

Domestic Fundamentals:

- Edible oils complex featured firm tone at various market centers on Thursday.
- Soy oil domestic future prices rose on demand prospects while palm oil futures on fall in international benchmark. BMD palm oil futures fell on weak export from Malaysia. CBOT Soy oil prices fell on improved weather conditions in US.
- Palm oil prices are expected to be underpinned by expectation of rise in end stocks of palm oil in Malaysia in coming months, fall in exports of palm oil in Malaysia and slow fall of palm oil production in Malaysia and appreciation of ringgit.
Palm oil end stocks in Malaysia is expected to rise in Malaysia in June due to slow fall in production of palm oil in Malaysia and fall in exports of palm oil from the country.
- Production of palm oil is expected to fall in Malaysia on seasonal downtrend of production. Data from Malaysia's Southern Peninsular Palm Oil Millers Association showed fall in production in June indicating that there is slowdown in production of palm oil. Part of the problem lies in labor shortage due to Ramadan holidays. However, production will pick up once the labor shortage is over in July.
- Exports of palm oil from Malaysia are expected to fall in June on weak demand from India, EU and China.
Demand from India is expected to weaken due to rise in stocks of palm oil at Indian ports, severe summer and lack of fresh demand triggers. Weak monsoon in India will adversely affect demand going ahead. However, if monsoon remains weak then import demand from India will pick up draining palm oil stock in Malaysia.
Demand from China is expected to seasonally remain low. However, demand may firm at lower prices.
- Ringgit has appreciated above 4.15/USD indicating that more appreciation is in cards which will underpin palm oil price as it makes palm oil uncompetitive compared to competing oils.
- The newly planted US soybean is planted at 85% which is down from 100% during the corresponding period last year and also down from 5-year average of 99%. About 71% soybean is emerged which is down from 94% during the corresponding period last year and also down from 5-year average of 91% reported in the US crop progress report dated 23 June 2019 by United States Department of Agriculture (USDA).
- Soy oil international prices are expected to be underpinned by improvement of weather in soybean belts in US, weak demand of soybean from China, higher crop estimate of soybean in Brazil and Argentina.
Planting of soybean in US is has picked up due to improved weather in US Midwest while crop condition is weaker than market expectation. Planting is expected to accelerate. However, delayed pace of planting and weak crop position will lower soybean crop in US and support soybean complex prices.
China has started to liquidate soybean state reserves in a surprise move after indicating that it will accumulate soybean in state reserves weeks ago.
Soy oil stocks fell in US in March as reported by NOPA on lower crush of soybean and higher domestic disappearance of soy oil in the country which will support soy oil prices.
Rise in crude oil prices are expected to support soy oil prices.
Soy oil demand in India will fall if monsoon remains weak. However, due to weak monsoon import demand will firm up.

Outlook: Edible oil basket is expected to feature steady to firm tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jun-19	0.35	744.40	746.50	743.50	744.70	12,270	2810	44940	-1830
Jul-19	-0.50	733.55	736.35	733.55	735.00	4,520	-3110	25510	840

Prices & Vol-OI are at 5:30 PM

Spread	Jun-19	Jul-19
Spot	10.30	20.00
Jun-19		-9.70
Jul-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-19	-2.90	513.40	513.70	509.50	510.70	367	-236	865	-850
July-19	-1.30	518.90	519.70	514.80	515.80	1062	-158	4902	213

Spread

	June-19	July-19
Spot	-2.7	-7.8
June-19		5.1
July-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jul	0.11	27.89	28.04	27.85	27.92
15-Aug	0.1	28.05	28.2	28	28.06
15-Sep	0.11	28.15	28.31	28.11	28.18
15-Oct	0.1	28.29	28.4	28.23	28.3
15-Dec	0.08	28.54	28.66	28.47	28.52

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jul	-71	1892	1930	1845	1880
15-Aug	-7	1945	1960	1932	1935
15-Sep	-3	1970	1987	1962	1963
15-Oct	2	1994	2016	1990	1995

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
26/06/2019	6.88	14140	4.144	42.68	69.06	3.84	96.17	58.70

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-Jun-19	26-Jun-19	
Refined Soybean Oil	Indore	755	755	Unch
	Indore (Soy Solvent Crude)	715	715	Unch
	Mumbai	745	745	Unch
	Mumbai (Soy Degum)	702	702	Unch
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	700	700	Unch
	Kolkata	740	735	5
	Delhi	775	770	5
	Nagpur	757	754	3
	Rajkot	730	740	-10
	Kota	750	750	Unch

	Hyderabad	750	750	Unch
	Akola	756	756	Unch
	Amrawati	755	755	Unch
	Bundi	755	755	Unch
	Jalna	770	767	3
	Solapur	746	743	3
	Dhule	771	768	3
Palm Oil*	Kandla (Crude Palm Oil)	533	533	Unch
	Kandla (RBD Palm oil)	572	572	Unch
	Kandla RBD Pamolein	604	601	3
	Kakinada (Crude Palm Oil)	520	517	3
	Kakinada RBD Pamolein	599	596	2
	Haldia Pamolein	609	599	11
	Chennai RBD Pamolein	601	599	2
	Chennai RBD Pamolein (Vitamin A&D Fortified)	665	664	1
	KPT (krishna patnam) Pamolein	588	586	2
	Mumbai RBD Pamolein	614	614	Unch
	Mangalore RBD Pamolein	609	607	2
	Tuticorin (RBD Palmolein)	606	601	5
	Delhi	645	636	9
	Rajkot	609	604	5
	Hyderabad	575	575	Unch
	PFAD (Kandla)	331	331	Unch
	Refined Palm Stearin (Kandla)	520	517	3
	Superolien (Kandla)	630	630	Unch
Superolien (Mumbai)	651	651	Unch	
* inclusive of GST				
Refined Sunflower Oil	Chennai	790	790	Unch
	Mumbai	790	785	5
	Mumbai(Expeller Oil)	755	750	5
	Kandla (Ref.)	785	785	Unch
	Hyderabad (Ref)	805	800	5
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	725	725	Unch
	Erode (Expeller Oil)	820	820	Unch
Groundnut Oil	Rajkot	1150	1100	50
	Chennai	1040	1040	Unch
	Delhi	950	950	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1100	1100	Unch

	Gondal	1080	1070	10
	Jamnagar	1150	1125	25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	777	775	2
	Jaipur (Kacchi Ghani Oil)	798	797	1
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	790	788	2
	Neewai (Expeller Oil)	770	770	Unch
	Neewai (Kacchi Ghani Oil)	788	788	Unch
	Bharatpur (Kacchi Ghani Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	765	765	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	790	Unch
	Mumbai (Expeller Oil)	795	790	5
	Kolkata(Expeller Oil)	910	910	Unch
	New Delhi (Expeller Oil)	793	785	8
	Hapur (Expeller Oil)	870	870	Unch
	Hapur (Kacchi Ghani Oil)	905	905	Unch
Agra (Kacchi Ghani Oil)	810	810	Unch	
Refined Cottonseed Oil	Rajkot	775	770	5
	Hyderabad	733	727	6
	Mumbai	768	765	3
	New Delhi	735	725	10
Coconut Oil	Kangayan (Crude)	1230	1230	Unch
	Cochin	1390	1400	-10
Sesame Oil	New Delhi	1300	1300	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	578	580	-2
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	500	500	Unch
	CNF India	530	535	-5
Indonesia CPO USD/MT	FOB	463	465	-2
	CNF India	490	490	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	495	495	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	473	473	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	635	640	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	368	368	Unch

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	605	-
Ukraine Origin CSFO USD/MT Kandla	CIF	775	770	5
Rapeseed Oil Rotterdam Euro/MT	FOB	730	728	2
Argentina FOB (\$/MT)		26-Jun-19	25-Jun-19	Change
Crude Soybean Oil Ship		622	627	-5
Refined Soy Oil (Bulk) Ship		644	649	-5
Sunflower Oil Ship		705	705	Unch
Cottonseed Oil Ship		602	607	-5
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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