

**Domestic Fundamentals:**

- Edible oils featured mostly firm tone in various market centers on Monday.
- Domestic soy oil futures and palm oil futures rose on firm demand prospects due to palm oil import duty reduction. International palm oil futures fell on supply concerns while CBOT soy oil rose on US-China trade talks. Crude oil prices were trading higher on Monday and US-China trade talks which will resume US crude oil exports to China.
- 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 slow rise in exports of palm oil and firm production.  
However, with reduction of palm oil import duty by India especially refined palm oil from Malaysia will support palm oil prices.  
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 will remain elevated in Malaysia in December.  
Exports are rising slowly 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.  
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.  
Appreciation of Ringgit to 4.11/USD levels after trading below 4.15/USD is expected to underpin palm oil prices as it makes palm oil prices costlier compared to competing oils.  
RBD palmolein is still at USD 25-30 premium over CPO at FOB levels in Malaysia and Indonesia which is slowing RBD palmolein demand from Malaysia.
- Soy oil- Soy oil prices are supported by US-China trade talks, weather disturbances in South America, rise in crude oil prices and weak dollar.
- US-China trade talks are expected to start from this week and are expected to yield positive results for soybean complex prices.  
Soy oil traded higher as rains in soybean belts in Argentina adversely affected planting and more rains are expected next week. This will increase basis and support soy oil FOB Argentina prices.  
Certain areas in soybean belts in Brazil are facing drought situation which will reduce yields and will decrease crop prospects. Around 10 MMT of soybean crop can be lost due to drought.  
Crude oil prices rose on OPEC production cut and dollar fell on FED interest outlook will support soy oil prices.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO) from Indonesia rose 14.1 percent in November y-o-y to 2.99 MMT from were 2.64 MMT in Nov 2017. Exports of palm oil (CPO and PKO) were fell 4.8 m-o-m in Nov at 2.99 MMT compared to Oct 2018 at 3.14 MMT. Stocks of palm oil in Nov 2018 fell to 3.89 MMT from 4.41 MMT in Oct 2018.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec palm oil exports rose 7.9 percent to 1,339,879 tons compared to 1,241,467 tons last month. Top buyers were China at 322,610 tons (171,660 tons), India at 277,010 tons (224,126 tons), European Union 249,669 tons (283,168 tons), United States at 75,550 tons (43,524 tons) and Pakistan at 63,000 tons (34,400 tons). Values in brackets are figures last month.

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

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-19	5.20	743.80	749.75	743.10	749.00	8,560	250	28760	-2610
Feb-19	5.40	733.85	740.45	731.75	739.25	15,740	9570	36260	2210

Prices & Vol-OI are at 5:30 PM

Spread	Jan-18	Feb-18
Spot	6.00	15.75
Jan-19		-9.75
Feb-19		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-18	3.90	532.20	537.00	530.50	536.50	778	242	5216	-203
Feb-19	3.20	539.20	543.50	537.80	543.00	939	500	4781	276

Spread	Jan-18	Feb-19
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Spot	-18.5	-25
Jan-19		6.5
Feb-19		

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.02	28.7	28.77	28.65	28.66
15-May	0.01	28.96	29.02	28.91	28.91
15-Jul	0.04	29.21	29.29	29.21	29.22
15-Aug	0.03	29.36	29.43	29.34	29.34
15-Sep	0.05	29.52	29.56	29.49	29.49

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Jan-19	-29	2130	2130	2090	2092
Feb-19	-17	2137	2140	2115	2122
Mar-19	-13	2172	2176	2150	2160
Apr-19	-14	2213	2216	2190	2197

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
07/01/2019	6.85	14096	4.117	37.34	70.19	3.71	95.93	49.16

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Jan-19	5-Jan-19	
Refined Soybean Oil	Indore	755	752	3
	Indore (Soy Solvent Crude)	715	716	-1
	Mumbai	745	745	Unch
	Mumbai (Soy Degum)	710	710	Unch
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	710	708	2
	Kolkata	805	795	10
	Delhi	780	785	-5
	Nagpur	754	746	8
	Rajkot	735	730	5



	Kota	750	747	3
	Hyderabad	760	760	Unch
	Akola	756	746	10
	Amrawati	755	745	10
	Bundi	763	760	3
	Jalna	752	742	10
	Alwar	Unq	Unq	-
	Solapur	737	727	10
	Dhule	762	742	20
Palm Oil*	Kandla (Crude Palm Oil)	544	544	Unch
	Kandla (RBD Palm oil)	583	588	-5
	Kandla RBD Pamolein	635	635	Unch
	Kakinada (Crude Palm Oil)	551	544	7
	Kakinada RBD Pamolein	637	632	5
	Haldia Pamolein	651	638	13
	Chennai RBD Pamolein	641	635	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	697	692	5
	KPT (krishna patnam) Pamolein	635	630	5
	Mumbai RBD Pamolein	646	646	Unch
	Mangalore RBD Pamolein	635	635	Unch
	Tuticorin (RBD Palmolein)	635	635	Unch
	Delhi	670	670	Unch
	Rajkot	630	625	5
	Hyderabad	616	630	-14
	PFAD (Kandla)	320	320	Unch
	Refined Palm Stearin (Kandla)	420	420	Unch
	Superolien (Kandla)	683	677	5
	Superolien (Mumbai)	697	692	5
* inclusive of GST				
Refined Sunflower Oil	Chennai	760	760	Unch
	Mumbai	790	790	Unch
	Mumbai(Expeller Oil)	695	695	Unch
	Kandla (Ref.)	770	770	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	770	770	Unch
	Latur (Expeller Oil)	755	755	Unch
	Chellakere (Expeller Oil)	710	710	Unch
	Erode (Expeller Oil)	795	795	Unch
Groundnut Oil	Rajkot	970	980	-10
	Chennai	980	980	Unch

	Delhi	1000	1000	Unch
	Hyderabad *	980	980	Unch
	Mumbai	1010	1010	Unch
	Gondal	975	980	-5
	Jamnagar	980	980	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	795	795	Unch
	Jaipur (Kacchi Ghani Oil)	814	813	1
	Kota (Expeller Oil)	785	782	3
	Kota (Kacchi Ghani Oil)	795	795	Unch
	Neewai (Expeller Oil)	790	785	5
	Neewai (Kacchi Ghani Oil)	799	795	4
	Bharatpur (Kacchi Ghani Oil)	815	810	5
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	780	780	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	795	Unch
	Mumbai (Expeller Oil)	825	825	Unch
	Kolkata(Expeller Oil)	940	940	Unch
	New Delhi (Expeller Oil)	835	835	Unch
	Hapur (Expeller Oil)	895	910	-15
	Hapur (Kacchi Ghani Oil)	935	950	-15
	Agra (Kacchi Ghani Oil)	820	815	5
Refined Cottonseed Oil	Rajkot	700	700	Unch
	Hyderabad	705	700	5
	Mumbai	718	715	3
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1780	1780	Unch
	Cochin	1500	1490	10
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1600	1600	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	615	615	Unch
Rice Bran Oil (4%)	Punjab	605	605	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	528	525	3
	CNF India	558	550	8



Indonesia CPO USD/MT	FOB	508	503	5
	CNF India	533	528	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	520	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	513	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	875	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	363	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	715	Closed	-
Argentina FOB (\$/MT)		5-Jan-19	4-Jan-19	Change
Crude Soybean Oil Ship		Closed	619	-
Refined Soy Oil (Bulk) Ship		Closed	641	-
Sunflower Oil Ship		Closed	610	-
Cottonseed Oil Ship		Closed	599	-
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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