

Domestic Fundamentals:

- Edible oils complex weak trends at various markets centers on Friday.
- Soy oil and palm oil futures fell on fall in international benchmarks. CPO BMD fell on oversupply concerns. CBOT soy oil fell on oversupply concerns. Crude oil prices were trading lower on Friday.
- Malaysia intends to keep crude palm oil export duty unchanged at zero until December in an effort to reduce high stocks of palm oil in the country, according to trade minister of Malaysia. Malaysia is grappling with high stocks and low prices. Lower prices are hitting margins and will ultimately lead to lower production in longer run. Plantations are bleeding with low prices of palm oil. Followed by this step, Malaysia intends to increase its biodiesel output to recede increasing high palm oil stocks.
- Palm oil prices are expected to be underpinned by expectation of slow fall in end stocks of palm oil in Malaysia, slow fall in production of palm oil in Malaysia and slow rise in exports of palm oil from Malaysia.
However, depreciation of Ringgit and rise in crude oil prices will limit losses.
Palm oil end stocks in Malaysia is expected to fall slowly in April due to slow rise in exports of palm oil from Malaysia in April and rise in production of palm oil in Malaysia in April.
Palm oil production is expected to rise in Malaysia in April as continued elevated production will continue in April in Malaysia. However, production is expected to fall in Indonesia due to lean production season.
Palm oil production will rise to 20 MMT in Malaysia in 2019 from earlier estimate of 19.5 MMT on higher maturing plants. Palm oil production will rise in Indonesia in 2019 by 10 percent to 44 MMT on maturing plants.
Palm oil exports rose from Malaysia in April due to firm demand from India and China. However, rise was limited.
Palm oil exports to India rose due to lower import duty differential between CPO and RBD palmolein especially from Malaysia, positive refining margins and demand at lower levels.
China is purchased more palm oil as it is importing lower amount of soybean due to swine flu and diversification of protein sources in the country. This has led to lower supply of soy oil leading to higher imports of palm oil.
Ringgit has depreciated below 4.10/USD leading to higher demand of palm oil compared to competitive oils.
Rise in crude oil due to OPEC supply cuts is expected to support palm oil prices.
- Soy oil domestic prices are sustaining due to firm demand and parity in imports and positive refining margins. Prices are sustaining on demand at lower levels.
Soy oil international prices are underpinned by US-China trade settlement concerns, higher than expected soybean crop in Brazil, higher soybean crop in Argentina and weak demand of soybean from China
US-China trade settlement is taking more time than expected due to deadlock on various issues and any settlement will take time to fructify and any result is expected in end May and early June. During this period farmers of soybean in US will face uncertain future and planting will suffer.
Soybean crop in Brazil is larger than estimated due to higher yield due to improved weather during harvest phase in various parts of the country and harvest is higher than last year and 5-year average. This has led various agencies to increase soybean crop of Brazil thereby giving China additional support in US-China trade negotiations.
Soybean crop condition in Argentina has improved in Argentina and harvest is progressing more than last year and 5-year average. This has led various agencies to hike soybean crop of Argentina above 55 MMT.

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
May-19	-0.75	734.60	738.50	733.30	734.70	6,140	-2390	20310	-1250
June-19	0.00	723.00	725.00	720.50	721.55	6,250	-1890	28710	2720
Prices & Vol-OI are at 5:30 PM									

Spread	May-19	June-19
Spot	10.30	23.45
May-19		-13.15
June-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-19	1.00	519.00	520.60	516.30	517.50	841	-415	5743	198
June-19	-0.20	522.50	524.00	519.20	520.00	174	65	676	57

Spread	May-19	June-19
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Spot	1.5	-1
May-19		2.5
June-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jul	-0.06	27.49	27.58	27.42	27.44
15-Aug	-0.06	27.63	27.7	27.56	27.57
15-Sep	-0.07	27.83	27.84	27.71	27.71
15-Oct	-0.03	27.98	27.98	27.84	27.89
15-Dec	-0.07	28.23	28.29	28.15	28.15

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jun	-22	1993	2016	1978	1983
15-Jul	-25	2034	2046	2006	2010
15-Aug	-21	2059	2073	2035	2040
15-Sep	-20	2086	2100	2065	2069

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/05/2019	6.73	14269	4.14	44.76	69.20	3.96	98.01	61.83

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-May-19	2-May-19	
Refined Soybean Oil	Indore	745	750	-5
	Indore (Soy Solvent Crude)	712	715	-3
	Mumbai	735	735	Unch
	Mumbai (Soy Degum)	685	690	-5
	Kandla/Mundra	730	730	Unch
	Kandla/Mundra (Soy Degum)	697	700	-3
	Kolkata	765	767	-2
	Delhi	770	772	-2
	Nagpur	742	742	Unch
	Rajkot	725	725	Unch

	Kota	740	745	-5
	Hyderabad	745	750	-5
	Akola	742	742	Unch
	Amrawati	743	743	Unch
	Bundi	745	750	-5
	Jalna	748	748	Unch
	Solapur	736	736	Unch
	Dhule	752	752	Unch
Palm Oil*	Kandla (Crude Palm Oil)	547	551	-4
	Kandla (RBD Palm oil)	588	593	-5
	Kandla RBD Pamolein	614	625	-11
	Kakinada (Crude Palm Oil)	525	533	-8
	Kakinada RBD Pamolein	614	625	-11
	Haldia Pamolein	625	630	-5
	Chennai RBD Pamolein	616	625	-8
	Chennai RBD Pamolein (Vitamin A&D Fortified)	681	688	-7
	KPT (krishna patnam) Pamolein	611	620	-8
	Mumbai RBD Pamolein	641	646	-5
	Mangalore RBD Pamolein	625	630	-5
	Tuticorin (RBD Palmolein)	611	620	-8
	Delhi	652	665	-13
	Rajkot	609	614	-5
	Hyderabad	594	608	-14
	PFAD (Kandla)	352	357	-5
	Refined Palm Stearin (Kandla)	525	533	-8
	Superolien (Kandla)	662	662	Unch
	Superolien (Mumbai)	667	672	-5
* inclusive of GST				
Refined Sunflower Oil	Chennai	750	750	Unch
	Mumbai	780	780	Unch
	Mumbai(Expeller Oil)	710	710	Unch
	Kandla (Ref.)	765	770	-5
	Hyderabad (Ref)	757	760	-3
	Latur (Expeller Oil)	755	755	Unch
	Chellakere (Expeller Oil)	700	700	Unch
	Erode (Expeller Oil)	780	780	Unch
Groundnut Oil	Rajkot	950	980	-30
	Chennai	1000	1000	Unch
	Delhi	950	970	-20
	Hyderabad *	1020	1000	20



	Mumbai	1020	1020	Unch
	Gondal	950	950	Unch
	Jamnagar	975	975	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	735	740	-5
	Jaipur (Kacchi Ghani Oil)	753	755	-2
	Kota (Expeller Oil)	730	735	-5
	Kota (Kacchi Ghani Oil)	740	750	-10
	Neewai (Expeller Oil)	725	725	Unch
	Neewai (Kacchi Ghani Oil)	738	738	Unch
	Bharatpur (Kacchi Ghani Oil)	760	760	Unch
	Sri-Ganga Nagar(Exp Oil)	715	725	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	740	745	-5
	Mumbai (Expeller Oil)	745	755	-10
	Kolkata(Expeller Oil)	880	880	Unch
	New Delhi (Expeller Oil)	740	740	Unch
	Hapur (Expeller Oil)	865	850	15
	Hapur (Kacchi Ghani Oil)	900	885	15
	Agra (Kacchi Ghani Oil)	765	765	Unch
Refined Cottonseed Oil	Rajkot	730	730	Unch
	Hyderabad	700	720	-20
	Mumbai	746	750	-4
	New Delhi	710	710	Unch
Coconut Oil	Kangayan (Crude)	1300	1300	Unch
	Cochin	1450	1450	Unch
Sesame Oil	New Delhi	1750	1750	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	582	585	-3
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	515	520	-5
	CNF India	540	545	-5
Indonesia CPO USD/MT	FOB	473	483	-10
	CNF India	500	505	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	510	513	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	475	480	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	660	650	10

Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	423	430	-7
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	650	-
Ukraine Origin CSFO USD/MT Kandla	CIF	728	730	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	725	732	-7
Argentina FOB (\$/MT)		2-May-19	1-May-19	Change
Crude Soybean Oil Ship		627	Unq	-
Refined Soy Oil (Bulk) Ship		649	Unq	-
Sunflower Oil Ship		655	Unq	-
Cottonseed Oil Ship		607	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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