

Domestic Fundamentals:

- Edible oils featured mixed tone in various market centers on Friday.
- Domestic soy oil prices and palm oil prices futures fell on fall in international benchmarks. BMD CPO futures and CBOT soy oil fell on technical selling. Crude oil prices were trading higher on Friday.
- Palm oil prices are supported by expectation of fall in end stocks of palm oil in Malaysia in February on fall in production of palm oil, rise in exports of palm oil and rise in crude oil prices.
Palm oil end stocks are expected to fall in Feb but will stay above 3 MMT after reaching record in Dec.
Palm oil production is expected to fall in Feb in Malaysia on seasonal downtrend of production.
Exports are expected to rise on higher demand from China and India. China will purchase more due to lower supply of soy oil due to lower imports of soybean and outbreak of swine flu in the country.
India will buy more RBD palmolein from Malaysia as it is priced lower in India due to lower import duty, higher import and refining margins of imported RBD palmolein compared to domestic refined palmolein and lower palmolein stocks at ports along with firm demand of palm oil.
Crude oil prices are expected to rise on expected OPEC production cut will support palm oil prices.
- Soy oil international prices are supported by expectation of trade settlement between US and China, weak soybean crop condition in Argentina, worsening soybean crop condition in Brazil and rise in crude oil prices.
US and China had trade talks between Jan 30-Feb 2, where they discussed range of trade issues including soybean exports from US. China had agreed to purchase 5 MMT of soybean. USDA confirmed 2.6 MMT of soybean imports by China. US trade representative is expected to visit China to take the talks forward.
Soybean crop condition in Brazil has worsened due to dry condition in center and west Brazil.
Soybean yields in Parana and Mato Grosso have been adversely affected by dry weather.
Rains are forecasted in soybean belts in Brazil which will slow harvesting which has reached 19 percent last week.
Adverse weather conditions have cut soybean crop of Brazil. Trade expectation is between 110-115 MMT crop and 68-72 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.
Crude oil prices are expected to rise on expected OEC production cuts will support soy oil prices.
Soy oil prices in India are supported by firm demand due to positive import and refining margins and low stocks at ports along with low imports in last couple of months.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Jan palm oil exports rose 14.7 percent to 1,466,932 tons compared to 1,278,661 tons last month. Top buyers were European Union 402,246 tons (226,482 tons), India & subcontinent 329,575 tons (322,010 tons) and China at 255,350 tons (300,810 tons). Values in brackets are figures of 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
Feb-19	-1.00	776.10	777.00	773.35	775.10	6,860	-810	20360	-3450
Mar-19	-2.05	768.25	769.50	765.00	766.20	10,230	-2430	46170	-2430

Prices & Vol-OI are at 5:30 PM

Spread	Feb-18	Mar-18
Spot	6.90	15.80
Feb-19		-8.90
Mar-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-18	-3.70	572.00	575.00	568.10	569.00	730	-52	4694	-341
Mar-19	-3.30	578.20	582.70	576.60	577.60	331	117	2425	202

Spread	Feb-18	Mar-19
Spot	-1.0	-9.6
Feb-19		8.6
Mar-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.18	30.84	30.84	30.58	30.63
15-May	-0.17	31.16	31.16	30.9	30.95
15-Jul	-0.18	31.44	31.44	31.2	31.25
15-Aug	-0.17	31.59	31.59	31.33	31.37
15-Sep	-0.19	31.7	31.7	31.47	31.47

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar-19	-26	2206	2217	2190	2190
Apr-19	-30	2272	2279	2254	2255
May-19	-29	2308	2312	2289	2290
June-19	-30	2325	2331	2306	2308

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
08/02/2019	6.74	13976	4.068	37.81	71.55	3.72	96.57	52.56

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		8-Feb-19	7-Feb-19	
Refined Soybean Oil	Indore	782	782	Unch
	Indore (Soy Solvent Crude)	752	752	Unch
	Mumbai	785	785	Unch
	Mumbai (Soy Degum)	750	752	-2
	Kandla/Mundra	780	785	-5
	Kandla/Mundra (Soy Degum)	752	755	-3
	Kolkata	805	810	-5
	Delhi	825	820	5
	Nagpur	781	779	2
	Rajkot	775	780	-5

	Kota	780	780	Unch
	Hyderabad	760	760	Unch
	Akola	781	781	Unch
	Amrawati	780	781	-1
	Bundi	793	793	Unch
	Jalna	785	783	2
	Solapur	770	773	-3
	Dhule	780	778	2
Palm Oil*	Kandla (Crude Palm Oil)	596	599	-2
	Kandla (RBD Palm oil)	635	635	Unch
	Kandla RBD Pamolein	683	677	5
	Kakinada (Crude Palm Oil)	593	593	Unch
	Kakinada RBD Pamolein	683	683	Unch
	Haldia Pamolein	683	688	-5
	Chennai RBD Pamolein	685	685	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	734	734	Unch
	KPT (krishna patnam) Pamolein	677	677	Unch
	Mumbai RBD Pamolein	693	683	11
	Mangalore RBD Pamolein	685	685	Unch
	Tuticorin (RBD Palmolein)	685	686	-1
	Delhi	710	705	5
	Rajkot	667	672	-5
	Hyderabad	650	653	-3
	PFAD (Kandla)	362	362	Unch
	Refined Palm Stearin (Kandla)	593	593	Unch
	Superolien (Kandla)	714	714	Unch
	Superolien (Mumbai)	725	725	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	805	805	Unch
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	750	745	5
	Kandla (Ref.)	800	800	Unch
	Hyderabad (Ref)	815	815	Unch
	Latur (Expeller Oil)	775	775	Unch
	Chellakere (Expeller Oil)	745	745	Unch
	Erode (Expeller Oil)	835	835	Unch
Groundnut Oil	Rajkot	950	925	25
	Chennai	950	940	10
	Delhi	940	940	Unch
	Hyderabad *	960	965	-5

	Mumbai	965	965	Unch
	Gondal	930	930	Unch
	Jamnagar	925	925	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	810	820	-10
	Jaipur (Kacchi Ghani Oil)	822	825	-3
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	810	812	-2
	Neewai (Expeller Oil)	804	804	Unch
	Neewai (Kacchi Ghani Oil)	814	814	Unch
	Bharatpur (Kacchi Ghani Oil)	820	820	Unch
	Sri-Ganga Nagar(Exp Oil)	800	805	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	815	-5
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	830	835	-5
	Hapur (Expeller Oil)	885	885	Unch
	Hapur (Kacchi Ghani Oil)	925	925	Unch
	Agra (Kacchi Ghani Oil)	825	825	Unch
Refined Cottonseed Oil	Rajkot	745	740	5
	Hyderabad	725	745	-20
	Mumbai	760	765	-5
	New Delhi	738	738	Unch
Coconut Oil	Kangayan (Crude)	1670	1670	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	632	632	Unch
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	585	580	5
	CNF India	605	610	-5
Indonesia CPO USD/MT	FOB	550	543	7
	CNF India	560	565	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	568	575	-7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	555	560	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	855	865	-10



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	440	445	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	810	-
Ukraine Origin CSFO USD/MT Kandla	CIF	738	738	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	735	735	Unch
Argentina FOB (\$/MT)		7-Feb-19	6-Feb-19	Change
Crude Soybean Oil Ship		710	712	-2
Refined Soy Oil (Bulk) Ship		735	737	-2
Sunflower Oil Ship		655	655	Unch
Cottonseed Oil Ship		690	692	-2
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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2019 Indian Agribusiness Systems Ltd.