

Domestic Fundamentals:

- Steady to firm tone are remained in Edible oils baskets at most of its trading centers on Thursday supported by good seasonal demand of millers like Vanaspati.
- Soy oil future rose however palm oil futures declined in international benchmarks. CPO BMD and CBOT soy oil declined on less demand. Crude oil prices were trading higher on Thursday.
- 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.
Palm oil end stocks in Malaysia is expected to fall slowly in May due to slow rise in exports of palm oil from Malaysia in May and rise in production of palm oil in Malaysia in May.
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 sent 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 firm sentiment in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-19	+1.40	737.70	742.75	737.60	740	6720	-1,160	14500	-1040
June-19	+1.05	725.75	730.50	725.50	728	14840	3,640	33980	-260
Prices & Vol-OI are at 5:30 PM									
Spread	May-19		June-19						
Spot	5								
May-19			17						
June-19									

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
May-19	-1.20	519.00	522.60	518.10	519.40	759	-628	4814	-246
June-19	+0.50	516.00	519.70	516.00	517.30	256	-426	1503	53

Spread	May-19	June-19
Spot	24	
May-19		26
June-19		

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

Contract	+/-	Open	High	Low	Close
15-Jul	-0.1	26.76	26.76	26.47	26.71
15-Aug	-0.1	27.06	27.2	26.7	27.00
15-Sep	-0.1	27.21	27.35	26.84	27.14
15-Oct	-0.09	27.37	27.44	26.99	27.29
15-Dec	-0.1	27.5	27.61	27.18	27.42

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jun	-	1900	1922	1900	1910
15-Jul	-39	1992	2003	1965	1967
15-Aug	-33	2025	2039	2001	2005
15-Sep	-28	2050	2066	2032	2034

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
09/05/2019	6.82	14366.03	4.16	45.67	70.25	3.97	97.33	62.12

Edible Oil Prices at Key Market:

Commodity	Centre	Prices (Per 10 Kg)		Change
		9-May-19	8-May-19	
Refined Soybean Oil	Indore	745	745	Unch
	Indore (Soy Solvent Crude)	715	715	Unch
	Mumbai	725	730	-5
	Mumbai (Soy Degum)	685	685	Unch
	Kandla/Mundra	725	730	-5
	Kandla/Mundra (Soy Degum)	700	695	5
	Kolkata	770	765	5
	Delhi	775	770	5
	Nagpur	744	740	4
	Rajkot	730	725	5

	Kota	745	735	10
	Hyderabad	745	745	Unch
	Akola	744	741	3
	Amrawati	745	741	4
	Bundi	750	740	10
	Jalna	749	745	4
	Solapur	739	735	4
	Dhule	756	752	4
Palm Oil*	Kandla (Crude Palm Oil)	543	543	Unch
	Kandla (RBD Palm oil)	578	583	-5
	Kandla RBD Pamolein	614	614	Unch
	Kakinada (Crude Palm Oil)	515	515	Unch
	Kakinada RBD Pamolein	614	614	Unch
	Haldia Pamolein	620	622	-2
	Chennai RBD Pamolein	614	614	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	677	679	-2
	KPT (krishna patnam) Pamolein	607	604	3
	Mumbai RBD Pamolein	620	630	-11
	Mangalore RBD Pamolein	617	616	1
	Tuticorin (RBD Palmolein)	612	612	Unch
	Delhi	650	650	Unch
	Rajkot	614	609	5
	Hyderabad	603	594	9
	PFAD (Kandla)	347	352	-5
	Refined Palm Stearin (Kandla)	515	515	Unch
	Superolien (Kandla)	656	662	-5
	Superolien (Mumbai)	662	667	-5
* inclusive of GST				
Refined Sunflower Oil	Chennai	750	750	Unch
	Mumbai	775	780	-5
	Mumbai(Expeller Oil)	700	705	-5
	Kandla (Ref.)	765	760	5
	Hyderabad (Ref)	760	750	10
	Latur (Expeller Oil)	755	755	Unch
	Chellakere (Expeller Oil)	700	700	Unch
	Erode (Expeller Oil)	780	780	Unch
Groundnut Oil	Rajkot	1000	1000	Unch
	Chennai	1020	1000	20
	Delhi	960	960	Unch
	Hyderabad *	1050	1050	Unch

	Mumbai	1050	1050	Unch
	Gondal	990	975	15
	Jamnagar	1000	975	25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	745	735	10
	Jaipur (Kacchi Ghani Oil)	765	758	7
	Kota (Expeller Oil)	735	735	Unch
	Kota (Kacchi Ghani Oil)	745	745	Unch
	Neewai (Expeller Oil)	735	728	7
	Neewai (Kacchi Ghani Oil)	745	740	5
	Bharatpur (Kacchi Ghani Oil)	775	770	5
	Sri-Ganga Nagar(Exp Oil)	720	720	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	745	750	-5
	Mumbai (Expeller Oil)	745	745	Unch
	Kolkata(Expeller Oil)	880	880	Unch
	New Delhi (Expeller Oil)	760	753	7
	Hapur (Expeller Oil)	885	865	20
	Hapur (Kacchi Ghani Oil)	920	900	20
	Agra (Kacchi Ghani Oil)	780	775	5
Refined Cottonseed Oil	Rajkot	740	735	5
	Hyderabad	705	705	Unch
	Mumbai	745	745	Unch
	New Delhi	710	707	3
Coconut Oil	Kangayan (Crude)	1280	1280	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	610	605	5
Malaysia Palmolein USD/MT	FOB	513	515	-2
	CNF India	535	533	2
Indonesia CPO USD/MT	FOB	468	470	-2
	CNF India	495	493	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	503	510	-7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	468	475	-7
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	660	670	-10

Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	418	420	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	650	-
Ukraine Origin CSFO USD/MT Kandla	CIF	720	728	-8
Rapeseed Oil Rotterdam Euro/MT	FOB	720	730	-10
Argentina FOB (\$/MT)		8-May-19	7-May-19	Change
Crude Soybean Oil Ship		630	616	14
Refined Soy Oil (Bulk) Ship		652	638	14
Sunflower Oil Ship		655	655	Unch
Cottonseed Oil Ship		610	596	14
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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