

Domestic Fundamentals:

- Edible oils complex featured mostly weak trend at various market centers on Friday.
- Soy oil and palm oil domestic futures rose on demand prospects. BMD CPO fell on technical selling while CBOT soy oil fell as US President slapped import duty on imports of \$300 billion of Chinese good apart from \$250 billion. Crude oil was trading lower on Friday.
- Palm oil international prices are expected to be supported by expectation of fall in end stocks of palm oil in July, rise in exports of palm oil in Malaysia, fall in production of palm oil and rise in crude oil prices.
Palm oil end stocks are expected to fall in Malaysia in July on rise in exports of palm oil and fall in production of palm oil in July.
Palm oil production in Malaysia in July is expected to fall on seasonal slowdown, low use of fertilizers and shift between peak production cycles.
Exports of palm oil rose in July from Malaysia on higher demand from top importing destinations especially India and EU. Further, fall in prices of palm oil will support bargain buying at lower levels.
Palm oil imports by India from Malaysia is expected to rise due to parity in refining, fall in prices of palm oil and lower import differential between CPO and RBD palmolein from Malaysia. However, high inventory at Indian ports will limit gains in imports.
Import demand from China has remained firm in July due to lower imports of soybean by the country due to outbreak of swine flu which has led to lower supply of soy oil leading to higher palm oil imports.
Ringgit fell towards important support 4.15 against dollar which may support palm oil prices as it make palm oil competitive compared to competing oils.
- Soy oil international prices are underpinned by US-China trade settlement concerns and weak demand from China.
Trade talks concluded between US and China in China and it concluded much before schedule making way for further talks in Sep in an indication that talks between US and China are stuck. China has said that it has purchased major US soybean but US has refuted that the data does not show such buying by China.
China has reported multiple breakouts of swine flu in the country. This has led to mass slaughter of swine in the country leading to 25 percent reduction in swine population in the country. Further, China is planning to alter the way it procures soybean after trade war with US. Moreover, China is liquidating state soybean reserves to loosen the tight condition of soybean in the country. This had led to weak demand of soybean from China leading to higher imports of edible vegetable oil from the country.
Soy oil stocks fell in US in June as reported by NOPA on lower crush of soybean and higher domestic disappearance of soy oil will support soy oil prices.
Rise in crude oil prices are expected to support soy oil prices.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's July palm oil exports rose 4.8 percent to 1,437,790 tons compared from 1,371,636 tons last month. Top buyers were India at 424,525 tons (394,934 tons), European Union 304,615 tons (239,285 tons), China at 135,690 tons (160,250 tons), United States at 75,078 tons (92,355 tons) and Pakistan at 39,000 tons (56,000 tons). Values in brackets are figures of last month.

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
Aug-19	0.00	734.00	737.50	733.00	736.35	4,190	-110	27240	-1670
Sep-19	0.55	732.00	734.90	730.10	734.70	7,740	4730	28780	1670
Prices & Vol-OI are at 5:30 PM									

Spread	Aug-19	Sep-19
Spot	8.65	10.30
Aug-19		-1.65
Sep-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	2.70	514.00	518.50	512.50	517.20	1131	154	4930	-274
Sep-19	3.20	515.40	520.60	514.70	519.20	331	-89	1242	153

Spread	Aug-19	Sep-19
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Spot	-4.2	-6.2
Aug-19		2
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Aug	-0.01	27.67	27.67	27.67	27.67
15-Sep	0.1	27.84	27.92	27.75	27.9
15-Oct	0.12	27.97	28.04	27.88	28.04
15-Dec	0.1	28.23	28.29	28.11	28.26
15-Jan	0.07	28.41	28.52	28.36	28.48

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Aug	-2	2013	2013	2013	2013
15-Sep	-2	2030	2035	2024	2032
15-Oct	-3	2062	2065	2054	2062
15-Nov	-4	2095	2096	2085	2093

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
02/08/2019	6.94	14187	4.157	44.29	69.58	3.84	98.20	55.35

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		2-Aug-19	1-Aug-19	
Refined Soybean Oil	Indore	740	745	-5
	Indore (Soy Solvent Crude)	710	712	-2
	Mumbai	745	745	Unch
	Mumbai (Soy Degum)	690	695	-5
	Kandla/Mundra	725	725	Unch
	Kandla/Mundra (Soy Degum)	697	700	-3
	Kolkata	725	725	Unch
	Delhi	770	774	-4
	Nagpur	745	747	-2
	Rajkot	725	725	Unch
	Kota	735	735	Unch

	Hyderabad	Unq	Unq	-
	Akola	746	748	-2
	Amrawati	746	748	-2
	Bundi	740	740	Unch
	Jalna	742	742	Unch
	Solapur	737	737	Unch
	Dhule	747	747	Unch
Palm Oil*	Kandla (Crude Palm Oil)	539	540	-1
	Kandla (RBD Palm oil)	572	572	Unch
	Kandla RBD Pamolein	609	609	Unch
	Kakinada (Crude Palm Oil)	530	530	Unch
	Kakinada RBD Pamolein	593	593	Unch
	Haldia Pamolein	607	606	1
	Chennai RBD Pamolein	601	601	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	663	661	2
	KPT (krishna patnam) Pamolein	593	593	Unch
	Mumbai RBD Pamolein	614	614	Unch
	Mangalore RBD Pamolein	609	609	Unch
	Tuticorin (RBD Palmolein)	603	603	Unch
	Delhi	640	644	-4
	Rajkot	607	607	Unch
	Hyderabad	581	581	Unch
	PFAD (Kandla)	347	347	Unch
	Refined Palm Stearin (Kandla)	530	530	Unch
	Superolien (Kandla)	641	630	11
	Superolien (Mumbai)	646	641	5
* inclusive of GST				
Refined Sunflower Oil	Chennai	825	825	Unch
	Mumbai	835	835	Unch
	Mumbai(Expeller Oil)	790	795	-5
	Kandla (Ref.)	825	825	Unch
	Hyderabad (Ref)	830	830	Unch
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	760	760	Unch
	Erode (Expeller Oil)	870	870	Unch
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1030	1030	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1070	1070	Unch
	Mumbai	1100	1100	Unch

	Gondal	1100	1100	Unch
	Jamnagar	1100	1100	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	785	-5
	Jaipur (Kacchi Ghani Oil)	801	805	-4
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	790	795	-5
	Neewai (Expeller Oil)	765	765	Unch
	Neewai (Kacchi Ghani Oil)	780	780	Unch
	Bharatpur (Kacchi Ghani Oil)	800	800	Unch
	Sri-Ganga Nagar(Exp Oil)	770	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	795	Unch
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	794	797	-3
	Hapur (Expeller Oil)	875	875	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	805	805	Unch
Refined Cottonseed Oil	Rajkot	790	790	Unch
	Hyderabad	Unq	Unq	-
	Mumbai	810	810	Unch
	New Delhi	760	760	Unch
Coconut Oil	Kangayan (Crude)	1270	1270	Unch
	Cochin	1390	1390	Unch
Sesame Oil	New Delhi	1500	1500	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	600	600	Unch
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	520	523	-3
	CNF India	548	550	-2
Indonesia CPO USD/MT	FOB	485	485	Unch
	CNF India	508	510	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	513	513	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	495	495	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	665	670	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	378	373	5



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	635	-
Ukraine Origin CSFO USD/MT Kandla	CIF	797	818	-21
Rapeseed Oil Rotterdam Euro/MT	FOB	767	768	-1
Argentina FOB (\$/MT)		1-Aug-19	31-Jul-19	Change
Crude Soybean Oil Ship		662	655	7
Refined Soy Oil (Bulk) Ship		685	678	7
Sunflower Oil Ship		720	720	Unch
Cottonseed Oil Ship		642	635	7
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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