

Domestic Fundamentals:

- Edible oils complex featured mostly weak trend in various oils at various market centers on Wednesday.
- Soy oil and palm oil domestic futures fell on demand concerns. BMD CPO rose on demand prospects and CBOT soy oil fell on US-China trade dispute concerns. Crude oil was trading higher on Wednesday.
- The newly planted US soybean is blooming at 96% which is down from 100% during the corresponding period last year and also down from 5-year average of 100%. About 86% soybean is setting pods which is down from 98% in corresponding period last year and 5-year average of 96%. Good to excellent condition at 55% compared to 66% in corresponding period last year reported in the US crop progress report dated 1 September 2019 by United States Department of Agriculture (USDA).
- 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 on higher exports to China and India.
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.
- Soy oil prices are expected to be supported by firm demand ahead of festivals. However, negative import parity and negative refining margins will slow imports. High stocks at ports will keep cap on prices.
Soy oil international prices are supported by weak condition of soybean crop in US Midwest, lower stocks of soy oil in US in July and rise in crude oil prices. However, US-China trade dispute and weak demand from China will keep cap on prices.
Soybean crop condition is weakest in multi years and weather forecast indicating frost damage could happen when the crop is harvested which is late planted.
China has stopped agriculture imports from US and imposed higher import duties on US agricultural imports. This comes after US imposed duties on additional Chinese goods and put China in currency manipulator risk. Further intensification will adversely affect prices.
Demand of soybean is expected to remain weak from China due to intensification of swine flu which has decreased herd count of China by 32 percent. Further, China is liquidating strategic soybean reserves and meat reserves to loosed tight condition of market.

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	-0.25	754.60	754.60	750.20	752.40	4,300	-3490	30700	-1460
Oct-19	-2.35	759.70	759.70	753.20	754.50	5,520	1410	27150	2870
Prices & Vol-OI are at 5:30 PM									

Spread	Sep-19	Oct-19
Spot	2.60	0.50
Sep-19		2.10
Oct-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-19	-1.00	560.60	561.20	557.20	559.00	800	-589	4973	-174
Sep-19	-1.40	565.00	565.50	561.20	562.90	507	144	1316	205

Spread	Aug-19	Sep-19
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Spot	0.0	-3.9
Aug-19		3.9
Sep-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	-0.06	28.9	28.94	28.76	28.88
15-Oct	-0.06	29.04	29.08	28.9	29.03
15-Dec	-0.09	29.25	29.27	29.12	29.2
15-Jan	-0.07	29.52	29.54	29.4	29.5
15-Mar	-0.07	29.8	29.84	29.71	29.8

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Sep	-6	2100	2100	2100	2100
15-Oct	6	2160	2181	2141	2152
15-Nov	9	2198	2217	2181	2187
15-Dec	14	2228	2250	2219	2224

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
04/09/2019	7.15	14150	4.206	55.87	72.11	4.19	98.63	54.72

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		4-Sep-19	3-Sep-19	
Refined Soybean Oil	Indore	755	757	-2
	Indore (Soy Solvent Crude)	715	720	-5
	Mumbai	755	760	-5
	Mumbai (Soy Degum)	710	710	Unch
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	708	702	6
	Kolkata	750	752	-2
	Delhi	775	775	Unch
	Nagpur	765	765	Unch
	Rajkot	730	730	Unch
	Kota	750	750	Unch

	Hyderabad	Unq	Unq	-
	Akola	766	766	Unch
	Amrawati	766	766	Unch
	Bundi	755	755	Unch
	Jalna	771	771	Unch
	Solapur	762	762	Unch
	Dhule	770	770	Unch
Palm Oil*	Kandla (Crude Palm Oil)	586	580	6
	Kandla (RBD Palm oil)	620	614	5
	Kandla RBD Pamolein	656	656	Unch
	Kakinada (Crude Palm Oil)	567	567	Unch
	Kakinada RBD Pamolein	656	656	Unch
	Haldia Pamolein	656	653	3
	Chennai RBD Pamolein	662	662	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	722	722	Unch
	KPT (krishna patnam) Pamolein	651	651	Unch
	Mumbai RBD Pamolein	662	667	-5
	Mangalore RBD Pamolein	672	672	Unch
	Tuticorin (RBD Palmolein)	667	667	Unch
	Delhi	680	680	Unch
	Rajkot	644	644	Unch
	Hyderabad	636	636	Unch
	PFAD (Kandla)	383	399	-16
	Refined Palm Stearin (Kandla)	567	567	Unch
	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)	815	815	Unch
	Kandla (Ref.)	835	845	-10
	Hyderabad (Ref)	855	855	Unch
	Latur (Expeller Oil)	815	820	-5
	Chellakere (Expeller Oil)	815	820	-5
	Erode (Expeller Oil)	885	885	Unch
Groundnut Oil	Rajkot	1125	1125	Unch
	Chennai	1040	1040	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1030	1030	Unch
	Mumbai	1080	1085	-5

	Gondal	1125	1125	Unch
	Jamnagar	1125	1125	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	790	795	-5
	Jaipur (Kacchi Ghani Oil)	810	815	-5
	Kota (Expeller Oil)	780	780	Unch
	Kota (Kacchi Ghani Oil)	795	798	-3
	Neewai (Expeller Oil)	780	780	Unch
	Neewai (Kacchi Ghani Oil)	795	795	Unch
	Bharatpur (Kacchi Ghani Oil)	800	805	-5
	Sri-Ganga Nagar(Exp Oil)	770	780	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	800	-10
	Mumbai (Expeller Oil)	815	815	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	798	800	-2
	Hapur (Expeller Oil)	885	885	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	805	810	-5
Refined Cottonseed Oil	Rajkot	780	780	Unch
	Hyderabad	Unq	Unq	-
	Mumbai	806	806	Unch
	New Delhi	748	751	-3
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1390	1390	Unch
Sesame Oil	New Delhi	1600	1600	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	625	623	2
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	540	540	Unch
	CNF India	573	570	3
Indonesia CPO USD/MT	FOB	510	510	Unch
	CNF India	535	535	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	533	533	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	550	558	-8
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	700	720	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	448	453	-5

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	660	-
Ukraine Origin CSFO USD/MT Kandla	CIF	795	795	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	818	815	3
Argentina FOB (\$/MT)		3-Sep-19	2-Sep-19	Change
Crude Soybean Oil Ship		668	666	2
Refined Soy Oil (Bulk) Ship		691	689	2
Sunflower Oil Ship		715	720	-5
Cottonseed Oil Ship		648	646	2
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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