

Domestic Fundamentals:

- Edible oils complex extended mixed trend in various oils at various market centers on Friday.
- Soy oil domestic futures and Palm oil rose on demand prospects. BMD CPO fell on weak global demand. CBOT soy oil declined on selling pressures. Crude oil prices were trading higher on Friday.
- Palm oil industry conference is held in Mumbai where various speakers spoke on palm oil industry. Among all the analysts there was a consensus that prices of palm oil will rise from current levels with lower price range of RM 2200 and higher prices forecast at RM 2500. Almost all analysts agreed that production of palm oil in Indonesia will slow in 2019 and rise slowly in 2020. Haze, dry conditions in Indonesia and lower fertilizer use is blamed for lower palm oil production in the country.
- Haze is prime reason of slowdown of production as fruits need oxygen to mature while dry condition in January and August in Indonesia has slowed fruit development. Further, lower fertilizer use due to low prices is also blamed for lower production of palm oil. Production rise will slow in 2020 due to above conditions. Production in Malaysia is expected to rise in 2019 and fall in 2020. High plant cycle will increase production in 2019.
- End stocks of palm oil in Malaysia and Indonesia will fall in 2019. However, some analysts argued that it may fall in 2019 while other view was rise from present levels. Higher production from present levels will increase palm oil inventory in 2019.
- Exports of palm oil will increase from Malaysia and Indonesia on higher demand from India and China. India imports will rise around 4 percent to 9.7-10 MMT due to lower soybean crop in the country. Exports to China will increase in 2019 due to lower imports of soybean by the country due to contraction of swine herd count due to deadly swine flu. Further, removal of import quota of palm oil by China will increase palm oil imports.
- Palm oil consumption is expected to rise in Indonesia due to record production of biodiesel by shifting from B20 norms to B30 norms in 2020. Palm oil based biodiesel production will rise in Malaysia from 1.3 MMT to 1.6 MMT on higher biodiesel blending norms.
- Palm oil consumption in 2019 and 2020 will outstrip rise in production in both year mainly due to higher biodiesel demand from Indonesia and Malaysia and rise in import demand from India and China.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Sep 1-25 palm oil exports fell 20 percent to 1,102,946 tons compared from 1,379,471 tons in corresponding period last month. Top buyers were European Union 273,360 tons (229,719 tons), India at 240,980 tons (402,870 tons), China at 179,770 tons (276,705 tons), United States at 57,862 tons (44,136 tons) and Pakistan at 27,050 tons (41,000 tons). Values in brackets are figures of corresponding period last month.
- According to Indonesia trade ministry, Indonesia kept Oct crude palm oil export duty unchanged at zero. The reference price is set at USD 575.9 per ton, lower than lower threshold for export duty below USD 570 to calculate export levy. Indonesia taxes palm oil above trigger price of USD 750 per ton. Indonesia has kept crude palm oil export duty at zero since May 2017.
- Soy oil international prices are supported by US-China trade talks optimism, fall in stocks of soy oil in US as reported by NOPA and USDA, lower soybean crop in US as reported by USDA, firm demand of soybean from China.

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 |
|--------------------------------|-------|--------|--------|--------|--------|--------|---------------|-------|-----------|
| Oct-19 | 0.15 | 764.55 | 765.00 | 762.50 | 764.70 | 8570 | Unch | 39390 | -1740 |
| Nov-19 | -1.95 | 762.55 | 762.40 | 758.50 | 760.60 | 2870 | -830 | 14140 | 1460 |
| Prices & Vol-OI are at 5:30 PM | | | | | | | | | |

| Spread | Oct-19 | Nov-19 |
|--------|--------|--------|
| Spot | -4.70 | |
| Oct-19 | | -4.10 |
| Nov-19 | | |

MCX CPO Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|-------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Sep-19 | 1.30 | 546.10 | 548.70 | 546.10 | 548.70 | 350 | -630 | 1093 | -677 |
| Oct-19 | -1.20 | 550.00 | 550.90 | 547.50 | 549.80 | 575 | -940 | 4817 | 725 |

| Spread | Sep-19 | Oct-19 |
|--------|--------|--------|
| Spot | 0.3 | |
| Sep-19 | | 1.1 |
| Oct-19 | | |

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

| Contract | +/- | Open | High | Low | Close |
|----------|-------|-------|-------|-------|-------|
| 15-Oct | -0.14 | 29 | 29.03 | 28.85 | 28.87 |
| 15-Dec | -0.12 | 29.16 | 29.19 | 29 | 29.05 |
| 15-Jan | -0.12 | 29.41 | 29.42 | 29.24 | 29.3 |
| 15-Mar | -0.11 | 29.66 | 29.7 | 29.52 | 29.58 |
| 15-May | -0.14 | 29.98 | 30.01 | 29.83 | 29.87 |

BMD CPO Futures:

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| 15-Oct | -17 | 2096 | 2096 | 2087 | 2090 |
| 15-Nov | -19 | 2122 | 2123 | 2104 | 2112 |
| 15-Dec | -19 | 2160 | 2163 | 2141 | 2149 |
| 15-Jan | -23 | 2215 | 2215 | 2193 | 2198 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 28/09/2019 | 7.13 | 14165 | 4.186 | 57.18 | 70.55 | 4.17 | 99.16 | 55.87 |

Edible Oil Prices at Key Market:

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
| | | 27-Sep-19 | 26-Sep-19 | |
| Refined Soybean Oil | Indore | 760 | 760 | Unch |
| | Indore (Soy Solvent Crude) | 722 | 715 | 7 |
| | Mumbai | 755 | 755 | Unch |
| | Mumbai (Soy Degum) | 718 | 715 | 3 |
| | Kandla/Mundra | 735 | 735 | Unch |
| | Kandla/Mundra (Soy Degum) | 710 | 708 | 2 |
| | Kolkata | 740 | 740 | Unch |
| | Delhi | 787 | 780 | 7 |
| | Nagpur | 763 | 763 | Unch |
| | Rajkot | 740 | 740 | Unch |
| | Kota | 755 | 760 | -5 |



| | | | | |
|-----------------------|----------------------------------------------|------|------|------|
| | Hyderabad | Unq | Unq | - |
| | Akola | 765 | 765 | Unch |
| | Amrawati | 764 | 764 | Unch |
| | Bundi | 760 | 765 | -5 |
| | Jalna | 766 | 766 | Unch |
| | Solapur | 765 | 765 | Unch |
| | Dhule | 765 | 766 | -1 |
| | | | | |
| Palm Oil* | Kandla (Crude Palm Oil) | 576 | 576 | Unch |
| | Kandla (RBD Palm oil) | 609 | 609 | Unch |
| | Kandla RBD Pamolein | 651 | 646 | 5 |
| | Kakinada (Crude Palm Oil) | 541 | 541 | Unch |
| | Kakinada RBD Pamolein | 641 | 646 | -5 |
| | Haldia Pamolein | 651 | 651 | Unch |
| | Chennai RBD Pamolein | 651 | 651 | Unch |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | 716 | 716 | Unch |
| | KPT (krishna patnam) Pamolein | 630 | 635 | -5 |
| | Mumbai RBD Pamolein | 667 | 667 | Unch |
| | Mangalore RBD Pamolein | 656 | 656 | Unch |
| | Tuticorin (RBD Palmolein) | 651 | 649 | 2 |
| | Delhi | 680 | 685 | -5 |
| | Rajkot | 651 | 651 | Unch |
| | Hyderabad | 650 | 655 | -5 |
| | PFAD (Kandla) | 389 | 389 | Unch |
| | Refined Palm Stearin (Kandla) | 541 | 541 | Unch |
| | Superolien (Kandla) | 693 | 693 | Unch |
| | Superolien (Mumbai) | 704 | 704 | Unch |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 835 | 835 | Unch |
| | Mumbai | 855 | 855 | Unch |
| | Mumbai(Expeller Oil) | 785 | 785 | Unch |
| | Kandla (Ref.) | 835 | 835 | Unch |
| | Hyderabad (Ref) | 825 | 825 | Unch |
| | Latur (Expeller Oil) | 790 | 795 | -5 |
| | Chellakere (Expeller Oil) | 795 | 795 | Unch |
| | Erode (Expeller Oil) | 870 | 870 | Unch |
| | | | | |
| Groundnut Oil | Rajkot | 1050 | 1080 | -30 |
| | Chennai | 1010 | 1010 | Unch |
| | Delhi | 1100 | 1100 | Unch |
| | Hyderabad * | 1020 | 1020 | Unch |
| | Mumbai | 1060 | 1060 | Unch |

| | | | | |
|-----------------------------------------------------|------------------------------------|------|------|------|
| | Gondal | 1050 | 1060 | -10 |
| | Jamnagar | 1060 | 1060 | Unch |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 788 | 785 | 3 |
| | Jaipur (Kacchi Ghani Oil) | 808 | 805 | 3 |
| | Kota (Expeller Oil) | 780 | 780 | Unch |
| | Kota (Kacchi Ghani Oil) | 792 | 790 | 2 |
| | Neewai (Expeller Oil) | 780 | 780 | Unch |
| | Neewai (Kacchi Ghani Oil) | 793 | 797 | -4 |
| | Bharatpur (Kacchi Ghani Oil) | 805 | 810 | -5 |
| | Sri-Ganga Nagar(Exp Oil) | 775 | 780 | -5 |
| | 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 | 800 | Unch |
| | Hapur (Expeller Oil) | 865 | 860 | 5 |
| | Hapur (Kacchi Ghani Oil) | 900 | 895 | 5 |
| | Agra (Kacchi Ghani Oil) | 810 | 815 | -5 |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 770 | 770 | Unch |
| | Hyderabad | Unq | Unq | - |
| | Mumbai | 792 | 790 | 2 |
| | New Delhi | 750 | 750 | Unch |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1450 | 1430 | 20 |
| | Cochin | 1410 | 1410 | Unch |
| | | | | |
| Sesame Oil | New Delhi | 1500 | 1500 | Unch |
| | Mumbai | Unq | Unq | - |
| Kardi | Mumbai | 880 | 880 | Unch |
| Rice Bran Oil (40%) | New Delhi | 622 | 630 | -8 |
| Rice Bran Oil (4%) | Punjab | 620 | 620 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 523 | 518 | 5 |
| | CNF India | 553 | 555 | -2 |
| Indonesia CPO USD/MT | FOB | 493 | 490 | 3 |
| | CNF India | 523 | 525 | -2 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 520 | 515 | 5 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 525 | 525 | Unch |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 650 | 635 | 15 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 430 | 430 | Unch |



| | | | | |
|--------------------------------------|-----------|-----------|-----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | Unq | 620 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 765 | 753 | 12 |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 828 | 825 | 3 |
| | | | | |
| Argentina FOB (\$/MT) | | 26-Sep-19 | 25-Sep-19 | Change |
| Crude Soybean Oil Ship | | 660 | 662 | -2 |
| Refined Soy Oil (Bulk) Ship | | 683 | 685 | -2 |
| Sunflower Oil Ship | | 705 | 705 | Unch |
| Cottonseed Oil Ship | | 640 | 642 | -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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