



Domestic Fundamentals:

- Edible oils complex featured mostly weak trend at various market centers on Tuesday.
- Soy oil and palm oil domestic futures fell on fall in international benchmarks. BMD CPO fell on demand concerns while CBOT soy oil fell on improving weather of soybean in US. Crude oil was trading higher on Monday.
- Palm oil prices are expected to be supported by fall in end stocks of palm oil in Malaysia in July, rise in exports of palm oil, depreciation of ringgit, rise in competitive oils and rise in crude oil prices.
Palm oil end stocks unexpectedly fell in Malaysia in July against trade expectation of rise in stocks. Stocks fell below 24 lakh tons on rise in exports of palm oil from Malaysia in July.
Production of palm oil rose 15 percent in July in Malaysia. Production rose in July in Malaysia on seasonal uptrend of production and return of labor from leave due to Ramadan. Production will continue to rise in August in Malaysia.
Exports of palm oil rose from Malaysia in July by 7 percent on higher exports to India and EU.
Exports of palm oil from Malaysia to India picked up in July due to fall in prices of palm oil, positive refining margins and lower import duty on imports of RBD palmolein by India compared to other locations. More rise is seen in August and is expected to remain firm in coming months due to festive season demand and seasonal uptrend of demand.
Exports of palm oil is expected to rise to China on US-China trade dispute, removal of import quota of palm oil imports by the country and lower supply of soy oil the country due to lower imports of soybean in 2019 due to swine flu.
Ringgit depreciated below 4.15 per USD due to strong dollar and selloff in emerging markets as it makes palm oil competitive compared to competitive oils.
Competitive oils like soy oil is expected to support palm oil due to lower supply concerns.
- Soy oil international prices are underpinned by improvement of soybean weather in US, US-China trade dispute concerns and weak Chinese demand.
Further soy oil domestic prices are expected to be underpinned by negative import parity, negative refining margins, weak demand and fall in CBOT soy oil.
- Edible oils imports by India surged in July due to firm palm oil and sunflower oil imports. Crude palm oil imports surged on the back of fall in international prices and positive refining margins. Further rise in CPO imports is not ruled out. RBD palmolein imports surged due to lower import duty on imports from Malaysia. Sunflower oil imports surged in July due to firm domestic demand and positive import parity. However, further rise is not expected as import parity and refining margins have fallen and CNF prices have surged. Rapeseed oil imports resumed in July after no imports for many months on the backs of import duty making it unviable to import. Despite rise in imports stocks at ports and pipelines have fallen due to firm domestic demand.
- According to National Oilseed Processors Association (NOPA), U.S. July soybean crush rose by 12.93 percent to 168.093 million bushels from 148.843 million bushels in June 2019. Crush of soybean in July was lower by 0.2 percent compared to July 2018 figure of 167.733 million bushels. Soy oil stocks in U.S. at the end of July fell 4.43 percent to 1.467 billion lbs compared to 1.535 billion lbs in end June 2019. Stocks of soy oil in end July was lower by 16.84 percent compared to end July 2018, which was reported at 1.764 million lbs. Soybean oil stocks was below trade expectation.

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

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Sep-19	2.75	749.1	752.5	749.1	751.4	9110	-4820	39380	60
Oct-19	0.95	750.7	752.6	750	750	3150	710	12710	500
Prices & Vol-OI are at 5:30 PM									

Spread	Sep-19	Oct-19
Spot	8.70	9.20
Sep-19		-1.4
Oct-19		



MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	3.80	538.9	543	538.9	541.5	583	-497	3233	-194
Sep-19	4.40	540.5	546.7	540.5	544.7	1180	101	2940	390

Spread Aug-19 Sep-19

Spot	-2.0	-4.6
Aug-19		2.6
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	-0.15	29.07	29.14	28.94	28.98
15-Oct	-0.17	29.19	29.27	29.06	29.08
15-Dec	-0.18	29.44	29.52	29.31	29.33
15-Jan	-0.17	29.68	29.74	29.56	29.57
15-Mar	-0.17	29.94	30.01	29.82	29.84

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Sep	-37	2136	2136	2103	2105
15-Oct	-33	2164	2164	2128	2129
15-Nov	-36	2184	2188	2152	2156
15-Dec	-31	2211	2213	2180	2182

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
19/08/2019	7.05	14232	4.174	54.80	71.43	4.00	98.23	55.10

Edible Oil Prices at Key Market:

Commodity	Centre	Prices (Per 10 Kg)		Change
		20-Aug-19	19-Aug-19	
Refined Soybean Oil	Indore	750	760	-10
	Indore (Soy Solvent Crude)	720	725	-5
	Mumbai	760	760	Unch
	Mumbai (Soy Degum)	715	718	-3
	Kandla/Mundra	735	740	-5
	Kandla/Mundra (Soy Degum)	710	712	-2
	Kolkata	755	755	Unch
	Delhi	780	785	-5
	Nagpur	765	762	3
	Rajkot	735	735	Unch

	Kota	750	750	Unch
	Hyderabad	Unq	Unq	-
	Akola	767	763	4
	Amrawati	766	763	3
	Bundi	755	755	Unch
	Jalna	767	764	3
	Solapur	755	761	-6
	Dhule	766	774	-8
Palm Oil*	Kandla (Crude Palm Oil)	566	566	Unch
	Kandla (RBD Palm oil)	604	609	-5
	Kandla RBD Pamolein	635	641	-5
	Kakinada (Crude Palm Oil)	564	564	Unch
	Kakinada RBD Pamolein	641	641	Unch
	Haldia Pamolein	635	643	-7
	Chennai RBD Pamolein	646	646	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	698	698	Unch
	KPT (krishna patnam) Pamolein	641	641	Unch
	Mumbai RBD Pamolein	651	651	Unch
	Mangalore RBD Pamolein	656	656	Unch
	Tuticorin (RBD Palmolein)	646	646	Unch
	Delhi	665	670	-5
	Rajkot	626	626	Unch
	Hyderabad	617	617	Unch
	PFAD (Kandla)	389	399	-11
	Refined Palm Stearin (Kandla)	564	564	Unch
	Superolien (Kandla)	651	651	Unch
	Superolien (Mumbai)	667	667	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	855	855	Unch
	Mumbai	850	850	Unch
	Mumbai(Expeller Oil)	810	810	Unch
	Kandla (Ref.)	830	840	-10
	Hyderabad (Ref)	855	855	Unch
	Latur (Expeller Oil)	810	810	Unch
	Chellakere (Expeller Oil)	810	810	Unch
	Erode (Expeller Oil)	890	885	5
Groundnut Oil	Rajkot	1100	1100	Unch
	Chennai	1020	1020	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1050	1050	Unch



	Mumbai	1075	1075	Unch
	Gondal	1150	1125	25
	Jamnagar	1125	1125	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	792	790	2
	Jaipur (Kacchi Ghani Oil)	813	813	Unch
	Kota (Expeller Oil)	785	785	Unch
	Kota (Kacchi Ghani Oil)	800	795	5
	Neewai (Expeller Oil)	780	780	Unch
	Neewai (Kacchi Ghani Oil)	792	792	Unch
	Bharatpur (Kacchi Ghani Oil)	815	815	Unch
	Sri-Ganga Nagar(Exp Oil)	775	775	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	800	800	Unch
	Mumbai (Expeller Oil)	805	810	-5
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	800	800	Unch
	Hapur (Expeller Oil)	870	875	-5
	Hapur (Kacchi Ghani Oil)	905	910	-5
	Agra (Kacchi Ghani Oil)	820	820	Unch
Refined Cottonseed Oil	Rajkot	780	780	Unch
	Hyderabad	Unq	Unq	-
	Mumbai	808	812	-4
	New Delhi	756	765	-9
Coconut Oil	Kangayan (Crude)	1420	1370	50
	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	618	620	-2
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	540	543	-3
	CNF India	575	573	2
Indonesia CPO USD/MT	FOB	505	505	Unch
	CNF India	535	533	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	535	535	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	540	543	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	700	700	Unch
Palm Fatty Acid Distillate (Malaysia)	FOB	433	435	-2



Origin USD/MT)				
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	625	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	810	795	15
Argentina FOB (\$/MT)		19-Aug-19	16-Aug-19	Change
Crude Soybean Oil Ship		Unq	678	-
Refined Soy Oil (Bulk) Ship		Unq	702	-
Sunflower Oil Ship		Unq	730	-
Cottonseed Oil Ship		Unq	658	-
Refined Linseed Oil (Bulk) Ship		Unq	0	-

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.