

Domestic Fundamentals:

- Mostly weak tone was featured in various edible oils in key markets in trading activities on Tuesday.
- Domestic soy oil prices and palm oil prices futures fell on demand concerns. BMD CPO and CBOT soy oil was trading lower on demand concerns. Crude oil prices were trading lower on Tuesday.
- Palm oil prices are underpinned by expectation of slow fall in end stocks of palm oil, weak demand of palm oil from Malaysia and slow fall in production of palm oil in Malaysia.
Palm oil exports from Malaysia faltered in Feb due to weak demand from EU and China. Exports of palm oil fell 5.5 percent in first 25 days of Feb.
Demand of palm oil faltered from China as demand of palm oil generally weakens from the country after Chinese New year and US-China trade optimism which indicates that China will buy major amounts of soybean to replace palm oil by soy oil.
India is buying RBD palmolein from Malaysia in Feb in higher quantities due to lower import duty offered to Malaysia by India. Further, low port stocks of RBD palmolein and improvement in import parity will lead to higher imports in coming months.
Production of palm oil is expected to fall in Feb in Malaysia due to seasonal downtrend of production, but a lower rate. Also, production in Jan was already at historically elevated levels.
Both exports and production of palm oil in Malaysia cut limited palm oil stocks in Malaysia.
However, palm oil end stocks are expected to fall in Malaysia below 3 MMT in Feb and below 3 MMT in Indonesia by April.
- Soy oil prices are supported by US-China trade settlement, lower soybean expected area in US and low production of soybean in Brazil.
Trade talks are being held between US and China with both sides expressing satisfaction. In current rounds of trade negotiations around 10 MMT of soybean purchase intent was given by China. With the progress of talks US President extended March 1 deadline of duties. US President has claimed that major news was expected in the talks.
USDA reported that farmers in US will plant lower soybeans and higher corn on the back of record stocks.
Soybean harvest in Brazil has reached 36 percent last week despite adverse weather which slowed down harvesting. Harvesting in corresponding period last year and 5-year average is 10 percent of area.
Many agencies have cut estimated of soybean crop in Brazil due to dry conditions in center and south Brazil. USDA is expected to cut soybean crop estimate in its March estimate.
Soy oil end stocks in US rose in January for the second month as reported by NOPA. Stocks of soy oil rose despite fall in crush of soybean.
Crude oil prices have strengthened on back of OPEC production cut will support soy oil prices.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Feb 1-25 palm oil exports fell 7.1 percent to 1,121,928 tons compared to 1,207,619 tons in the corresponding period last month. Top buyers were India at 337,101 tons (181,950 tons), European Union 225,225 tons (315,962 tons), China at 98,635 tons (248,722 tons), United States at 61,335 tons (69,050 tons) and Pakistan at 48,250 tons (29,000 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 |
|--------------------------------|-------|--------|--------|--------|--------|--------|---------------|-------|-----------|
| Mar-19 | -1.80 | 764.90 | 764.90 | 760.35 | 762.50 | 6,210 | 640 | 51540 | -1680 |
| Apr-19 | -1.55 | 751.50 | 755.90 | 750.25 | 751.50 | 4,510 | 2850 | 26860 | 1230 |
| Prices & Vol-OI are at 5:30 PM | | | | | | | | | |

| Spread | Mar-18 | Apr-18 |
|--------|--------|--------|
| Spot | 17.50 | 28.50 |
| Mar-19 | | -11.00 |
| Apr-19 | | |

MCX CPO Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|-------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Feb-18 | -3.60 | 553.70 | 553.70 | 550.50 | 551.90 | 1150 | 417 | 492 | -751 |
| Mar-19 | -4.80 | 555.00 | 555.50 | 550.40 | 552.80 | 1950 | 892 | 5180 | -453 |

| Spread | Feb-18 | Mar-19 |
|--------|--------|--------|
|--------|--------|--------|

| | | |
|--------|-----|-----|
| Spot | 2.1 | 1.2 |
| Feb-19 | | 0.9 |
| Mar-19 | | |

CBOT Soy Oil Futures (Projections):
 (Values in US cents/lb)

| Contract | +/- | Open | High | Low | Close |
|----------|-------|-------|-------|-------|-------|
| 15-Mar | -0.32 | 30.44 | 30.44 | 30.04 | 30.04 |
| 15-May | -0.31 | 30.8 | 30.8 | 30.36 | 30.37 |
| 15-Jul | -0.31 | 31.11 | 31.11 | 30.7 | 30.71 |
| 15-Aug | -0.31 | 31.21 | 31.21 | 30.88 | 30.88 |
| 15-Sep | -0.31 | 31.19 | 31.19 | 31 | 31.01 |

BMD CPO Futures:
 (Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Mar-19 | -28 | 1917 | 2039 | 1908 | 1982 |
| Apr-19 | -37 | 2167 | 2169 | 2121 | 2137 |
| May-19 | -29 | 2204 | 2208 | 2166 | 2183 |
| June-19 | -24 | 2227 | 2229 | 2191 | 2210 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 26/02/2019 | 6.69 | 13988 | 4.065 | 39.02 | 71.04 | 3.75 | 96.35 | 55.32 |

Edible Oil Prices at Key Market:

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
| | | 26-Feb-19 | 25-Feb-19 | |
| Refined Soybean Oil | Indore | 780 | 780 | Unch |
| | Indore (Soy Solvent Crude) | 747 | 750 | -3 |
| | Mumbai | 770 | 780 | -10 |
| | Mumbai (Soy Degum) | 732 | 745 | -13 |
| | Kandla/Mundra | 770 | 775 | -5 |
| | Kandla/Mundra (Soy Degum) | 742 | 747 | -5 |
| | Kolkata | 785 | 790 | -5 |
| | Delhi | 817 | 824 | -7 |
| | Nagpur | 774 | 775 | -1 |
| | Rajkot | 765 | 770 | -5 |
| | Kota | 780 | 785 | -5 |

| | | | | |
|-----------------------|--|-----|-----|------|
| | Hyderabad | 760 | 760 | Unch |
| | Akola | 775 | 777 | -2 |
| | Amrawati | 774 | 776 | -2 |
| | Bundi | 790 | 795 | -5 |
| | Jalna | 781 | 783 | -2 |
| | Solapur | 771 | 773 | -2 |
| | Dhule | 777 | 778 | -1 |
| | | | | |
| Palm Oil* | Kandla (Crude Palm Oil) | 582 | 585 | -3 |
| | Kandla (RBD Palm oil) | 620 | 625 | -5 |
| | Kandla RBD Pamolein | 656 | 672 | -16 |
| | Kakinada (Crude Palm Oil) | 578 | 586 | -8 |
| | Kakinada RBD Pamolein | 658 | 667 | -8 |
| | Haldia Pamolein | 664 | 677 | -14 |
| | Chennai RBD Pamolein | 667 | 677 | -11 |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | 735 | 730 | 5 |
| | KPT (krishna patnam) Pamolein | 653 | 662 | -8 |
| | Mumbai RBD Pamolein | 677 | 693 | -16 |
| | Mangalore RBD Pamolein | 667 | 677 | -11 |
| | Tuticorin (RBD Palmolein) | 667 | 670 | -3 |
| | Delhi | 696 | 700 | -4 |
| | Rajkot | 651 | 658 | -7 |
| | Hyderabad | 641 | 645 | -4 |
| | PFAD (Kandla) | 336 | 341 | -5 |
| | Refined Palm Stearin (Kandla) | 578 | 586 | -8 |
| | Superolien (Kandla) | 714 | 714 | Unch |
| | Superolien (Mumbai) | 725 | 725 | Unch |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 790 | 795 | -5 |
| | Mumbai | 820 | 820 | Unch |
| | Mumbai(Expeller Oil) | 735 | 740 | -5 |
| | Kandla (Ref.) | 795 | 800 | -5 |
| | Hyderabad (Ref) | 800 | 810 | -10 |
| | Latur (Expeller Oil) | 775 | 775 | Unch |
| | Chellakere (Expeller Oil) | 745 | 750 | -5 |
| | Erode (Expeller Oil) | 840 | 840 | Unch |
| | | | | |
| Groundnut Oil | Rajkot | 940 | 940 | Unch |
| | Chennai | 940 | 940 | Unch |
| | Delhi | 950 | 950 | Unch |
| | Hyderabad * | 960 | 960 | Unch |
| | Mumbai | 970 | 960 | 10 |

| | | | | |
|---|------------------------------------|------|------|------|
| | Gondal | 950 | 920 | 30 |
| | Jamnagar | 940 | 920 | 20 |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 805 | 810 | -5 |
| | Jaipur (Kacchi Ghani Oil) | 816 | 823 | -7 |
| | Kota (Expeller Oil) | 780 | 785 | -5 |
| | Kota (Kacchi Ghani Oil) | 800 | 800 | Unch |
| | Neewai (Expeller Oil) | 785 | 800 | -15 |
| | Neewai (Kacchi Ghani Oil) | 795 | 810 | -15 |
| | Bharatpur (Kacchi Ghani Oil) | 800 | 810 | -10 |
| | Sri-Ganga Nagar(Exp Oil) | 800 | 800 | Unch |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 805 | 805 | Unch |
| | Mumbai (Expeller Oil) | 795 | 795 | Unch |
| | Kolkata(Expeller Oil) | 930 | 930 | Unch |
| | New Delhi (Expeller Oil) | 825 | 825 | Unch |
| | Hapur (Expeller Oil) | 895 | 895 | Unch |
| | Hapur (Kacchi Ghani Oil) | 935 | 935 | Unch |
| | Agra (Kacchi Ghani Oil) | 805 | 815 | -10 |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 725 | 730 | -5 |
| | Hyderabad | 715 | 720 | -5 |
| | Mumbai | 745 | 750 | -5 |
| | New Delhi | 735 | 742 | -7 |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1500 | 1500 | Unch |
| | Cochin | 1540 | 1540 | Unch |
| | | | | |
| Sesame Oil | New Delhi | 1700 | 1700 | Unch |
| | Mumbai | Unq | Unq | - |
| Kardi | Mumbai | 880 | 880 | Unch |
| Rice Bran Oil (40%) | New Delhi | 625 | 625 | Unch |
| Rice Bran Oil (4%) | Punjab | 605 | 605 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 540 | 550 | -10 |
| | CNF India | 575 | 580 | -5 |
| Indonesia CPO USD/MT | FOB | 515 | 528 | -13 |
| | CNF India | 535 | 548 | -13 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 535 | 545 | -10 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 535 | 545 | -10 |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 760 | 770 | -10 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 465 | 468 | -3 |



| | | | | |
|--------------------------------------|-----------|-----------|-----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | Unq | 740 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 725 | 725 | Unch |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 700 | 718 | -18 |
| | | | | |
| Argentina FOB (\$/MT) | | 25-Feb-19 | 23-Feb-19 | Change |
| Crude Soybean Oil Ship | | 687 | Closed | - |
| Refined Soy Oil (Bulk) Ship | | 711 | Closed | - |
| Sunflower Oil Ship | | 653 | Closed | - |
| Cottonseed Oil Ship | | 667 | Closed | - |
| Refined Linseed Oil (Bulk) Ship | | Unq | Closed | - |
| * 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.