

Domestic Fundamentals:

- Edible oils complex featured mostly firm trend at various market centers on Thursday.
- Soy oil and palm oil domestic futures rose on demand prospects ahead of demand season India and rise in international benchmarks. BMD CPO rose on firm demand and thinning supply prospects while CBOT soy oil rose on falling crop condition of soybean in US. Crude oil was trading lower on Thursday.
- Palm oil prices are expected to be supported by expectation of fall in end stocks of palm oil in Malaysia in Aug, rise in exports of palm oil, fall in production of palm oil, depreciation of ringgit, rise in competitive oils and rise in crude oil prices.
Palm oil end stocks are expected to fall in Malaysia in August on slowdown of production in Malaysia and rise in exports from Malaysia in August.
Production of palm oil is expected to slowdown in August after rose 15 percent in July in Malaysia. Data from South East Malaysia Association showed slowdown of production of palm oil in first 20 days of August indicating that production will close the month of August with deficit.
Exports of palm oil rose from Malaysia in August by 6.2 percent on higher exports to China while exports to India moderated.
Exports of palm oil from Malaysia to India slowed in Aug due to rise in prices of palm oil, negative refining margins and high stocks of palm oil at Indian ports. However, palm oil imports are expected to remain firm in Aug and onwards on firm demand due to festive season 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 supported by fall in stocks of soy oil in US, weak condition of soybean in US, rise in competitive oils and rise in crude oil prices.
However, weak Chinese demand and US-China trade war will limit gains.
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.
Soy oil stocks fell in US in July as reported by NOPA on firm domestic disappearance despite higher crush of soybean. Soybean crop condition is weak as USDA crop report reported that good to excellent condition of crop fell below market expectations and crop condition is weakest in last few years.
Rise in competitive oils like palm oil and rise in crude oil prices due to OPEC supply cut will support soy oil prices.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Aug 1-20 palm oil exports rose 6.2 percent to 983,575 tons compared from 926,257 tons in corresponding period last month. Top buyers were India at 230,510 tons (240,075 tons), China at 214,955 tons (99,990 tons), European Union 173,130 tons (211,515 tons), Pakistan at 41,000 tons (39,000 tons) and United States at 21,890 tons (49,200 tons) and Values in brackets are figures of corresponding period 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
Sep-19	3.05	754.10	757.40	749.90	756.75	15,020	3790	38420	-1040
Oct-19	3.50	754.00	757.00	751.70	756.90	5,770	-890	17930	2270

Prices & Vol-OI are at 5:30 PM

Spread	Sep-19	Oct-19
Spot	-1.75	-1.90
Sep-19		0.15
Oct-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	6.10	552.80	556.90	552.40	556.20	1341	-220	2393	-261
Sep-19	10.10	555.60	564.70	555.60	563.50	2088	-70	4188	471

Spread	Aug-19	Sep-19
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Spot	0.8	-6.5
Aug-19		7.3
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	0.06	28.74	28.88	28.61	28.8
15-Oct	0.05	28.88	29	28.73	28.92
15-Dec	0.04	29.1	29.25	28.98	29.16
15-Jan	0.05	29.35	29.47	29.22	29.4
15-Mar	0.06	29.58	29.74	29.48	29.68

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Sep	37	2170	2212	2170	2201
15-Oct	55	2194	2250	2191	2240
15-Nov	47	2212	2265	2211	2256
15-Dec	47	2223	2281	2223	2275

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/08/2019	7.08	14234	4.188	54.99	71.81	4.03	98.32	56.24

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-Aug-19	21-Aug-19	
Refined Soybean Oil	Indore	755	750	5
	Indore (Soy Solvent Crude)	720	720	Unch
	Mumbai	760	760	Unch
	Mumbai (Soy Degum)	718	715	3
	Kandla/Mundra	740	735	5
	Kandla/Mundra (Soy Degum)	715	710	5
	Kolkata	755	755	Unch
	Delhi	780	777	3
	Nagpur	767	765	2
	Rajkot	735	735	Unch
	Kota	750	750	Unch

	Hyderabad	Unq	Unq	-
	Akola	768	767	1
	Amrawati	768	766	2
	Bundi	755	755	Unch
	Jalna	768	767	1
	Solapur	757	755	2
	Dhule	768	767	1
Palm Oil*	Kandla (Crude Palm Oil)	585	574	11
	Kandla (RBD Palm oil)	620	604	16
	Kandla RBD Pamolein	646	635	11
	Kakinada (Crude Palm Oil)	564	564	Unch
	Kakinada RBD Pamolein	646	641	5
	Haldia Pamolein	646	635	11
	Chennai RBD Pamolein	651	646	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	701	698	3
	KPT (krishna patnam) Pamolein	646	641	5
	Mumbai RBD Pamolein	662	651	11
	Mangalore RBD Pamolein	662	656	5
	Tuticorin (RBD Palmolein)	658	649	9
	Delhi	670	662	8
	Rajkot	641	630	11
	Hyderabad	629	629	Unch
	PFAD (Kandla)	389	389	Unch
	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	845	850	-5
	Mumbai(Expeller Oil)	810	810	Unch
	Kandla (Ref.)	830	830	Unch
	Hyderabad (Ref)	855	855	Unch
	Latur (Expeller Oil)	810	810	Unch
	Chellakere (Expeller Oil)	810	810	Unch
	Erode (Expeller Oil)	890	890	Unch
Groundnut Oil	Rajkot	1100	1100	Unch
	Chennai	1040	1020	20
	Delhi	1100	1100	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1085	1085	Unch

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	790	792	-2
	Jaipur (Kacchi Ghani Oil)	810	812	-2
	Kota (Expeller Oil)	785	785	Unch
	Kota (Kacchi Ghani Oil)	800	800	Unch
	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)	770	780	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	805	-10
	Mumbai (Expeller Oil)	805	805	Unch
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	797	800	-3
	Hapur (Expeller Oil)	875	875	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	820	820	Unch
Refined Cottonseed Oil	Rajkot	790	780	10
	Hyderabad	Unq	Unq	-
	Mumbai	802	808	-6
	New Delhi	754	754	Unch
Coconut Oil	Kangayan (Crude)	1460	1460	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	620	618	2
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	553	544	9
	CNF India	583	570	13
Indonesia CPO USD/MT	FOB	515	505	10
	CNF India	543	530	13
RBD Palm oil (Malaysia Origin USD/MT)	FOB	548	539	9
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	555	550	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	730	705	25
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	445	438	7



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	645	-
Ukraine Origin CSFO USD/MT Kandla	CIF	805	800	5
Rapeseed Oil Rotterdam Euro/MT	FOB	815	820	-5
Argentina FOB (\$/MT)		21-Aug-19	20-Aug-19	Change
Crude Soybean Oil Ship		667	667	Unch
Refined Soy Oil (Bulk) Ship		690	690	Unch
Sunflower Oil Ship		730	730	Unch
Cottonseed Oil Ship		647	647	Unch
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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