

Domestic Fundamentals:

- Edible oils complex featured remain mixed trend in various oils at various market centers on Tuesday.
- Soy oil and palm oil domestic futures fell despite rise in international benchmarks. BMD CPO rose on firm global demand. CBOT soy oil increased on fresh buying activities. Crude oil prices were trading lower on Tuesday.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Sep palm oil exports fell 19.6 percent to 1,316,670 tons compared to 1,637,752 tons last month. Top buyers were India & subcontinent 338,475 tons (580,430 tons), European Union 272,495 tons (322,485 tons) and China at 240,260 tons (338,025 tons). Values in brackets are figures of last month.
- Palm oil industry conference was 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 years mainly due to higher biodiesel demand from Indonesia and Malaysia and rise in import demand from India and China.
- 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 and rise in crude oil prices.

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	-4.30	766.00	766.90	760.00	760.20	8530	-860	30600	-2130
Nov-19	-3.30	760.20	761.20	755.15	755.50	4470	-180	15740	690
Prices & Vol-OI are at 5:30 PM									

Spread	Oct-19	Nov-19
Spot	2.8	
Oct-19		8
Nov-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-19	-1.00	547.50	550.50	545.50	545.60	1025	-598	5200	4,410
Nov-19	-1.10	547.00	550.80	545.20	545.40	280	752	767	767

Spread	Oct-19	Nov-19
Spot	34	
Oct-19		35
Nov-19		

CBOT Soy Oil Futures (Projections):
 (Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Oct	0.37	28.7	29.1	28.68	28.99
15-Dec	0.24	28.84	29.31	28.8	29.08
15-Jan	0.22	29.08	29.53	29.04	29.31
15-Mar	0.23	29.35	29.79	29.3	29.59
15-May	0.2	29.68	30.1	29.64	29.88

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Oct	28	2112	2117	2106	2106
15-Nov	37	2104	2145	2104	2137
15-Dec	33	2136	2176	2135	2168
15-Jan	33	2182	2223	2182	2214

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
01/09/2019	7.14	14213.46	4.187	57.68	70.87	4.15	99.10	53.43

Edible Oil Prices at Key Market:

Commodity	Centre	Prices Per 10 Kg		Change
		1-Oct-19	30-Sep-19	
Refined Soybean Oil	Indore	763	765	-2
	Indore (Soy Solvent Crude)	720	725	-5
	Mumbai	750	750	Unch
	Mumbai (Soy Degum)	718	712	6
	Kandla/Mundra	745	745	Unch
	Kandla/Mundra (Soy Degum)	715	708	7
	Kolkata	750	747	3
	Delhi	788	783	5
	Nagpur	765	765	Unch
	Rajkot	740	740	Unch
	Kota	760	755	5

	Hyderabad	Unq	Unq	-
	Akola	768	768	Unch
	Amrawati	768	768	Unch
	Bundi	765	760	5
	Jalna	764	764	Unch
	Solapur	765	765	Unch
	Dhule	765	765	Unch
Palm Oil*	Kandla (Crude Palm Oil)	580	576	3
	Kandla (RBD Palm oil)	609	609	Unch
	Kandla RBD Pamolein	651	651	Unch
	Kakinada (Crude Palm Oil)	541	541	Unch
	Kakinada RBD Pamolein	641	641	Unch
	Haldia Pamolein	651	649	2
	Chennai RBD Pamolein	651	651	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	716	716	Unch
	KPT (krishna patnam) Pamolein	630	630	Unch
	Mumbai RBD Pamolein	667	667	Unch
	Mangalore RBD Pamolein	656	656	Unch
	Tuticorin (RBD Palmolein)	649	649	Unch
	Delhi	688	688	Unch
	Rajkot	651	648	3
	Hyderabad	650	650	Unch
	PFAD (Kandla)	389	389	Unch
	Refined Palm Stearin (Kandla)	541	541	Unch
	Superolien (Kandla)	683	683	Unch
	Superolien (Mumbai)	704	704	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	830	830	Unch
	Mumbai	855	855	Unch
	Mumbai(Expeller Oil)	790	780	10
	Kandla (Ref.)	835	835	Unch
	Hyderabad (Ref)	820	820	Unch
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	795	795	Unch
	Erode (Expeller Oil)	870	870	Unch
Groundnut Oil	Rajkot	1100	1100	Unch
	Chennai	1060	1060	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1030	1030	Unch
	Mumbai	1050	1060	-10

	Gondal	1030	1030	Unch
	Jamnagar	1040	1050	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	782	788	-6
	Jaipur (Kacchi Ghani Oil)	803	808	-5
	Kota (Expeller Oil)	775	780	-5
	Kota (Kacchi Ghani Oil)	790	792	-2
	Neewai (Expeller Oil)	778	778	Unch
	Neewai (Kacchi Ghani Oil)	792	792	Unch
	Bharatpur (Kacchi Ghani Oil)	800	800	Unch
	Sri-Ganga Nagar(Exp Oil)	775	770	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	786	9
	Mumbai (Expeller Oil)	800	805	-5
	Kolkata(Expeller Oil)	930	920	10
	New Delhi (Expeller Oil)	807	800	7
	Hapur (Expeller Oil)	865	865	Unch
	Hapur (Kacchi Ghani Oil)	900	900	Unch
	Agra (Kacchi Ghani Oil)	805	805	Unch
Refined Cottonseed Oil	Rajkot	780	785	-5
	Hyderabad	Unq	Unq	-
	Mumbai	802	795	7
	New Delhi	748	745	3
Coconut Oil	Kangayan (Crude)	1450	1450	Unch
	Cochin	1410	1410	Unch
Sesame Oil	New Delhi	1450	1450	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	625	622	3
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	528	523	5
	CNF India	553	550	3
Indonesia CPO USD/MT	FOB	493	485	8
	CNF India	523	520	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	525	520	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	523	523	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	630	615	15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	430	428	2

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	570	-
Ukraine Origin CSFO USD/MT Kandla	CIF	745	750	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	818	805	13
Argentina FOB (\$/MT)		30-Sep-19	28-Sep-19	Change
Crude Soybean Oil Ship		659	Closed	-
Refined Soy Oil (Bulk) Ship		682	Closed	-
Sunflower Oil Ship		705	Closed	-
Cottonseed Oil Ship		639	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
<i>* indicates including GST</i>				

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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