

Domestic Fundamentals:

- Edible oils complex featured mixes trend in various markets centers on Tuesday.
- Soy oil and palm oil domestic futures fell on fall in international benchmarks. BMD CPO fell on technical selling. CBOT soy oil rose on US-China trade settlement optimism. Crude oil was trading higher on Tuesday.
- Large parts if soybean crop has been damaged by recent rains in Maharashtra. This has come after heavy rains cut production in Madhya Pradesh. This will effectively cut major soybean crop in the country. This will put pressure on soy oil end stocks of India in oil year 2019-20. Further, this will raise imports of soy oil as its premium over palm oil has narrowed.
- Palm oil prices are expected to be supported by expectation of fall in end stocks of palm oil in Malaysia, slowdown of production of palm oil in Malaysia, rise in exports of palm oil from Malaysia, dry condition in Indonesia, depreciation of ringgit and rise in crude oil prices.
- Palm oil end stocks are expected to fall in Oct in Malaysia on rise in exports of palm oil from Malaysia in Oct and slowdown in production of palm oil in Malaysia in Oct.
- Palm oil production is expected to rise in Malaysia on seasonal uptrend of production but at a lower rate due to lower use of fertilizers on lower prices of palm oil, lower production due to haze in some areas as it restricted oxygen needed for palm to mature.
- Palm oil exports rose from Malaysia in Oct on firm demand from top importing destinations especially EU and China while imports from India will remain muted in coming weeks. Demand firmed from EU in anticipation of higher prices of palm oil. Imports of palm oil rose from China due to lower imports of soybean by China leading to lower supply of soy oil in the country leading to higher imports of palm oil.
Imports of palm oil by India from Malaysia slowed in Oct due to strong imports of palm oil in last 3 months and higher stocks of palm oil at Indian ports. However, due to India-Malaysia tussle on Kashmir issue will slow palm oil imports
- Stocks of palm oil has surged in Indonesia in August to reach 3.8 MMT on lower exports and higher production. However, due to India-Malaysia and removal of export duty on palm oil and higher use of palm oil in biodiesel will lower end stocks of palm oil in the countries in coming months.
- Soy oil domestic demand is expected to remain subdued due to weak import parity and negative refining margins. However, with crop damages in Maharashtra, soybean prices have risen and will result in disparity in crush margins leading to lower production of soy oil. Around 60 percent of crushing of Indian soybean takes place in Oct-Dec months.
- Soy oil international prices are expected to be supported by US-China trade settlement optimism, change of government in Argentina, slow rate of harvest of soybean in US Midwest, slow rate of planting of soybean in Brazil and higher crude oil prices are expected to support soy oil prices. However, rise in stocks of soy oil in US and weak demand of soybean from China will cap gains.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Oct palm oil exports rose 14.6 percent to 1,522,051 tons compared from 1,327,566 tons last month. Top buyers were European Union 338,191 tons (285,830 tons), China at 332,889 tons (224,770 tons), India at 163,370 tons (257,980 tons), United States at 66,450 tons (57,862 tons) and Pakistan at 40,000 tons (43,870 tons). Values in brackets are figures of last month.

Outlook: Edible oil basket is expected to feature sideways to firm tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Nov-19	-2.55	786.50	788.00	779.55	780.50	10,470	-190	14230	-7600
Dec-19	-4.70	794.10	794.10	783.20	784.45	22,250	4990	28150	530
Prices & Vol-OI are at 5:30 PM									

Spread	Oct-19	Nov-19
Spot	4.50	
Nov-19		3.95
Dec-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Nov-19	-3.80	608.00	614.00	603.00	603.40	2031	26	4921	-996
Dec-19	-3.30	616.50	619.50	607.60	607.70	1350	742	2122	570

Spread	Nov-19	Dec-19
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Spot	2.6	
Nov-19		4.3
Dec-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.08	31.81	31.96	31.75	31.79
15-Jan	-0.08	32.06	32.17	31.97	32.01
15-Mar	-0.05	32.33	32.44	32.24	32.3
15-May	-0.08	32.6	32.75	32.55	32.58
15-Jul	-0.08	32.9	33.04	32.85	32.87

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Nov	-14	2500	2500	2444	2454
15-Dec	-16	2545	2558	2478	2480
15-Jan	-16	2580	2594	2512	2515
15-Feb	-12	2595	2608	2529	2532

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/11/2019	6.99	13977	4.13	59.65	70.69	4.01	97.58	56.95

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Nov-19	4-Nov-19	
Refined Soybean Oil	Indore	785	772	13
	Indore (Soy Solvent Crude)	745	737	8
	Mumbai	780	765	15
	Mumbai (Soy Degum)	740	725	15
	Kandla/Mundra	770	760	10
	Kandla/Mundra (Soy Degum)	740	725	15
	Kolkata	770	760	10
	Delhi	817	801	16
	Nagpur	798	791	7
	Rajkot	765	755	10
	Kota	775	775	Unch

	Hyderabad	Unq	Unq	-
	Akola	795	792	3
	Amrawati	793	785	8
	Bundi	780	780	Unch
	Jalna	796	786	10
	Solapur	785	775	10
	Dhule	794	787	7
Palm Oil*	Kandla (Crude Palm Oil)	636	625	12
	Kandla (RBD Palm oil)	667	651	16
	Kandla RBD Pamolein	709	695	14
	Kakinada (Crude Palm Oil)	630	625	5
	Kakinada RBD Pamolein	704	693	11
	Haldia Pamolein	698	688	11
	Chennai RBD Pamolein	725	709	16
	Chennai RBD Pamolein (Vitamin A&D Fortified)	769	759	9
	KPT (krishna patnam) Pamolein	709	698	11
	Mumbai RBD Pamolein	721	714	7
	Mangalore RBD Pamolein	730	719	11
	Tuticorin (RBD Palmolein)	735	725	11
	Delhi	744	733	11
	Rajkot	709	698	11
	Hyderabad	725	725	Unch
	PFAD (Kandla)	399	394	5
	Refined Palm Stearin (Kandla)	630	625	5
	Superolien (Kandla)	714	719	-5
	Superolien (Mumbai)	725	725	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	830	830	Unch
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	765	765	Unch
	Kandla (Ref.)	820	820	Unch
	Hyderabad (Ref)	825	825	Unch
	Latur (Expeller Oil)	805	805	Unch
	Chellakere (Expeller Oil)	780	780	Unch
	Erode (Expeller Oil)	865	885	-20
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1050	1030	20
	Delhi	1100	1100	Unch
	Hyderabad *	1020	1030	-10
	Mumbai	1020	1025	-5

	Gondal	1010	1010	Unch
	Jamnagar	1000	1000	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	828	828	Unch
	Jaipur (Kacchi Ghani Oil)	849	848	1
	Kota (Expeller Oil)	825	820	5
	Kota (Kacchi Ghani Oil)	840	840	Unch
	Neewai (Expeller Oil)	822	820	2
	Neewai (Kacchi Ghani Oil)	835	837	-2
	Bharatpur (Kacchi Ghani Oil)	835	845	-10
	Sri-Ganga Nagar(Exp Oil)	830	825	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	840	840	Unch
	Mumbai (Expeller Oil)	805	810	-5
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	842	835	7
	Hapur (Expeller Oil)	865	880	-15
	Hapur (Kacchi Ghani Oil)	900	915	-15
	Agra (Kacchi Ghani Oil)	840	850	-10
Refined Cottonseed Oil	Rajkot	790	780	10
	Hyderabad	790	780	10
	Mumbai	825	805	20
	New Delhi	762	754	8
Coconut Oil	Kangayan (Crude)	1350	1360	-10
	Cochin	1410	1410	Unch
Sesame Oil	New Delhi	1500	1500	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	890	890	Unch
Rice Bran Oil (40%)	New Delhi	640	632	8
Rice Bran Oil (4%)	Punjab	620	630	-10
Malaysia Palmolein USD/MT	FOB	610	595	15
	CNF India	645	625	20
Indonesia CPO USD/MT	FOB	588	568	20
	CNF India	615	600	15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	608	593	15
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	610	590	20
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	730	710	20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	488	480	8

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	730	-
Ukraine Origin CSFO USD/MT Kandla	CIF	738	738	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	815	-
Argentina FOB (\$/MT)		4-Nov-19	2-Nov-19	Change
Crude Soybean Oil Ship		694	Closed	-
Refined Soy Oil (Bulk) Ship		718	Closed	-
Sunflower Oil Ship		660	Closed	-
Cottonseed Oil Ship		674	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
* 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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