

Domestic Fundamentals:

- Edible oils complex featured mixed trend in various oils at various market centers on Wednesday.
- Soy oil domestic futures fell on technical selling while palm oil domestic futures rose on rise in international benchmarks. BMD CPO rose on firm demand prospects and CBOT soy oil fell on improving soybean crop condition in US Midwest. Crude oil was trading higher on Wednesday.
- 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 Malaysian Palm Oil 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 18 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.
- The newly planted US soybean is blooming at 94% which is down from 100% during the corresponding period last year and also down from 5-year average of 99%. About 79% soybean is setting pods which is down from 94% in corresponding period last year and 5-year average of 91%. Good to excellent condition at 55% compared to 66% in corresponding period last year reported in the US crop progress report dated 25 August 2019 by United States Department of Agriculture (USDA).
- Director General of Foreign Trade (DGFT), India has recommended increase of 5 percent in import duty on imports of RBD palmolein originating from Malaysia for a period of 180 days. DGFT has recommended hike to impose Provisional bilateral Safeguard measure in terms of Rule no 9 of India-Malaysia Comprehensive Economic Cooperation Agreement (Bilateral Safeguard Measures) Rules, 2017. This step has been taken after it was found that lowering of import duty on imports if RBD palmolein from Malaysia on 31st Dec, 2018 has hurt Indian industry under India-Malaysia Comprehensive Economic Cooperation Agreement. At present import duty of 45 percent is imposed on imports of RBD palmolein from Malaysia. Further, DGFT has asked for comments of preliminary findings to be examined. It will conduct oral hearing and give opportunity to all interested parties relevant to the investigation. Moreover, DGFT will conduct investigation wherever necessary.

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	-2.80	762.00	762.00	755.30	756.00	8,240	1530	35000	-1500
Oct-19	-2.45	763.80	763.80	756.00	756.00	3,610	1310	23470	1550

Prices & Vol-OI are at 5:30 PM

Spread	Sep-19	Oct-19
Spot	4.00	4.00
Sep-19		0.00
Oct-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	1.90	555.60	559.70	555.60	557.10	379	-338	1429	-107
Sep-19	1.30	564.90	569.00	564.90	565.50	687	-562	4942	196

Spread	Aug-19	Sep-19
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Spot	9.9	1.5
Aug-19		8.4
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	0.02	28.04	28.1	27.97	28.03
15-Oct	0.03	28.15	28.23	28.1	28.17
15-Dec	0.01	28.38	28.45	28.31	28.36
15-Jan	0.04	28.61	28.65	28.53	28.61
15-Mar	0.03	28.87	28.92	28.83	28.87

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Sep	14	2201	2201	2196	2200
15-Oct	17	2208	2243	2204	2234
15-Nov	17	2230	2264	2225	2253
15-Dec	16	2252	2285	2248	2278

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
27/08/2019	7.16	14255	4.213	56.27	71.75	4.13	98.12	55.66

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Aug-19	27-Aug-19	
Refined Soybean Oil	Indore	760	760	Unch
	Indore (Soy Solvent Crude)	727	722	5
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	720	720	Unch
	Kandla/Mundra	745	745	Unch
	Kandla/Mundra (Soy Degum)	715	718	-3
	Kolkata	760	760	Unch
	Delhi	782	786	-4
	Nagpur	775	775	Unch
	Rajkot	740	740	Unch
	Kota	755	755	Unch

	Hyderabad	Unq	Unq	-
	Akola	776	776	Unch
	Amrawati	776	776	Unch
	Bundi	760	760	Unch
	Jalna	776	776	Unch
	Solapur	766	766	Unch
	Dhule	776	776	Unch
Palm Oil*	Kandla (Crude Palm Oil)	585	593	-8
	Kandla (RBD Palm oil)	617	625	-7
	Kandla RBD Pamolein	654	656	-2
	Kakinada (Crude Palm Oil)	575	578	-2
	Kakinada RBD Pamolein	662	662	Unch
	Haldia Pamolein	667	667	Unch
	Chennai RBD Pamolein	670	674	-4
	Chennai RBD Pamolein (Vitamin A&D Fortified)	727	730	-3
	KPT (krishna patnam) Pamolein	662	662	Unch
	Mumbai RBD Pamolein	672	672	Unch
	Mangalore RBD Pamolein	677	683	-5
	Tuticorin (RBD Palmolein)	669	669	Unch
	Delhi	680	680	Unch
	Rajkot	646	641	5
	Hyderabad	644	641	3
	PFAD (Kandla)	399	399	Unch
	Refined Palm Stearin (Kandla)	575	578	-2
	Superolien (Kandla)	693	693	Unch
	Superolien (Mumbai)	704	704	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	860	860	Unch
	Mumbai	855	855	Unch
	Mumbai(Expeller Oil)	825	820	5
	Kandla (Ref.)	845	845	Unch
	Hyderabad (Ref)	855	860	-5
	Latur (Expeller Oil)	820	820	Unch
	Chellakere (Expeller Oil)	820	820	Unch
	Erode (Expeller Oil)	895	895	Unch
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1030	1030	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1040	1040	Unch
	Mumbai	1090	1090	Unch

	Gondal	1125	Closed	-
	Jamnagar	1125	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	795	792	3
	Jaipur (Kacchi Ghani Oil)	816	814	2
	Kota (Expeller Oil)	785	785	Unch
	Kota (Kacchi Ghani Oil)	798	800	-2
	Neewai (Expeller Oil)	780	780	Unch
	Neewai (Kacchi Ghani Oil)	792	792	Unch
	Bharatpur (Kacchi Ghani Oil)	810	810	Unch
	Sri-Ganga Nagar(Exp Oil)	780	775	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	800	800	Unch
	Mumbai (Expeller Oil)	810	810	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	800	800	Unch
	Hapur (Expeller Oil)	875	875	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	815	815	Unch
Refined Cottonseed Oil	Rajkot	790	785	5
	Hyderabad	Unq	Unq	-
	Mumbai	806	810	-4
	New Delhi	755	762	-7
Coconut Oil	Kangayan (Crude)	1480	1480	Unch
	Cochin	1390	1390	Unch
Sesame Oil	New Delhi	1650	1650	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	625	625	Unch
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	550	550	Unch
	CNF India	590	590	Unch
Indonesia CPO USD/MT	FOB	520	525	-5
	CNF India	550	553	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	543	545	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	565	565	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	725	725	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	455	455	Unch



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	660	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	803	-3
Rapeseed Oil Rotterdam Euro/MT	FOB	812	810	2
Argentina FOB (\$/MT)		27-Aug-19	26-Aug-19	Change
Crude Soybean Oil Ship		660	666	-6
Refined Soy Oil (Bulk) Ship		683	689	-6
Sunflower Oil Ship		720	725	-5
Cottonseed Oil Ship		640	646	-6
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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