

Domestic Fundamentals:

- Edible oils complex featured mostly firm trend at various market centers on Friday.
- Soy oil and palm oil domestic futures fell on technical selling ahead of demand season India. 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 Friday.
- 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	-0.20	757.55	759.60	756.80	758.25	8,360	-6660	37910	-510
Oct-19	-0.80	760.00	760.00	756.00	757.50	2,360	-3410	19880	1950
Prices & Vol-OI are at 5:30 PM									

Spread	Sep-19	Oct-19
Spot	-3.25	-2.50
Sep-19		-0.75
Oct-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	-1.00	556.50	560.40	555.60	556.40	625	-716	2263	-130
Sep-19	-0.50	563.00	567.30	562.00	563.60	756	-1332	4329	141

Spread	Aug-19	Sep-19
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Spot	0.6	-6.6
Aug-19		7.2
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	0.03	28.57	28.63	28.44	28.57
15-Oct	0.05	28.67	28.75	28.55	28.7
15-Dec	0.04	28.92	29	28.79	28.94
15-Jan	0.04	29.12	29.22	29.01	29.16
15-Mar	0.01	29.4	29.47	29.28	29.4

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Sep	9	2190	2212	2190	2210
15-Oct	5	2233	2253	2216	2244
15-Nov	7	2247	2271	2235	2262
15-Dec	6	2265	2287	2255	2282

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
23/08/2019	7.08	14212	4.189	55.11	71.65	4.07	98.42	55.27

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-Aug-19	22-Aug-19	
Refined Soybean Oil	Indore	755	755	Unch
	Indore (Soy Solvent Crude)	720	720	Unch
	Mumbai	765	760	5
	Mumbai (Soy Degum)	718	718	Unch
	Kandla/Mundra	740	740	Unch
	Kandla/Mundra (Soy Degum)	712	715	-3
	Kolkata	750	755	-5
	Delhi	783	780	3
	Nagpur	770	767	3
	Rajkot	740	735	5
	Kota	750	750	Unch

	Hyderabad	Unq	Unq	-
	Akola	772	768	4
	Amrawati	771	768	3
	Bundi	755	755	Unch
	Jalna	771	768	3
	Solapur	761	757	4
	Dhule	771	768	3
Palm Oil*	Kandla (Crude Palm Oil)	585	585	Unch
	Kandla (RBD Palm oil)	620	620	Unch
	Kandla RBD Pamolein	646	646	Unch
	Kakinada (Crude Palm Oil)	573	564	9
	Kakinada RBD Pamolein	651	646	5
	Haldia Pamolein	651	646	5
	Chennai RBD Pamolein	656	651	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	705	701	3
	KPT (krishna patnam) Pamolein	651	646	5
	Mumbai RBD Pamolein	662	662	Unch
	Mangalore RBD Pamolein	667	662	5
	Tuticorin (RBD Palmolein)	667	658	8
	Delhi	673	670	3
	Rajkot	641	641	Unch
	Hyderabad	639	629	10
	PFAD (Kandla)	389	389	Unch
	Refined Palm Stearin (Kandla)	573	564	9
	Superolien (Kandla)	651	651	Unch
	Superolien (Mumbai)	667	667	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	855	855	Unch
	Mumbai	845	845	Unch
	Mumbai(Expeller Oil)	810	810	Unch
	Kandla (Ref.)	830	830	Unch
	Hyderabad (Ref)	855	855	Unch
	Latur (Expeller Oil)	820	810	10
	Chellakere (Expeller Oil)	820	810	10
	Erode (Expeller Oil)	Closed	890	-
Groundnut Oil	Rajkot	1130	1100	30
	Chennai	1050	1040	10
	Delhi	1100	1100	Unch
	Hyderabad *	1040	1050	-10
	Mumbai	1085	1085	Unch

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	788	790	-2
	Jaipur (Kacchi Ghani Oil)	809	810	-1
	Kota (Expeller Oil)	785	785	Unch
	Kota (Kacchi Ghani Oil)	795	800	-5
	Neewai (Expeller Oil)	783	780	3
	Neewai (Kacchi Ghani Oil)	795	792	3
	Bharatpur (Kacchi Ghani Oil)	815	815	Unch
	Sri-Ganga Nagar(Exp Oil)	770	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	795	Unch
	Mumbai (Expeller Oil)	805	805	Unch
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	800	797	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	790	Unch
	Hyderabad	Unq	Unq	-
	Mumbai	805	802	3
	New Delhi	758	754	4
Coconut Oil	Kangayan (Crude)	Closed	1460	-
	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	620	Unch
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	550	553	-3
	CNF India	585	583	2
Indonesia CPO USD/MT	FOB	515	515	Unch
	CNF India	545	543	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	545	548	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	558	555	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	725	730	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	448	445	3



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	670	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	805	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	815	815	Unch
Argentina FOB (\$/MT)		22-Aug-19	21-Aug-19	Change
Crude Soybean Oil Ship		664	667	-3
Refined Soy Oil (Bulk) Ship		687	690	-3
Sunflower Oil Ship		730	730	Unch
Cottonseed Oil Ship		644	647	-3
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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