

**Domestic Fundamentals:**

- Edible oils complex featured mixed trend at various market centers on Thursday.
- Soy oil domestic and palm oil futures rose on rise in international benchmarks. BMD CPO rose on technical buying while CBOT soy oil rose on expectation that USDA will decrease US soybean crop and yield in its monthly estimate.
- Palm oil prices are expected to be underpinned by lower than expected fall in end stocks of palm oil in Malaysia in June, fall in exports of palm oil in Malaysia, expectation of rise of palm oil production in Malaysia and Indonesia from July and appreciation of ringgit.  
Palm oil end stocks in Malaysia to fell lower than expected on lower exports and higher imports despite sharp fall in production of palm oil in June.  
Production of palm oil is expected fell in Malaysia in June on seasonal downtrend of production and due to labor shortage as workers were off field due to holy month of Ramadan. However, as the Ramadan is over and labor has returned production of palm oil will rebound from July.  
Exports of palm oil from Malaysia fell in July on weak demand from other destinations except India, EU and China. Demand from India is expected to weaken due to rise in stocks of palm oil at Indian ports, lack of fresh demand triggers and weak monsoon. If monsoon remains weak then import demand from India will pick up.  
Demand from China rose in July due to lower supply of soy oil in the country due to lower import of soybean on outbreak of swine flu in the country and US-China trade dispute. Further, demand rose due to demand at lower levels. Appreciation of Ringgit has led to fall in palm oil prices as it makes palm uncompetitive to competing oils.
- Soy oil international prices are expected to be underpinned by improving weather in US Midwest and weak demand of soybean from China, higher crop of soybean in Brazil and Argentina. However, prices will be supported by lower area of soybean in US, lower stock of soybean in US, lower stocks of soy oil in US and rise in crude oil prices and US-China trade settlement optimism.  
Soybean planted area in US is much lower than trade estimate and last year figure as per USDA. Wet and cold weather stopped farmers to plant soybean. This will lead to lower soybean crop in US.  
Soy oil stocks fell in US in May 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.  
China has started to liquidate soybean state reserves in a surprise move after indicating that it will accumulate soybean in state reserves weeks ago.  
Trade talks between US and China has started on the sidelines of G-20 after US President and Chinese Premier met on the sidelines of G-20. US has postponed additional duties planned on US product.
- The newly planted US soybean is planted at 96% which is down from 100% during the corresponding period last year and also down from 5-year average of 99%. About 90% soybean is emerged which is down from 100% during the corresponding period last year and also down from 5-year average of 98%. About 10% soybean is blooming which is down from 44% in corresponding period last year and 5-year average of 32%. Good to excellent condition at 53% compared to 71% in corresponding period last year reported in the US crop progress report dated 7 July 2019 by United States Department of Agriculture (USDA).

**Outlook:** Edible oil basket is expected to feature sideways to weak tone in near term.

| Contract                       | +/-  | Open   | High   | Low    | Close  | Volume | Volume Change | OI    | OI Change |
|--------------------------------|------|--------|--------|--------|--------|--------|---------------|-------|-----------|
| Jul-19                         | 2.70 | 727.60 | 732.35 | 727.60 | 732.35 | 2,080  | -2260         | 13400 | -2200     |
| Aug-19                         | 3.55 | 723.50 | 727.30 | 722.80 | 727.25 | 6,280  | -4670         | 42240 | 860       |
| Prices & Vol-OI are at 5:30 PM |      |        |        |        |        |        |               |       |           |

| Spread | Jul-19 | Aug-19 |
|--------|--------|--------|
| Spot   | -2.35  | 2.75   |
| Jul-19 |        | -5.10  |
| Aug-19 |        |        |

**MCX CPO Futures**

| Contract | +/-  | Open   | High   | Low    | Close  | Volume | Volume Change | OI   | OI Change |
|----------|------|--------|--------|--------|--------|--------|---------------|------|-----------|
| July-19  | 1.40 | 493.10 | 495.00 | 491.40 | 494.60 | 474    | -474          | 4303 | -7        |
| Aug-19   | 1.50 | 494.80 | 496.80 | 493.30 | 496.50 | 441    | -707          | 2996 | 232       |

| Spread | July-19 | Aug-19 |
|--------|---------|--------|
|--------|---------|--------|

|         |     |     |
|---------|-----|-----|
| Spot    | 2.4 | 0.5 |
| July-19 |     | 1.9 |
| Aug-19  |     |     |

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

| Contract | +/-   | Open  | High  | Low   | Close |
|----------|-------|-------|-------|-------|-------|
| 15-Aug   | -0.04 | 28.13 | 28.16 | 28.02 | 28.05 |
| 15-Sep   | -0.01 | 28.25 | 28.28 | 28.14 | 28.19 |
| 15-Oct   | UNCH  | 28.38 | 28.38 | 28.29 | 28.33 |
| 15-Dec   | -0.02 | 28.63 | 28.63 | 28.49 | 28.54 |
| 15-Jan   | -0.03 | 28.81 | 28.85 | 28.73 | 28.76 |

**BMD CPO Futures:**

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low  | Close |
|----------|-----|------|------|------|-------|
| 15-Aug   | -1  | 1913 | 1922 | 1899 | 1917  |
| 15-Sep   | 2   | 1936 | 1947 | 1921 | 1941  |
| 15-Oct   | 5   | 1960 | 1974 | 1949 | 1967  |
| 15-Nov   | 9   | 1971 | 2013 | 1971 | 2008  |

**Forex:**

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 11/07/2019    | 6.86         | 14064             | 4.115             | 41.84          | 68.45        | 3.75           | 96.89        | 60.61                     |

**Edible Oil Prices at Key Market:**

| Commodity           | Centre                     | Prices(Per 10 Kg) |           | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
|                     |                            | 11-Jul-19         | 10-Jul-19 |        |
| Refined Soybean Oil | Indore                     | 730               | 730       | Unch   |
|                     | Indore (Soy Solvent Crude) | 690               | 695       | -5     |
|                     | Mumbai                     | 735               | 735       | Unch   |
|                     | Mumbai (Soy Degum)         | 690               | 690       | Unch   |
|                     | Kandla/Mundra              | 710               | 710       | Unch   |
|                     | Kandla/Mundra (Soy Degum)  | 687               | 690       | -3     |
|                     | Kolkata                    | 721               | 723       | -2     |
|                     | Delhi                      | 754               | 754       | Unch   |
|                     | Nagpur                     | 741               | 741       | Unch   |
|                     | Rajkot                     | 707               | 713       | -6     |
|                     | Kota                       | 730               | 730       | Unch   |

|                       |  |      |      |      |
|-----------------------|--|------|------|------|
|                       | Hyderabad                                    | 750  | 750  | Unch |
|                       | Akola  | 742  | 742  | Unch |
|                       | Amrawati                                     | 742  | 742  | Unch |
|                       | Bundi  | 735  | 735  | Unch |
|                       | Jalna  | 751  | 751  | Unch |
|                       | Solapur                                      | 730  | 730  | Unch |
|                       | Dhule  | 749  | 749  | Unch |
|                       |  |      |      |      |
| Palm Oil*             | Kandla (Crude Palm Oil)                      | 518  | 519  | -1   |
|                       | Kandla (RBD Palm oil)                        | 557  | 546  | 11   |
|                       | Kandla RBD Pamolein                          | 583  | 586  | -3   |
|                       | Kakinada (Crude Palm Oil)                    | 506  | 509  | -3   |
|                       | Kakinada RBD Pamolein                        | 583  | 586  | -3   |
|                       | Haldia Pamolein                              | 590  | 591  | -1   |
|                       | Chennai RBD Pamolein                         | 585  | 588  | -3   |
|                       | Chennai RBD Pamolein (Vitamin A&D Fortified) | 651  | 653  | -2   |
|                       | KPT (krishna patnam) Pamolein                | 574  | 578  | -3   |
|                       | Mumbai RBD Pamolein                          | 593  | 599  | -5   |
|                       | Mangalore RBD Pamolein                       | 590  | 590  | Unch |
|                       | Tuticorin (RBD Palmolein)                    | 584  | 583  | 1    |
|                       | Delhi  | 622  | 625  | -3   |
|                       | Rajkot                                       | 583  | 588  | -5   |
|                       | Hyderabad                                    | 595  | 580  | 15   |
|                       | PFAD (Kandla)                                | 331  | 331  | Unch |
|                       | Refined Palm Stearin (Kandla)                | 506  | 509  | -3   |
|                       | Superolien (Kandla)                          | 630  | 630  | Unch |
|                       | Superolien (Mumbai)                          | 641  | 641  | Unch |
| * inclusive of GST    |  |      |      |      |
| Refined Sunflower Oil | Chennai                                      | 805  | 805  | Unch |
|                       | Mumbai                                       | 805  | 805  | Unch |
|                       | Mumbai(Expeller Oil)                         | 755  | 755  | Unch |
|                       | Kandla (Ref.)                                | 790  | 790  | Unch |
|                       | Hyderabad (Ref)                              | 810  | 810  | Unch |
|                       | Latur (Expeller Oil)                         | 790  | 790  | Unch |
|                       | Chellakere (Expeller Oil)                    | 762  | 762  | Unch |
|                       | Erode (Expeller Oil)                         | 845  | 845  | Unch |
|                       |  |      |      |      |
| Groundnut Oil         | Rajkot                                       | 1150 | 1150 | Unch |
|                       | Chennai                                      | 1050 | 1050 | Unch |
|                       | Delhi  | 1050 | 1050 | Unch |
|                       | Hyderabad *                                  | 1070 | 1075 | -5   |
|                       | Mumbai                                       | 1080 | 1100 | -20  |

|   |                                    |      |      |      |
|---|------------------------------------|------|------|------|
|   | Gondal                             | 1050 | 1050 | Unch |
|   | Jamnagar                           | 1125 | 1125 | Unch |
|   |                                    |      |      |      |
| Rapeseed Oil/Mustard Oil                            | Jaipur (Expeller Oil)              | 778  | 778  | Unch |
|   | Jaipur (Kacchi Ghani Oil)          | 799  | 798  | 1    |
|   | Kota (Expeller Oil)                | 760  | 770  | -10  |
|   | Kota (Kacchi Ghani Oil)            | 788  | 788  | Unch |
|   | Neewai (Expeller Oil)              | 765  | 765  | Unch |
|   | Neewai (Kacchi Ghani Oil)          | 787  | 785  | 2    |
|   | Bharatpur (Kacchi Ghani Oil)       | 795  | 790  | 5    |
|   | Sri-Ganga Nagar(Exp Oil)           | 760  | 755  | 5    |
|   | Sri-Ganga Nagar (Kacchi Ghani Oil) | 790  | 790  | Unch |
|   | Mumbai (Expeller Oil)              | 790  | 790  | Unch |
|   | Kolkata(Expeller Oil)              | 930  | 920  | 10   |
|   | New Delhi (Expeller Oil)           | 784  | 784  | Unch |
|   | Hapur (Expeller Oil)               | 885  | 885  | Unch |
|   | Hapur (Kacchi Ghani Oil)           | 920  | 920  | Unch |
|   | Agra (Kacchi Ghani Oil)            | 800  | 795  | 5    |
|   |                                    |      |      |      |
| Refined Cottonseed Oil                              | Rajkot                             | 775  | 770  | 5    |
|   | Hyderabad                          | 735  | 730  | 5    |
|   | Mumbai                             | 775  | 775  | Unch |
|   | New Delhi                          | 734  | 735  | -1   |
|   |                                    |      |      |      |
| Coconut Oil   | Kangayan (Crude)                   | 1190 | 1190 | Unch |
|   | Cochin                             | 1390 | 1390 | Unch |
|   |                                    |      |      |      |
| Sesame Oil  | New Delhi                          | 1450 | 1450 | Unch |
|   | Mumbai                             | Unq  | Unq  | -    |
| Kardi   | Mumbai                             | 880  | 880  | Unch |
| Rice Bran Oil (40%)                                 | New Delhi                          | 573  | 573  | Unch |
| Rice Bran Oil (4%)                                  | Punjab                             | 620  | 620  | Unch |
|   |                                    |      |      |      |
| Malaysia Palmolein USD/MT                           | FOB                                | 483  | 483  | Unch |
|   | CNF India                          | 515  | 520  | -5   |
| Indonesia CPO USD/MT                                | FOB                                | 458  | 458  | Unch |
|   | CNF India                          | 490  | 493  | -3   |
| RBD Palm oil (Malaysia Origin USD/MT)               | FOB                                | 485  | 485  | Unch |
| RBD Palm Stearin (Malaysia Origin USD/MT)           | FOB                                | 470  | 473  | -3   |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT)        | FOB                                | 620  | 625  | -5   |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB                                | 345  | 350  | -5   |



|                                      |           |           |          |        |
|--------------------------------------|-----------|-----------|----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | Unq       | 590      | -      |
| Ukraine Origin CSFO USD/MT Kandla    | CIF       | 800       | 790      | 10     |
| Rapeseed Oil Rotterdam Euro/MT       | FOB       | 736       | 735      | 1      |
|                                      |           |           |          |        |
| Argentina FOB (\$/MT)                |           | 10-Jul-19 | 9-Jul-19 | Change |
| Crude Soybean Oil Ship               |           | 628       | Unq      | -      |
| Refined Soy Oil (Bulk) Ship          |           | 650       | Unq      | -      |
| Sunflower Oil Ship                   |           | Unq       | Unq      | -      |
| Cottonseed Oil Ship                  |           | 608       | Unq      | -      |
| 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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