

Domestic Fundamentals:

- Edible oils complex featured mixed trend at various markets centers on Monday.
- Soy oil and palm oil futures fell on fall in international benchmarks. CPO BMD and CBOT soy oil fell on US President statement to hike import duty on Chinese goods Crude oil prices were trading lower on Monday.
- 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 if 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 international prices are underpinned by US-China trade dispute, higher than expected soybean crop in Brazil, higher soybean crop in Argentina and weak demand of soybean from China
US President has said that US will impose 25% import duty on goods worth USD 200 billion import from China from 10% earlier. This statement has come due to slow progress of trade talks. US-China trade settlement is taking more time than expected due to deadlock on various issues. This has send shock waves across commodity space including soybean complex prices.
Due to rains in corn belts of US Midwest some farmers are expected to shift to soybean as corn cannot be grown in wet areas. This happens at a time when US is sitting on record soybean stocks.
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.
- 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.

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	-3.95	733.00	733.55	730.40	731.55	6,750	610	18130	-2180
June-19	-3.05	720.90	721.60	718.95	719.90	6,200	-50	31500	2790

Prices & Vol-OI are at 5:30 PM

Spread	May-19	June-19
Spot	8.45	20.10
May-19		-11.65
June-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-19	-3.50	515.00	517.20	514.00	515.20	364	-477	5757	14
June-19	-5.60	519.90	519.90	516.70	516.70	426	252	855	179

Spread	May-19	June-19
--------	--------	---------

Spot	1.8	0.3
May-19		1.5
June-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jul	-0.42	26.63	26.65	26.63	26.65
15-Aug	-0.54	26.97	27.16	26.75	26.81
15-Sep	-0.55	27.15	27.26	26.89	26.94
15-Oct	-0.53	27.33	27.39	27.05	27.1
15-Dec	-0.53	27.45	27.54	27.21	27.24

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jun	-23	1950	1967	1941	1960
15-Jul	-24	1984	1996	1970	1984
15-Aug	-28	2015	2023	1995	2012
15-Sep	-27	2042	2050	2022	2041

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/05/2019	6.76	14295	4.144	44.48	69.20	3.94	98.01	61.56

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-May-19	4-May-19	
Refined Soybean Oil	Indore	740	742	-2
	Indore (Soy Solvent Crude)	710	712	-2
	Mumbai	730	735	-5
	Mumbai (Soy Degum)	682	685	-3
	Kandla/Mundra	730	730	Unch
	Kandla/Mundra (Soy Degum)	692	695	-3
	Kolkata	765	765	Unch
	Delhi	761	765	-4
	Nagpur	739	742	-3
	Rajkot	718	725	-7

	Kota	740	740	Unch
	Hyderabad	745	745	Unch
	Akola	740	742	-2
	Amrawati	740	743	-3
	Bundi	745	745	Unch
	Jalna	744	748	-4
	Solapur	734	736	-2
	Dhule	750	752	-2
Palm Oil*	Kandla (Crude Palm Oil)	543	545	-2
	Kandla (RBD Palm oil)	583	583	Unch
	Kandla RBD Pamolein	611	611	Unch
	Kakinada (Crude Palm Oil)	520	525	-5
	Kakinada RBD Pamolein	611	611	Unch
	Haldia Pamolein	622	622	Unch
	Chennai RBD Pamolein	611	611	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	735	735	Unch
	KPT (krishna patnam) Pamolein	604	604	Unch
	Mumbai RBD Pamolein	641	641	Unch
	Mangalore RBD Pamolein	622	622	Unch
	Tuticorin (RBD Palmolein)	609	609	Unch
	Delhi	644	650	-6
	Rajkot	605	609	-4
	Hyderabad	594	594	Unch
	PFAD (Kandla)	352	352	Unch
	Refined Palm Stearin (Kandla)	520	525	-5
	Superolien (Kandla)	662	662	Unch
	Superolien (Mumbai)	667	667	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	750	750	Unch
	Mumbai	780	780	Unch
	Mumbai(Expeller Oil)	705	705	Unch
	Kandla (Ref.)	760	760	Unch
	Hyderabad (Ref)	750	757	-7
	Latur (Expeller Oil)	755	755	Unch
	Chellakere (Expeller Oil)	700	700	Unch
	Erode (Expeller Oil)	780	780	Unch
Groundnut Oil	Rajkot	985	950	35
	Chennai	980	1000	-20
	Delhi	960	950	10
	Hyderabad *	1050	1020	30

	Mumbai	1020	1020	Unch
	Gondal	950	950	Unch
	Jamnagar	975	975	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	730	730	Unch
	Jaipur (Kacchi Ghani Oil)	755	752	3
	Kota (Expeller Oil)	730	730	Unch
	Kota (Kacchi Ghani Oil)	740	740	Unch
	Neewai (Expeller Oil)	730	725	5
	Neewai (Kacchi Ghani Oil)	743	738	5
	Bharatpur (Kacchi Ghani Oil)	770	760	10
	Sri-Ganga Nagar(Exp Oil)	715	715	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	740	740	Unch
	Mumbai (Expeller Oil)	745	745	Unch
	Kolkata(Expeller Oil)	890	880	10
	New Delhi (Expeller Oil)	751	740	11
	Hapur (Expeller Oil)	850	850	Unch
	Hapur (Kacchi Ghani Oil)	885	885	Unch
	Agra (Kacchi Ghani Oil)	775	765	10
Refined Cottonseed Oil	Rajkot	725	730	-5
	Hyderabad	705	700	5
	Mumbai	746	746	Unch
	New Delhi	707	707	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	580	580	Unch
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT	FOB	508	515	-7
	CNF India	535	535	Unch
Indonesia CPO USD/MT	FOB	465	470	-5
	CNF India	495	495	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	503	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	465	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	650	Closed	-



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	418	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	725	725	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	720	Closed	-
Argentina FOB (\$/MT)		4-May-19	3-May-19	Change
Crude Soybean Oil Ship		Closed	621	-
Refined Soy Oil (Bulk) Ship		Closed	643	-
Sunflower Oil Ship		Closed	655	-
Cottonseed Oil Ship		Closed	601	-
Refined Linseed Oil (Bulk) Ship		Closed	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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2019 Indian Agribusiness Systems Ltd.