)	1625	1600	25
	Cochin	1470	1470	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1600	1600	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	600	610	-10
Rice Bran Oil (4%)	Punjab	605	605	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	505	500	5
	CNF India	533	535	-2

Indonesia CPO USD/MT	FOB	485	480	5
	CNF India	505	505	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	493	493	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	490	488	2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	865	865	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	345	345	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	845	-
Ukraine Origin CSFO USD/MT Kandla	CIF	700	700	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	Unq	-
Argentina FOB (\$/MT)		26-Dec-18	24-Dec-18	Change
Crude Soybean Oil Ship		595	Unq	-
Refined Soy Oil (Bulk) Ship		616	Unq	-
Sunflower Oil Ship		605	Unq	-
Cottonseed Oil Ship		575	Unq	-
Refined Linseed Oil (Bulk) Ship		Unq	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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