

Domestic Fundamentals:

- Mostly sideways to weak tone witnessed in various edible oils markets on poor demand on Thursday.
- Domestic soy oil and palm oil futures fell on fall in international benchmarks. BMD CPO prices closed lower on demand concerns and CBOT soy oil declined on technical selling. Crude oil prices were trading higher on Thursday.
- International 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.
In domestic market soy oil prices are supported by firm demand and parity in imports of soy oil. Import demand is expected to remain firm from India due to low port stocks and firm demand.
Trade talks are going on between US and China and major announcement is expected anyday. Both side have expressed satisfaction in talks. With extension of expiry of reimposition of import duty by US on Chinese products indicate that talks are expected to continue longer than expected.
Soybean harvest in Brazil is progressing at a rapid pace. Soybean harvest has reached above 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.
- 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 15.3 percent in 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.
Soft crude oil prices has put lid on palm oil prices.

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	-2.05	764.75	764.75	759.75	761.00	10,270	-1650	35890	-4240
Apr-19	-3.35	746.75	746.75	739.65	741.75	7,910	-2690	44000	1090

Prices & Vol-OI are at 5:30 PM

Spread	Mar-18	Apr-18
Spot	19.00	38.25
Mar-19		-19.25
Apr-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-18	-5.30	549.90	549.90	541.90	542.50	463	-34	5231	-73
Apr-19	-5.30	552.00	552.50	547.00	548.00	181	-5	2141	35

Spread	Mar-18	Apr-19
Spot	0.5	-5
Mar-19		5.5
Apr-19		

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

Contract	+/-	Open	High	Low	Close
15-Mar	0.04	29.55	29.55	29.55	29.55
15-May	-0.12	29.8	29.83	29.62	29.66
15-Jul	-0.13	30.13	30.13	29.94	29.98
15-Aug	-0.12	30.28	30.28	30.11	30.14
15-Sep	-0.16	30.36	30.36	30.25	30.25

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar-19	-20	1990	1995	1980	1973
Apr-19	-27	2123	2125	2098	2107
May-19	-23	2148	2154	2126	2135
June-19	-29	2180	2185	2158	2164

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
08/03/2019	6.70	14154	4.087	40.72	70.00	3.84	96.89	56.73

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Mar-19	6-Mar-19	
Refined Soybean Oil	Indore	780	780	Unch
	Indore (Soy Solvent Crude)	745	745	Unch
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	730	735	-5
	Kandla/Mundra	765	765	Unch
	Kandla/Mundra (Soy Degum)	735	737	-2
	Kolkata	775	777	-2
	Delhi	808	820	-12
	Nagpur	767	769	-2
	Rajkot	760	770	-10

	Kota	780	780	Unch
	Hyderabad	755	755	Unch
	Akola	769	770	-1
	Amrawati	770	770	Unch
	Bundi	790	790	Unch
	Jalna	778	778	Unch
	Solapur	774	776	-2
	Dhule	777	778	-1
Palm Oil*	Kandla (Crude Palm Oil)	570	572	-2
	Kandla (RBD Palm oil)	609	620	-11
	Kandla RBD Pamolein	656	656	Unch
	Kakinada (Crude Palm Oil)	572	583	-11
	Kakinada RBD Pamolein	656	656	Unch
	Haldia Pamolein	662	662	Unch
	Chennai RBD Pamolein	664	664	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	745	735	10
	KPT (krishna patnam) Pamolein	653	653	Unch
	Mumbai RBD Pamolein	662	662	Unch
	Mangalore RBD Pamolein	664	664	Unch
	Tuticorin (RBD Palmolein)	651	654	-3
	Delhi	680	693	-13
	Rajkot	641	651	-11
	Hyderabad	636	630	6
	PFAD (Kandla)	336	336	Unch
	Refined Palm Stearin (Kandla)	572	583	-11
	Superolien (Kandla)	709	709	Unch
	Superolien (Mumbai)	714	714	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	780	780	Unch
	Mumbai	815	815	Unch
	Mumbai(Expeller Oil)	728	728	Unch
	Kandla (Ref.)	795	795	Unch
	Hyderabad (Ref)	785	795	-10
	Latur (Expeller Oil)	775	780	-5
	Chellakere (Expeller Oil)	730	745	-15
	Erode (Expeller Oil)	820	835	-15
Groundnut Oil	Rajkot	930	930	Unch
	Chennai	920	930	-10
	Delhi	950	950	Unch
	Hyderabad *	965	970	-5

	Mumbai	950	960	-10
	Gondal	920	920	Unch
	Jamnagar	930	930	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	780	Unch
	Jaipur (Kacchi Ghani Oil)	798	798	Unch
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	780	780	Unch
	Neewai (Expeller Oil)	770	770	Unch
	Neewai (Kacchi Ghani Oil)	782	782	Unch
	Bharatpur (Kacchi Ghani Oil)	790	790	Unch
	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	900	Unch
	New Delhi (Expeller Oil)	819	818	1
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	940	940	Unch
	Agra (Kacchi Ghani Oil)	795	795	Unch
Refined Cottonseed Oil	Rajkot	725	725	Unch
	Hyderabad	700	710	-10
	Mumbai	743	743	Unch
	New Delhi	727	735	-8
Coconut Oil	Kangayan (Crude)	1430	1460	-30
	Cochin	1540	1540	Unch
Sesame Oil	New Delhi	1800	1700	100
	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	533	535	-2
	CNF India	570	565	5
Indonesia CPO USD/MT	FOB	510	510	Unch
	CNF India	533	530	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	528	530	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	523	530	-7
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	760	760	Unch



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	473	470	3
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	730	-
Ukraine Origin CSFO USD/MT Kandla	CIF	718	720	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	710	705	5
Argentina FOB (\$/MT)		6-Mar-19	5-Mar-19	Change
Crude Soybean Oil Ship		659	Unq	-
Refined Soy Oil (Bulk) Ship		682	Unq	-
Sunflower Oil Ship		650	Unq	-
Cottonseed Oil Ship		639	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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