

Domestic Fundamentals:

- Edible oils complex featured sideways to firm tone at various market centers on Friday.
- 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.
- According to Indonesia trade ministry, Indonesia kept July crude palm oil export duty unchanged at zero. The reference price is set at USD 542.45 per ton, much lower than lower threshold for export duty and below threshold of USD 570 to calculate export levy. Indonesia has kept crude palm oil export duty at zero since May 2017.
- 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 but with a slower rate 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 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.
Rise in crude oil prices will support palm oil prices.
- 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	1.20	742.20	746.00	742.20	745.30	6,710	-5560	43490	-1450
Jul-19	2.60	733.00	738.85	732.80	737.00	4,340	-180	25920	410
Prices & Vol-OI are at 5:30 PM									

Spread	Jun-19	Jul-19
Spot	9.70	18.00
Jun-19		-8.30
Jul-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
June-19	-0.30	510.50	510.50	509.60	509.90	409	42	621	-244
July-19	-0.80	514.30	518.00	512.00	515.10	1049	-13	5091	189

Spread
June-19
July-19
Spot

1.1

-4.1

June-19

5.2

July-19
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jul	UNCH	27.85	27.85	27.79	27.81
15-Aug	0.02	27.99	28	27.89	27.95
15-Sep	0.04	28.12	28.12	28.01	28.08
15-Oct	0.04	28.26	28.26	28.14	28.2
15-Dec	0.02	28.47	28.49	28.31	28.43

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jul	-13	1874	1882	1860	1865
15-Aug	-15	1932	1935	1914	1920
15-Sep	-12	1963	1966	1946	1951
15-Oct	-12	1994	1999	1981	1983

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
28/06/2019	6.87	14128	4.135	42.70	69.01	3.81	96.15	59.52

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Jun-19	27-Jun-19	
Refined Soybean Oil	Indore	755	755	Unch
	Indore (Soy Solvent Crude)	720	715	5
	Mumbai	745	745	Unch
	Mumbai (Soy Degum)	702	702	Unch
	Kandla/Mundra	738	735	3
	Kandla/Mundra (Soy Degum)	705	700	5
	Kolkata	740	740	Unch
	Delhi	775	775	Unch
	Nagpur	757	757	Unch
	Rajkot	735	730	5
	Kota	750	750	Unch

	Hyderabad	750	750	Unch
	Akola	756	756	Unch
	Amrawati	757	755	2
	Bundi	755	755	Unch
	Jalna	770	770	Unch
	Solapur	746	746	Unch
	Dhule	769	771	-2
Palm Oil*	Kandla (Crude Palm Oil)	537	533	3
	Kandla (RBD Palm oil)	572	572	Unch
	Kandla RBD Pamolein	604	604	Unch
	Kakinada (Crude Palm Oil)	520	520	Unch
	Kakinada RBD Pamolein	599	599	Unch
	Haldia Pamolein	609	609	Unch
	Chennai RBD Pamolein	601	601	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	665	665	Unch
	KPT (krishna patnam) Pamolein	588	588	Unch
	Mumbai RBD Pamolein	614	614	Unch
	Mangalore RBD Pamolein	609	609	Unch
	Tuticorin (RBD Palmolein)	606	606	Unch
	Delhi	645	645	Unch
	Rajkot	609	609	Unch
	Hyderabad	575	575	Unch
	PFAD (Kandla)	331	331	Unch
	Refined Palm Stearin (Kandla)	520	520	Unch
	Superolien (Kandla)	630	630	Unch
	Superolien (Mumbai)	651	651	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	790	790	Unch
	Mumbai	790	790	Unch
	Mumbai(Expeller Oil)	755	755	Unch
	Kandla (Ref.)	785	785	Unch
	Hyderabad (Ref)	805	805	Unch
	Latur (Expeller Oil)	775	770	5
	Chellakere (Expeller Oil)	730	725	5
	Erode (Expeller Oil)	825	820	5
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1040	1040	Unch
	Delhi	950	950	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1100	1100	Unch

	Gondal	1080	1080	Unch
	Jamnagar	1150	1150	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	777	777	Unch
	Jaipur (Kacchi Ghani Oil)	800	798	2
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	790	790	Unch
	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	795	Unch
	Kolkata(Expeller Oil)	910	910	Unch
	New Delhi (Expeller Oil)	791	793	-2
	Hapur (Expeller Oil)	875	870	5
	Hapur (Kacchi Ghani Oil)	910	905	5
	Agra (Kacchi Ghani Oil)	810	810	Unch
Refined Cottonseed Oil	Rajkot	780	775	5
	Hyderabad	733	733	Unch
	Mumbai	768	768	Unch
	New Delhi	740	735	5
Coconut Oil	Kangayan (Crude)	1230	1230	Unch
	Cochin	1390	1390	Unch
Sesame Oil	New Delhi	1130	1300	-170
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	578	578	Unch
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	500	500	Unch
	CNF India	525	530	-5
Indonesia CPO USD/MT	FOB	463	463	Unch
	CNF India	483	490	-7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	493	495	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	473	473	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	630	635	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	363	368	-5



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	585	-
Ukraine Origin CSFO USD/MT Kandla	CIF	775	775	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	730	730	Unch
Argentina FOB (\$/MT)		27-Jun-19	26-Jun-19	Change
Crude Soybean Oil Ship		620	622	-2
Refined Soy Oil (Bulk) Ship		642	644	-2
Sunflower Oil Ship		705	705	Unch
Cottonseed Oil Ship		600	602	-2
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).

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.