

**Domestic Fundamentals:**

- Edible oils featured mixed tone in various market centers on Wednesday.
- Domestic soy oil and palm oil prices futures rose on rise in international benchmarks. BMD CPO futures and CBOT soy oil rose on technical buying after yesterdays fall. Crude oil prices were trading higher on Wednesday.
- Sunflower oil India CNF prices are expected to remain firm due to adverse weather and heavy snowfall in top exporter Ukraine which has led to stoppages at many crushers. This has led to surge in prices of sunflower oil in near term. However, prices support of sunflower oil will weaken as there are ample stocks of sunflower seed in Ukraine and projected good supply situation in lean season will pressurize prices after near term support. Soy oil CNF prices have also supported sunflower CNF prices.
- Trade talks between US and China is expected to start today. This talks are happening amidst diplomatic spat between US and China on arrest of Huawei executive on relations with Iran. China has tried to reach out for intermediate level last week but was denied by US. US has kept up pressure on China and is not willing to bend on any thorny issues.
- Market participants are eagerly awaiting results of trade talks on soybean complex prices. US is sitting on record stocks of soybean after China put 25 percent import duty on imports of soybean from US which stopped imports of soybean from US. However, with US-China trade compromise for 3 months, China has purchased 5 MMT of soybean from US in December. However, there has not been any major soybean trade booking in Jan.
- With reduction of soybean crops of Brazil and Argentina due to adverse weather will benefit US exporters. Soybean yields in Parana and Mato Grosso have been adversely affected by dry weather. South Brazil states are facing water logging. Both the weather conditions have cut soybean crop of Brazil. Trade expectation is between 113-117 MMT crop and 70-72 MMT of exports.
In Argentina, soybean weather have been adverse due to heavy rains leady to flooding of fields. This has potential of cutting the crop of soybean to 50 MMT. This has led to rise in basis of soy oil leading to higher FOB prices.
Cut in crops in soybean crop of both the countries will lead to lower exportable surplus in South America which will lead China to search supplies from other source amid expectation of cut in imports of soybean imports by China in 2019.
- Palm oil international prices are supported by expectation of fall in stocks of palm oil in Malaysia, fall in production of palm oil in Malaysia in coming months, firm exports of palm oil from Malaysia, rise in competing oils and firm crude oil prices.
Palm oil end stocks in Malaysia are expected to fall in January in Malaysia due to firm exports.
Data from (millers association) showed rise production of Malaysian Peninsula (Sabah and Sarawak) for January. However, production is expected to fall on seasonal downtrend of production.
Exports of palm oil are expected to stay firm in Malaysia in Jan due to firm demand from top importing destinations.
China will buy more palm oil to set-off lower production of soy oil in the country due to lower crush on swine flu and lower imports of soybean by China. Chinese New Year is approaching and demand of edible oils will firm paving way for more palm oil due to low supply of soy oil.
India is expected to buy more palmolein as Malaysia has been given 5% lower import duty compared to alternate destinations. Further, India is expected to buy more at current prices and port stocks of palmolein are low at Indian ports.

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
Feb-19	3.35	771.40	774.70	771.20	774.50	7,710	-1670	37220	-530
Mar-19	4.70	765.35	768.70	765.00	768.50	6,970	-7300	49570	2720

Prices & Vol-OI are at 5:30 PM

Spread	Feb-18	Mar-18
Spot	5.50	11.50
Feb-19		-6.00
Mar-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-18	2.30	556.40	563.20	556.40	563.20	288	142	1592	-145
Feb-19	1.90	570.00	572.70	570.00	572.20	420	-505	5811	77

Spread
Jan-18
Feb-19
Spot

-0.2

-9.2

Jan-19

9

Feb-19
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.08	30.12	30.24	30.08	30.19
15-May	0.08	30.43	30.55	30.39	30.51
15-Jul	0.07	30.74	30.86	30.71	30.81
15-Aug	0.08	30.87	30.94	30.85	30.93
15-Sep	0.11	30.96	31.11	30.96	31.09

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Feb-19	8	2194	2218	2180	2194
Mar-19	6	2258	2285	2245	2264
Apr-19	8	2289	2317	2277	2294
May-19	6	2310	2336	2298	2317

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
30/01/2019	6.72	14129	4.107	37.63	71.09	3.72	95.85	53.67

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		30-Jan-19	29-Jan-19	
Refined Soybean Oil	Indore	780	785	-5
	Indore (Soy Solvent Crude)	750	755	-5
	Mumbai	780	780	Unch
	Mumbai (Soy Degum)	745	740	5
	Kandla/Mundra	775	775	Unch
	Kandla/Mundra (Soy Degum)	745	745	Unch
	Kolkata	820	820	Unch
	Delhi	820	822	-2
	Nagpur	778	777	1
	Rajkot	765	770	-5
	Kota	780	780	Unch

	Hyderabad	760	760	Unch
	Akola	779	778	1
	Amrawati	779	778	1
	Bundi	793	793	Unch
	Jalna	781	779	2
	Solapur	770	768	2
	Dhule	779	781	-2
Palm Oil*	Kandla (Crude Palm Oil)	591	593	-2
	Kandla (RBD Palm oil)	625	630	-5
	Kandla RBD Pamolein	677	677	Unch
	Kakinada (Crude Palm Oil)	588	583	5
	Kakinada RBD Pamolein	677	677	Unch
	Haldia Pamolein	683	677	5
	Chennai RBD Pamolein	683	683	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	736	736	Unch
	KPT (krishna patnam) Pamolein	672	672	Unch
	Mumbai RBD Pamolein	683	683	Unch
	Mangalore RBD Pamolein	683	677	5
	Tuticorin (RBD Palmolein)	688	685	3
	Delhi	705	710	-5
	Rajkot	667	667	Unch
	Hyderabad	660	665	-5
	PFAD (Kandla)	362	362	Unch
	Refined Palm Stearin (Kandla)	588	583	5
	Superolien (Kandla)	704	704	Unch
	Superolien (Mumbai)	714	714	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	800	800	Unch
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	740	740	Unch
	Kandla (Ref.)	800	800	Unch
	Hyderabad (Ref)	810	810	Unch
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	730	730	Unch
	Erode (Expeller Oil)	835	835	Unch
Groundnut Oil	Rajkot	930	950	-20
	Chennai	960	980	-20
	Delhi	950	950	Unch
	Hyderabad *	970	970	Unch
	Mumbai	970	970	Unch

	Gondal	950	945	5
	Jamnagar	960	945	15
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	825	Unch
	Jaipur (Kacchi Ghani Oil)	831	835	-4
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	820	820	Unch
	Neewai (Expeller Oil)	805	810	-5
	Neewai (Kacchi Ghani Oil)	817	820	-3
	Bharatpur (Kacchi Ghani Oil)	820	825	-5
	Sri-Ganga Nagar(Exp Oil)	810	820	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	820	830	-10
	Mumbai (Expeller Oil)	810	810	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	845	845	Unch
	Hapur (Expeller Oil)	875	875	Unch
	Hapur (Kacchi Ghani Oil)	915	915	Unch
	Agra (Kacchi Ghani Oil)	825	830	-5
Refined Cottonseed Oil	Rajkot	740	750	-10
	Hyderabad	750	745	5
	Mumbai	760	760	Unch
	New Delhi	740	738	2
Coconut Oil	Kangayan (Crude)	1680	1680	Unch
	Cochin	1530	1530	Unch
Sesame Oil	New Delhi	1560	1560	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	630	635	-5
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	563	563	Unch
	CNF India	598	598	Unch
Indonesia CPO USD/MT	FOB	525	525	Unch
	CNF India	558	555	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	558	558	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	558	550	8
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	870	870	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	423	420	3

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	820	-
Ukraine Origin CSFO USD/MT Kandla	CIF	745	745	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	775	721	54
Argentina FOB (\$/MT)		29-Jan-19	28-Jan-19	Change
Crude Soybean Oil Ship		695	696	-1
Refined Soy Oil (Bulk) Ship		719	720	-1
Sunflower Oil Ship		640	640	Unch
Cottonseed Oil Ship		675	676	-1
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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