

Domestic Fundamentals:

- Mostly weak tone was featured in various edible oils in key markets in trading activities on Wednesday.
- Domestic soy oil prices and palm oil prices futures fell on fall in international benchmarks. BMD CPO was trading lower on demand concerns and CBOT soy oil fell on speedy harvest of soybean in Brazil. Crude oil prices were trading higher on Wednesday.
- Soy oil prices are underpinned by faster rate of harvest of soybean in Brazil, improving condition of soybean in Argentina and rising stocks of soy oil in US amid US-China trade settlement optimism
Soybean harvest in Brazil is progressing at a rapid pace. Soybean harvest has reached 45 percent area which is above 25 percent in corresponding period last year and 27 percent 5-year average. Faster than expected rate of soybean harvest will lead to surge in global soybean supplies, thereby reducing global supply shortage of soybean excluding US. This will help top importer China to purchase more from the country and lead to China's upper hand in trade negotiations related to soybean imports from US.
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.
Soybean crop condition in Argentina has improved and favorable crop condition is expected to improve yields and increase total crop of the country after drought last year. This has led to fall in basis over CBOT and led to lower soy oil FOB prices.
Crude oil prices have strengthened on back of OPEC production cut will support soy oil prices.
- 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.
- 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	-1.55	762.00	762.00	757.60	759.50	6,490	280	50170	-1370
Apr-19	-2.30	747.25	750.90	746.50	747.80	4,080	-430	28440	1580

Prices & Vol-OI are at 5:30 PM

Spread	Mar-18	Apr-18
Spot	18.50	30.20
Mar-19		-11.70
Apr-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-18	-1.50	550.60	552.40	548.70	549.60	417	-733	396	-96
Mar-19	-2.50	552.00	552.20	548.70	549.90	894	-1056	5112	-68

Spread	Feb-18	Mar-19
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Spot	0.4	0.1
Feb-19		0.3
Mar-19		

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

Contract	+/-	Open	High	Low	Close
15-Mar	-0.21	30.12	30.19	29.78	29.88
15-May	-0.23	30.44	30.5	30.07	30.17
15-Jul	-0.23	30.74	30.83	30.42	30.51
15-Aug	-0.23	30.98	30.99	30.58	30.68
15-Sep	-0.29	31.1	31.1	30.75	30.75

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar-19	-62	1917	2039	1908	1920
Apr-19	-58	2137	2169	2079	2081
May-19	-51	2184	2208	2129	2132
June-19	-41	2210	2229	2165	2168

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
27/02/2019	6.68	14025	4.066	38.88	71.04	3.75	96.35	56.44

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-Feb-19	26-Feb-19	
Refined Soybean Oil	Indore	778	780	-2
	Indore (Soy Solvent Crude)	740	747	-7
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	740	732	8
	Kandla/Mundra	770	770	Unch
	Kandla/Mundra (Soy Degum)	742	742	Unch
	Kolkata	780	785	-5
	Delhi	815	817	-2
	Nagpur	770	774	-4
	Rajkot	765	765	Unch
	Kota	775	780	-5

	Hyderabad	760	760	Unch
	Akola	772	775	-3
	Amrawati	771	774	-3
	Bundi	785	790	-5
	Jalna	777	781	-4
	Solapur	777	771	6
	Dhule	776	777	-1
Palm Oil*	Kandla (Crude Palm Oil)	578	582	-4
	Kandla (RBD Palm oil)	614	620	-5
	Kandla RBD Pamolein	656	656	Unch
	Kakinada (Crude Palm Oil)	572	578	-5
	Kakinada RBD Pamolein	656	658	-2
	Haldia Pamolein	664	664	Unch
	Chennai RBD Pamolein	664	667	-3
	Chennai RBD Pamolein (Vitamin A&D Fortified)	745	735	10
	KPT (krishna patnam) Pamolein	651	653	-2
	Mumbai RBD Pamolein	677	677	Unch
	Mangalore RBD Pamolein	664	667	-3
	Tuticorin (RBD Palmolein)	659	667	-7
	Delhi	691	696	-5
	Rajkot	649	651	-2
	Hyderabad	636	641	-5
	PFAD (Kandla)	336	336	Unch
	Refined Palm Stearin (Kandla)	572	578	-5
	Superolien (Kandla)	714	714	Unch
	Superolien (Mumbai)	719	725	-5
* inclusive of GST				
Refined Sunflower Oil	Chennai	790	790	Unch
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	735	735	Unch
	Kandla (Ref.)	795	795	Unch
	Hyderabad (Ref)	800	800	Unch
	Latur (Expeller Oil)	775	775	Unch
	Chellakere (Expeller Oil)	740	745	-5
	Erode (Expeller Oil)	840	840	Unch
Groundnut Oil	Rajkot	940	940	Unch
	Chennai	940	940	Unch
	Delhi	950	950	Unch
	Hyderabad *	970	960	10
	Mumbai	970	970	Unch

	Gondal	950	950	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	805	805	Unch
	Jaipur (Kacchi Ghani Oil)	814	816	-2
	Kota (Expeller Oil)	775	780	-5
	Kota (Kacchi Ghani Oil)	800	800	Unch
	Neewai (Expeller Oil)	781	785	-4
	Neewai (Kacchi Ghani Oil)	793	795	-2
	Bharatpur (Kacchi Ghani Oil)	800	800	Unch
	Sri-Ganga Nagar(Exp Oil)	800	800	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	805	805	Unch
	Mumbai (Expeller Oil)	780	795	-15
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	820	825	-5
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	805	805	Unch
Refined Cottonseed Oil	Rajkot	725	725	Unch
	Hyderabad	715	715	Unch
	Mumbai	745	745	Unch
	New Delhi	722	735	-13
Coconut Oil	Kangayan (Crude)	1430	1500	-70
	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	620	625	-5
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	538	540	-2
	CNF India	565	575	-10
Indonesia CPO USD/MT	FOB	510	515	-5
	CNF India	525	535	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	530	535	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	535	535	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	745	760	-15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	465	465	Unch



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	750	-
Ukraine Origin CSFO USD/MT Kandla	CIF	730	725	5
Rapeseed Oil Rotterdam Euro/MT	FOB	712	700	12
Argentina FOB (\$/MT)		26-Feb-19	25-Feb-19	Change
Crude Soybean Oil Ship		680	687	-7
Refined Soy Oil (Bulk) Ship		704	711	-7
Sunflower Oil Ship		650	653	-3
Cottonseed Oil Ship		660	667	-7
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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