

Domestic Fundamentals:

- Steady to weak tone witnessed in edible oils markets on account of poor demand against sufficient supplies.
- BMD CPO prices closed in mixed sentiments while CBOT soy oil declined on technical selling. Crude oil prices were trading lower on Wednesday.
- 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	+1.10	763.40	767.50	760.50	763.50	11920	3,090	40130	1,410
Apr-19	-1.00	748.00	748.80	743.25	745.50	10600	9,620	42910	36,550
Prices & Vol-OI are at 5:30 PM									

Spread	Mar-18	Apr-18
Spot	-3	
Mar-19		-9
Apr-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-18	-1.20	545.90	551.90	545.90	548	497	410	5304	3,214
Apr-19	-0.10	549.50	557.50	549.50	554	186	169	2106	2,031

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	-0.05	29.85	29.85	29.54	29.73
15-May	-0.06	30.15	30.19	29.82	30.02
15-Jul	-0.05	30.48	30.53	30.16	30.36
15-Aug	-0.06	30.63	30.67	30.31	30.51
15-Sep	-0.04	30.76	30.8	30.46	30.66

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar-19	3	1990	1995	1990	1995
Apr-19	20	2128	2139	2100	2135
May-19	-4	2173	2176	2141	2157
June-19	-10	2218	2218	2179	2190

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/03/2019	6.71	14144.65	4.087	40.25	70.07	3.77	96.82	55.59

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Mar-19	5-Mar-19	
Refined Soybean Oil	Indore	780	772	8
	Indore (Soy Solvent Crude)	745	740	5
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	735	735	Unch
	Kandla/Mundra	765	770	-5
	Kandla/Mundra (Soy Degum)	737	740	-3
	Kolkata	777	778	-1
	Delhi	820	820	Unch
	Nagpur	769	771	-2
	Rajkot	770	770	Unch

	Kota	780	780	Unch
	Hyderabad	755	755	Unch
	Akola	770	772	-2
	Amrawati	770	772	-2
	Bundi	790	790	Unch
	Jalna	778	778	Unch
	Solapur	776	778	-2
	Dhule	778	778	Unch
Palm Oil*	Kandla (Crude Palm Oil)	572	572	Unch
	Kandla (RBD Palm oil)	620	620	Unch
	Kandla RBD Pamolein	656	662	-5
	Kakinada (Crude Palm Oil)	583	583	Unch
	Kakinada RBD Pamolein	656	659	-3
	Haldia Pamolein	662	667	-5
	Chennai RBD Pamolein	664	667	-3
	Chennai RBD Pamolein (Vitamin A&D Fortified)	735	719	16
	KPT (krishna patnam) Pamolein	653	656	-3
	Mumbai RBD Pamolein	662	677	-16
	Mangalore RBD Pamolein	664	667	-3
	Tuticorin (RBD Palmolein)	654	654	Unch
	Delhi	693	693	Unch
	Rajkot	651	656	-5
	Hyderabad	630	630	Unch
	PFAD (Kandla)	336	336	Unch
	Refined Palm Stearin (Kandla)	583	583	Unch
	Superolien (Kandla)	709	709	Unch
	Superolien (Mumbai)	714	714	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	780	780	Unch
	Mumbai	815	820	-5
	Mumbai(Expeller Oil)	728	728	Unch
	Kandla (Ref.)	795	795	Unch
	Hyderabad (Ref)	795	795	Unch
	Latur (Expeller Oil)	780	780	Unch
	Chellakere (Expeller Oil)	745	745	Unch
	Erode (Expeller Oil)	835	835	Unch
Groundnut Oil	Rajkot	930	940	-10
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	970	970	Unch



	Mumbai	960	970	-10
	Gondal	920	920	Unch
	Jamnagar	930	930	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	780	Unch
	Jaipur (Kacchi Ghani Oil)	798	801	-3
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	780	785	-5
	Neewai (Expeller Oil)	770	775	-5
	Neewai (Kacchi Ghani Oil)	782	785	-3
	Bharatpur (Kacchi Ghani Oil)	790	800	-10
	Sri-Ganga Nagar(Exp Oil)	770	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	785	785	Unch
	Mumbai (Expeller Oil)	780	780	Unch
	Kolkata(Expeller Oil)	900	930	-30
	New Delhi (Expeller Oil)	818	818	Unch
	Hapur (Expeller Oil)	905	890	15
	Hapur (Kacchi Ghani Oil)	940	925	15
	Agra (Kacchi Ghani Oil)	795	805	-10
Refined Cottonseed Oil	Rajkot	725	730	-5
	Hyderabad	710	710	Unch
	Mumbai	743	740	3
	New Delhi	735	735	Unch
Coconut Oil	Kangayan (Crude)	1460	1460	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	535	535	Unch
	CNF India	565	565	Unch
Indonesia CPO USD/MT	FOB	510	510	Unch
	CNF India	530	530	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	530	530	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	530	530	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	760	760	Unch

Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	470	470	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	730	-
Ukraine Origin CSFO USD/MT Kandla	CIF	720	720	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	705	700	5
Argentina FOB (\$/MT)		5-Mar-19	4-Mar-19	Change
Crude Soybean Oil Ship		Unq	Unq	-
Refined Soy Oil (Bulk) Ship		Unq	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		Unq	Unq	-
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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