

Domestic Fundamentals:

- Edible oils complex featured mixed trend in various markets centers on Wednesday.
- Soy oil domestic futures on fall in international benchmark while palm oil domestic futures rose on firm demand prospects. BMD CPO fell on technical selling. CBOT soy oil fell on higher rate of harvest of soybean in US and higher rate of planting of soybean in Brazil and Argentina. Crude oil was trading lower in Wednesday.
- US soybean is 85% harvested compared to 87% in corresponding period last year and 5-year average of 92%, in the US crop progress report dated 10 November 2019 by United States Department of Agriculture (USDA).
- Palm oil prices are supported by fall in end stocks of palm oil in Malaysia, fall in production of palm oil in Malaysia and rise in exports of palm oil in Malaysia and dry conditions in Indonesia.
- Palm oil end stocks unexpectedly fell 4 percent in October in Malaysia due to fall in production of palm oil and surged in exports of palm oil from Malaysia.
- Palm oil production unexpectedly fell in Malaysia in October due to haze formation, dry conditions and lower fertilizer use in 2019 due to lower prices of palm oil. With this negative read of production of palm oil in Malaysia going further there will be major slowdown of production in coming months and full 2020 estimates of production of palm oil of Malaysia has to significantly revised lower. This will eventually cut end stocks of palm oil in Malaysia in long run.
- Palm oil exports rose from Malaysia in October and is showing strong export numbers in November due to firm demand from EU and China. However, there is major cause of worry as India has imported minimal quantity in November as its oil body SEA called for boycott of palm oil imports from Malaysia on Malaysia's stand over Kashmir issue at UN. There will be no pickup in imports from India in Nov and Dec and India has also opted out of RCEP treaty in 16 nations including India and Malaysia were part has led to policy uncertainty from India side.
- Palm oil exports to China surged from Malaysia in Oct and Nov due to lower imports of soybean by China due to deadly swine flu in the country which led to contraction of swine herd by 41 percent. Going ahead soybean imports by China will remain weak due to low swine herd and any US-China trade deal will not be able to make up for the shortfall of soy oil in the country leading to higher imports of palm oil in coming months.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's October palm oil stocks fell 4.10 percent to 23.48 lakh tons compared to 24.49 lakh tons in September 2019. Production of palm oil in Oct fell 2.53 percent to 17.96 lakh tons compared to 18.42 lakh tons in Sep 2019. Exports of palm oil in Oct rose 16.43 percent to 16.42 lakh tons compared to 14.10 lakh tons in Sep 2019. Imports of palm oil in Oct rose 19.58 percent to 0.85 lakh tons compared to 0.71 lakh tons in Sep 2019. End stocks of palm oil unexpectedly fell compared to trade expectation of rise in end stocks. Fall in stocks was due to lower production and exports of palm oil.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Nov 1-10 palm oil exports rose 13.3 percent to 425,010 tons compared from 375,117 tons in corresponding period last month. Top buyers were European Union 93,810 tons (52,630 tons), China at 89,170 tons (70,163 tons), United States at 41,270 tons (1,700 tons), India at 29,900 tons (49,400 tons) and Pakistan at 0 tons (15,000 tons). Values in brackets are figures of corresponding period 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 | -5.70 | 808.00 | 809.00 | 796.70 | 801.20 | 3,280 | -1760 | 8140 | -3070 |
| Dec-19 | -5.35 | 810.00 | 812.70 | 801.75 | 805.65 | 20,920 | 2310 | 37690 | 5510 |
| Prices & Vol-OI are at 5:30 PM | | | | | | | | | |

| Spread | Nov-19 | Dec-19 |
|--------|--------|--------|
| Spot | 3.80 | |
| Nov-19 | | 4.45 |
| Dec-19 | | |

MCX CPO Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Nov-19 | 5.20 | 644.00 | 653.80 | 643.50 | 647.80 | 2310 | 117 | 4292 | -791 |
| Dec-19 | 4.80 | 649.00 | 656.40 | 648.10 | 651.60 | 2229 | 1218 | 3740 | 1007 |

| Spread | Nov-19 | Dec-19 |
|--------|--------|--------|
|--------|--------|--------|

| | | |
|--------|------|-----|
| Spot | -8.8 | |
| Nov-19 | | 3.8 |
| Dec-19 | | |

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

| Contract | +/- | Open | High | Low | Close |
|----------|-------|-------|-------|-------|-------|
| 15-Dec | -0.12 | 31.02 | 31.22 | 30.87 | 30.91 |
| 15-Jan | -0.12 | 31.23 | 31.41 | 31.08 | 31.11 |
| 15-Mar | -0.13 | 31.5 | 31.67 | 31.35 | 31.38 |
| 15-May | -0.13 | 31.82 | 31.99 | 31.66 | 31.69 |
| 15-Jul | -0.16 | 32.09 | 32.28 | 31.95 | 31.95 |

BMD CPO Futures:

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| 15-Nov | -19 | 2554 | 2594 | 2528 | 2532 |
| 15-Dec | -19 | 2602 | 2650 | 2577 | 2586 |
| 15-Jan | -18 | 2638 | 2679 | 2610 | 2619 |
| 15-Feb | -21 | 2649 | 2686 | 2620 | 2629 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 13/11/2019 | 7.02 | 14088 | 4.153 | 59.62 | 72.09 | 4.17 | 98.37 | 56.38 |

Edible Oil Prices at Key Market:

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
| | | 13-Nov-19 | 12-Nov-19 | |
| Refined Soybean Oil | Indore | 805 | 810 | -5 |
| | Indore (Soy Solvent Crude) | 770 | 770 | Unch |
| | Mumbai | 810 | 795 | 15 |
| | Mumbai (Soy Degum) | 780 | 780 | Unch |
| | Kandla/Mundra | 800 | 800 | Unch |
| | Kandla/Mundra (Soy Degum) | 760 | 760 | Unch |
| | Kolkata | 785 | 790 | -5 |
| | Delhi | 835 | 838 | -3 |
| | Nagpur | 799 | 800 | -1 |
| | Rajkot | 788 | 790 | -2 |
| | Kota | 810 | 805 | 5 |

| | | | | |
|-----------------------|--|------|------|------|
| | Hyderabad | Unq | Unq | - |
| | Akola | 801 | 805 | -4 |
| | Amrawati | 802 | 805 | -3 |
| | Bundi | 815 | 810 | 5 |
| | Jalna | 798 | 800 | -2 |
| | Solapur | 800 | 802 | -2 |
| | Dhule | 801 | 804 | -3 |
| | | | | |
| Palm Oil* | Kandla (Crude Palm Oil) | 671 | 669 | 2 |
| | Kandla (RBD Palm oil) | 714 | 704 | 11 |
| | Kandla RBD Pamolein | 751 | 751 | Unch |
| | Kakinada (Crude Palm Oil) | 664 | 662 | 2 |
| | Kakinada RBD Pamolein | 746 | 740 | 5 |
| | Haldia Pamolein | 751 | 743 | 7 |
| | Chennai RBD Pamolein | 756 | 751 | 5 |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | 825 | 825 | Unch |
| | KPT (krishna patnam) Pamolein | 751 | 746 | 5 |
| | Mumbai RBD Pamolein | 756 | 761 | -5 |
| | Mangalore RBD Pamolein | 767 | 761 | 5 |
| | Tuticorin (RBD Palmolein) | 767 | 770 | -3 |
| | Delhi | 785 | 775 | 10 |
| | Rajkot | 756 | 737 | 19 |
| | Hyderabad | 770 | 765 | 5 |
| | PFAD (Kandla) | 431 | 433 | -2 |
| | Refined Palm Stearin (Kandla) | 664 | 662 | 2 |
| | Superolien (Kandla) | 772 | 740 | 32 |
| | Superolien (Mumbai) | 777 | 751 | 26 |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 845 | 845 | Unch |
| | Mumbai | 850 | 840 | 10 |
| | Mumbai(Expeller Oil) | 800 | 790 | 10 |
| | Kandla (Ref.) | 835 | 840 | -5 |
| | Hyderabad (Ref) | 855 | 852 | 3 |
| | Latur (Expeller Oil) | 810 | 810 | Unch |
| | Chellakere (Expeller Oil) | 785 | 785 | Unch |
| | Erode (Expeller Oil) | 870 | 870 | Unch |
| | | | | |
| Groundnut Oil | Rajkot | 1015 | 1025 | -10 |
| | Chennai | 1050 | 1050 | Unch |
| | Delhi | 1100 | 1100 | Unch |
| | Hyderabad * | 1050 | 1020 | 30 |
| | Mumbai | 1015 | 1020 | -5 |

| | | | | |
|---|------------------------------------|------|------|------|
| | Gondal | 970 | 980 | -10 |
| | Jamnagar | 975 | 975 | Unch |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 831 | 828 | 3 |
| | Jaipur (Kacchi Ghani Oil) | 851 | 851 | Unch |
| | Kota (Expeller Oil) | 840 | 835 | 5 |
| | Kota (Kacchi Ghani Oil) | 850 | 840 | 10 |
| | Neewai (Expeller Oil) | 820 | 825 | -5 |
| | Neewai (Kacchi Ghani Oil) | 840 | 840 | Unch |
| | Bharatpur (Kacchi Ghani Oil) | 840 | 840 | Unch |
| | Sri-Ganga Nagar(Exp Oil) | 835 | 825 | 10 |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 850 | 840 | 10 |
| | Mumbai (Expeller Oil) | 815 | 815 | Unch |
| | Kolkata(Expeller Oil) | 930 | 930 | Unch |
| | New Delhi (Expeller Oil) | 854 | 842 | 12 |
| | Hapur (Expeller Oil) | 875 | 875 | Unch |
| | Hapur (Kacchi Ghani Oil) | 910 | 910 | Unch |
| | Agra (Kacchi Ghani Oil) | 845 | 845 | Unch |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 800 | 800 | Unch |
| | Hyderabad | 790 | 785 | 5 |
| | Mumbai | 815 | 815 | Unch |
| | New Delhi | 765 | 765 | Unch |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1400 | 1400 | Unch |
| | Cochin | 1410 | 1410 | Unch |
| | | | | |
| Sesame Oil | New Delhi | 1450 | 1500 | -50 |
| | Mumbai | Unq | Unq | - |
| Kardi | Mumbai | 880 | 880 | Unch |
| Rice Bran Oil (40%) | New Delhi | 645 | 645 | Unch |
| Rice Bran Oil (4%) | Punjab | 640 | 640 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 640 | 640 | Unch |
| | CNF India | 665 | 670 | -5 |
| Indonesia CPO USD/MT | FOB | 608 | 608 | Unch |
| | CNF India | 635 | 640 | -5 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 638 | 638 | Unch |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 633 | 630 | 3 |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 740 | 735 | 5 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 515 | 513 | 2 |

| | | | | |
|--------------------------------------|-----------|-----------|-----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | Unq | 710 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 773 | 775 | -2 |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 835 | 835 | Unch |
| | | | | |
| Argentina FOB (\$/MT) | | 12-Nov-19 | 11-Nov-19 | Change |
| Crude Soybean Oil Ship | | 704 | 708 | -4 |
| Refined Soy Oil (Bulk) Ship | | 729 | 733 | -4 |
| Sunflower Oil Ship | | 685 | 685 | Unch |
| Cottonseed Oil Ship | | 684 | 688 | -4 |
| 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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