

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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