

Domestic Fundamentals:

- Mixes trend are seen in edible oils centers on ups and downs in demand today.
- BMD CPO prices also inched up on good buying activities however CBOT soy oil declined on technical selling. 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. However, there stands opportunity to take advantage of prices around RM 2000 in BMD CPO. Softening of prices may be over soon as prolonged winter will come to an end in India in next 15 days amid record production of rapeseed oil by India which may slow palm oil imports by India. 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. Imports from China will remain weak for next couple of months. 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 Mar 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. Soft crude oil prices has put lid on palm oil prices.
- 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. Weak crude oil prices will cap soy oil prices in near term.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO) from Indonesia rose 13.1 percent in Jan y-o-y to 3.10 MMT from were 2.74 MMT in Jan 2018. Exports of palm oil (CPO and PKO) were rose 5.1 m-o-m in Jan at 3.10 MMT compared to Dec 2018 at 2.95 MMT. Stocks of palm oil in Jan 2019 rose to 3.02 MMT, up 7 percent y-o-y.

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	-2.15	750.90	752.00	747.25	748.00	8830	-6,850	38720	16,550
Apr-19	-4	744.20	744.20	739.65	739.65	980	-1,750	6360	1,970
Prices & Vol-OI are at 5:30 PM									

Spread	Mar-18	Apr-18
Spot	17.5	
Mar-19		15
Apr-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-18	-3.90	560.00	562.50	555.50	555.80	87	-8,133	2090	-44,170
Apr-19	-3.50	562.50	562.50	557.60	558	17	-4,133	75	-36,165

Spread	Mar-18	Apr-19
Spot	24	
Mar-19		32
Apr-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.17	29.99	30.08	29.78	29.78
15-May	-0.16	30.3	30.56	30.05	30.08
15-Jul	-0.17	30.61	30.88	30.38	30.41
15-Aug	-0.17	30.81	31.01	30.56	30.57
15-Sep	-0.16	30.89	31.15	30.68	30.7

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar-19	3	1979	1981	1979	1981
Apr-19	13	2106	2132	2096	2114
May-19	11	2143	2178	2143	2160
June-19	9	2182	2215	2182	2198

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
04/03/2019	6.70	14128.94	4.082	39.82	70.64	3.77	96.86	56.84

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Mar-19	4-Mar-19	
Refined Soybean Oil	Indore	772	772	Unch
	Indore (Soy Solvent Crude)	740	740	Unch
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	735	735	Unch
	Kandla/Mundra	770	770	Unch
	Kandla/Mundra (Soy Degum)	740	735	Unch
	Kolkata	778	775	-2
	Delhi	820	Closed	-
	Nagpur	771	Closed	-
	Rajkot	770	Closed	-
	Kota	780	Closed	-

	Hyderabad	755	Closed	-
	Akola	772	Closed	-
	Amrawati	772	Closed	-
	Bundi	790	Closed	-
	Jalna	778	Closed	-
	Solapur	778	Closed	-
	Dhule	778	Closed	-
Palm Oil*	Kandla (Crude Palm Oil)	545	546	-1
	Kandla (RBD Palm oil)	590	580	10
	Kandla RBD Pamolein	630	625	5
	Kakinada (Crude Palm Oil)	555	Closed	-
	Kakinada RBD Pamolein	628	625	3
	Haldia Pamolein	635	630	5
	Chennai RBD Pamolein	635	630	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	685	684	1
	KPT (krishna patnam) Pamolein	625	620	5
	Mumbai RBD Pamolein	645	635	Unch
	Mangalore RBD Pamolein	635	630	Unch
	Tuticorin (RBD Palmolein)	623	Closed	-
	Delhi	693	Closed	-
	Rajkot	625	Closed	-
	Hyderabad	630	Closed	-
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	530	530	Unch
	Superolien (Kandla)	675	680	-5
	Superolien (Mumbai)	680	685	-5
* inclusive of GST				
Refined Sunflower Oil	Chennai	780	785	Unch
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	728	728	Unch
	Kandla (Ref.)	795	795	Unch
	Hyderabad (Ref)	795	Closed	Closed
	Latur (Expeller Oil)	780	Closed	Closed
	Chellakere (Expeller Oil)	745	Closed	Closed
	Erode (Expeller Oil)	835	835	Unch
Groundnut Oil	Rajkot	940	Closed	-
	Chennai	930	930	-10
	Delhi	950	Closed	-

	Hyderabad *	970	Closed	-
	Mumbai	970	970	Unch
	Gondal	920	Closed	-
	Jamnagar	930	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	780	Unch
	Jaipur (Kacchi Ghani Oil)	801	Closed	-
	Kota (Expeller Oil)	770	Closed	-
	Kota (Kacchi Ghani Oil)	785	785	Unch
	Neewai (Expeller Oil)	775	Closed	-
	Neewai (Kacchi Ghani Oil)	872	Closed	-
	Bharatpur (Kacchi Ghani Oil)	800	Closed	-
	Sri-Ganga Nagar(Exp Oil)	785	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	-	785	Unch
	Mumbai (Expeller Oil)	780	780	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	818	Closed	-
	Hapur (Expeller Oil)	890	Closed	-
	Hapur (Kacchi Ghani Oil)	925	Closed	-
	Agra (Kacchi Ghani Oil)	805	Closed	-
Refined Cottonseed Oil	Rajkot	730	Closed	-
	Hyderabad	710	Closed	-
	Mumbai	740	740	Unch
	New Delhi	735	Closed	-
Coconut Oil	Kangayan (Crude)	1460	1460	Unch
	Cochin	1540	1540	Unch
Sesame Oil	New Delhi	1700	Closed	-
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	625	Closed	-
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	535	545	-10
	CNF India	565	575	-10
Indonesia CPO USD/MT	FOB	565	515	-50
	CNF India	530	535	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	530	540	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	530	530	Unch
RBD Palm Kernel Oil (Malaysia Origin	FOB	760	760	Unch

USD/MT)				
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	470	470	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Unq	-
Ukraine Origin CSFO USD/MT Kandla	CIF	-	720	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	700	698	2
Argentina FOB (\$/MT)		04-Feb-19	2-Mar-19	Change
Crude Soybean Oil Ship		Unq	Closed	-
Refined Soy Oil (Bulk) Ship		Unq	Closed	-
Sunflower Oil Ship		Unq	Closed	-
Cottonseed Oil Ship		Unq	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
<i>* indicates including GST</i>				

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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