

Domestic Fundamentals:

- Edible oils complex featured mixed tone in various markets centers on Monday.
- Soy oil domestic futures fell on demand concerns while CPO fell on fall in international benchmark. BMD CPO fell on concerns of India restricting palm oil imports from Malaysia. CBOT soy oil rose on US-China trade settlement over weekend after China agreed to buy USD 40-50 billion worth of US agriculture goods in return of postponement of import duty on USD 250 billion worth Chinese goods imports. Soy oil was further supported by USDA reporting lower US soybean crop in its monthly demand and supply estimate and worsening condition of soybean in US Midwest due to cold weather expected may adversely affect harvest.
- India may restrict palm oil imports from Malaysia due to Malaysian stance of Kashmir in UN, according to trade sources. Malaysian PM said that there is no official word from New Delhi on this issue. He further stated that India is also exporting to Malaysia and impact could be limited given RCEP agreement due between 16 countries scheduled to be signed next month where India and Malaysia is part of agreement.
- Malaysia has planned to cut export duty on exports of crude palm oil from 2020, according to Malaysian Finance ministry. Export duty will start from 3 percent in place of 4.5 percent when prices are between RM 2,250 (USD 538.54) to RM 2,400 per ton. Export duty will rise to 4.5 percent in prices between RM 2,401 to RM 2,550 per ton and prices will rise by 0.5 percent incrementally to maximum of 8 percent until the prices reach RM 3,450 per ton. This measure has been taken to reduce rising palm oil stocks in Malaysia and compete with Indonesia CPO in global market.
- According to China's General Administration of Customs (GACC), China's September edible vegetable oils imports fell 7.4 percent m-o-m to 8.40 LT from 9.07 LT in August 2019. Imports in Sep was higher by 44.3 percent compared to Sep 2018 which was reported at 5.82 LT. Year to date imports of edible vegetable oil rose 49.4 percent to 66.58 lakh tons.
- According to China's General Administration of Customs (GACC), China's Sep soybean imports fell 13.5 percent to 8.2 MMT from 9.48 MMT in August 2019. Imports in Sep are 2.3 percent higher than Sep 2018 import of 8.01 MMT. Year to date soybean imports fell 7.9 percent to 64.51 MMT.
- Palm oil prices are expected to be supported by expectation of fall in stocks of palm oil in coming months, rise in exports of palm oil in coming months, slowdown in palm oil production in coming months and rise in competing oils.
- Palm oil end stocks rose in September in Malaysia by 9 percent primarily due to fall in exports. Palm oil stocks rose above 24 lakh tons. Palm oil stocks rose after fall for last 6 months.
- Palm oil end stocks are expected to fall due to rise in exports from Malaysia and slowdown in production in Malaysia. Palm oil production is expected to rise due to seasonal uptrend of production but at a slower rate. Production rose just 1 percent in Sep in Malaysia indicating slowdown will continue in coming months.
- Production is expected to slow due to low fertilizer use due to lower prices of palm oil, dry condition in various parts of Southeast Asia, haze formation due to burning of forests which will slow harvesting.
- Palm oil exports are expected to rise on firm demand from India and China. Palm oil imports by India is expected to rise on firm imports due to seasonal uptrend of demand, festive demand, positive refining margins and lower crop of oilseeds in the country. However, high stocks at ports will slow demand. Imports by China is expected to remain firm on seasonal uptrend of demand and removal of import quota by the country and US-China trade dispute.

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	-5.35	754.85	755.20	749.50	749.50	3,520	1010	14750	-2130
Nov-19	-4.15	754.75	755.00	749.25	750.60	8,760	2700	25080	600
Prices & Vol-OI are at 5:30 PM									

Spread	Oct-19	Nov-19
Spot	0.50	
Oct-19		1.10
Nov-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-19	-1.50	548.90	562.30	544.00	544.50	666	107	5192	922
Nov-19	-2.00	548.00	550.00	543.10	543.50	386	-457	867	-1165

Spread	Oct-19	Nov-19
--------	--------	--------

Spot	2.5	
Oct-19		-1
Nov-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.08	29.9	30.2	29.82	29.89
15-Jan	-0.10	30.41	30.41	30.07	30.11
15-Mar	-0.09	30.69	30.69	30.32	30.37
15-May	-0.07	30.98	30.98	30.61	30.68
15-Jul	-0.12	31.17	31.24	30.9	30.94

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Oct	-45	2073	2073	2073	2088
15-Nov	-30	2132	2133	2109	2119
15-Dec	-29	2169	2172	2145	2157
15-Jan	-29	2219	2222	2193	2204

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
14/10/2019	7.07	14134	4.187	58.03	71.24	4.12	98.47	53.22

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		14-Oct-19	12-Oct-19	
Refined Soybean Oil	Indore	755	750	5
	Indore (Soy Solvent Crude)	718	715	3
	Mumbai	755	750	5
	Mumbai (Soy Degum)	710	710	Unch
	Kandla/Mundra	740	740	Unch
	Kandla/Mundra (Soy Degum)	710	710	Unch
	Kolkata	748	748	Unch
	Delhi	777	780	-3
	Nagpur	761	764	-3
	Rajkot	735	735	Unch
	Kota	765	765	Unch

	Hyderabad	Unq	Unq	-
	Akola	762	766	-4
	Amrawati	762	766	-4
	Bundi	770	770	Unch
	Jalna	758	760	-2
	Solapur	757	760	-3
	Dhule	752	756	-4
Palm Oil*	Kandla (Crude Palm Oil)	574	578	-3
	Kandla (RBD Palm oil)	609	604	5
	Kandla RBD Pamolein	651	646	5
	Kakinada (Crude Palm Oil)	557	557	Unch
	Kakinada RBD Pamolein	638	638	Unch
	Haldia Pamolein	651	651	Unch
	Chennai RBD Pamolein	646	651	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	709	710	-1
	KPT (krishna patnam) Pamolein	641	641	Unch
	Mumbai RBD Pamolein	667	664	3
	Mangalore RBD Pamolein	656	656	Unch
	Tuticorin (RBD Palmolein)	656	656	Unch
	Delhi	685	685	Unch
	Rajkot	649	646	3
	Hyderabad	660	660	Unch
	PFAD (Kandla)	362	368	-5
	Refined Palm Stearin (Kandla)	557	557	Unch
	Superolien (Kandla)	688	672	16
	Superolien (Mumbai)	693	688	5
* inclusive of GST				
Refined Sunflower Oil	Chennai	835	835	Unch
	Mumbai	840	835	5
	Mumbai(Expeller Oil)	770	770	Unch
	Kandla (Ref.)	835	820	15
	Hyderabad (Ref)	820	820	Unch
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	795	795	Unch
	Erode (Expeller Oil)	855	855	Unch
Groundnut Oil	Rajkot	1000	990	10
	Chennai	1030	1040	-10
	Delhi	1100	1100	Unch
	Hyderabad *	1020	1020	Unch
	Mumbai	1030	1030	Unch

	Gondal	1010	1000	10
	Jamnagar	980	980	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	795	795	Unch
	Jaipur (Kacchi Ghani Oil)	816	815	1
	Kota (Expeller Oil)	790	790	Unch
	Kota (Kacchi Ghani Oil)	800	800	Unch
	Neewai (Expeller Oil)	785	785	Unch
	Neewai (Kacchi Ghani Oil)	800	800	Unch
	Bharatpur (Kacchi Ghani Oil)	810	810	Unch
	Sri-Ganga Nagar(Exp Oil)	790	790	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	805	805	Unch
	Mumbai (Expeller Oil)	790	790	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	800	800	Unch
	Hapur (Expeller Oil)	865	865	Unch
	Hapur (Kacchi Ghani Oil)	900	900	Unch
	Agra (Kacchi Ghani Oil)	815	815	Unch
Refined Cottonseed Oil	Rajkot	775	782	-7
	Hyderabad	Unq	Unq	-
	Mumbai	802	800	2
	New Delhi	755	755	Unch
Coconut Oil	Kangayan (Crude)	1370	1370	Unch
	Cochin	1410	1410	Unch
Sesame Oil	New Delhi	1480	1480	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	875	5
Rice Bran Oil (40%)	New Delhi	600	608	-8
Rice Bran Oil (4%)	Punjab	620	620	Unch
Malaysia Palmolein USD/MT	FOB	528	538	-10
	CNF India	553	555	-2
Indonesia CPO USD/MT	FOB	500	503	-3
	CNF India	523	525	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	528	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	528	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	640	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	428	Closed	-



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	738	738	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	835	Closed	-
Argentina FOB (\$/MT)		12-Oct-19	11-Oct-19	Change
Crude Soybean Oil Ship		Closed	659	-
Refined Soy Oil (Bulk) Ship		Closed	682	-
Sunflower Oil Ship		Closed	690	-
Cottonseed Oil Ship		Closed	639	-
Refined Linseed Oil (Bulk) Ship		Closed	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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2019 Indian Agribusiness Systems Ltd.