

Domestic Fundamentals:

- Edible oils complex featured firm trend in various markets centers on Tuesday.
- Soy oil domestic futures declined on weak demand. CBOT soy oil declined on technical selling. Crude oil was trading lower on Tuesday.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Nov palm oil exports fell 2.9 percent to 1,414,884 tons compared to 1,456,624 tons last month. Top buyers were China at 362,660 tons (231,990 tons), India & subcontinent 268,070 tons (290,370 tons) and European Union 260,725 tons (356,055 tons) and. Values in brackets are figures of last month.
- Palm oil prices are supported by expectation of fall in end stocks of palm oil in Malaysia and Indonesia, expectation of fall in production of palm oil in Malaysia, rise in exports of palm oil from Malaysia, depreciation of ringgit and rise in competing oils.
- Palm oil end stocks are expected to fall in Malaysia and Indonesia in coming months on slow rise in production of palm oil, rise in exports and strong domestic demand of palm oil in biodiesel in Indonesia and Malaysia.
Palm oil production is expected slowly in Malaysia and Indonesia on dry conditions, effect of haze and low use of fertilizer due to low prices of palm oil in the country. Production of palm oil in Malaysia will remain unchanged in 2020 compared to last year while it will see limited rise in Indonesia forcing supply limitation there by decrease stocks of palm oil globally amidst surge in palm oil imports from India and China.
- Palm oil exports are expected to rise in coming months from Malaysia and Indonesia on strong demand from China and India. Exports rose from Malaysia in Nov due to firm demand from EU despite weak demand from India and China. Imports by China is expected to remain firm in coming months on demand ahead of Chinese New Year, higher imports of palm oil due to shortage of soy oil in the country on swine flu leading to lower demand of soybean in the country. Palm oil imports from India will remain firm in 2020 due to dwindling stocks of palm oil in India due to stable palm oil imports from last 3 year despite rise in demand thereby reducing palm oil stocks in the country.
In near term palm oil imports may slow due to negative import parity and refining margins, lower discount over soy oil, sunflower oil and mustard oil.
- Biodiesel demand from Indonesia and Malaysia is expected to remain firm in 2020 due to implementation of higher blending norms in both countries. In Indonesia B30 is being implemented from 2020 while B20 norms will be implement in Malaysia in 2020.
- Soy oil domestic prices are supported by weak domestic production of soy oil, positive import parity and low premium of soy oil over palm oil. Further, stressed stocks scenario of soy oil in India supported the rise in current upswing.
- Soy oil international prices are expected to be underpinned US-China trade worries, weak China soybean demand, improving soybean crop weather in Brazil and Argentina and higher soybean area in Argentina. However, fall in stocks of soy oil in US, rise in competing oils and rise in crude oil prices will limit losses.
- US and China is strangled in trade tensions with trade settlement between both countries hanging between diverging views. US has passed a legislation condemning China over Hong Kong which has angered China. Further, China is struck over its stand that US should remove all the import duties imposed to get the trade deal pass through. With deadlock in settlement China has asked trade representatives to come to China to resolve issues.

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
Dec-19	-0.07	821.00	827.60	821.00	822.20	9475	-7,615	27045	-10255
Jan-19	+0.05	823.60	831.60	823.40	827	14040	230	46415	7665

Prices & Vol-OI are at 5:30 PM

Spread	Dec-19	Jan-19
Spot	-10.2	
Dec-19		-15
Jan-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	+0.07	668.20	668.60	667.60	668.2	343	-1,376	1099	-185
Jan-19	-0.16	682.80	685.20	679.50	683.50	1856	-616	5095	-96

Spread
Dec-19
Jan-19
Spot
50
Dec-19
35
Jan-19
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.46	30.4	30.5	29.94	29.96
15-Jan	-0.42	30.58	30.8	30.11	30.16
15-Mar	-0.4	30.85	31.09	30.4	30.45
15-May	-0.39	31.18	31.4	30.74	30.79
15-Jul	-0.36	31.47	31.69	31.06	31.11

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Dec	27	2590	2647	2590	2630
15-Jan	-11	2708	2715	2658	2709
15-Feb	-11	2735	2742	2685	2731
15-Mar	-16	2731	2742	2693	2733

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
04/12/2019	7.05	59.94	4.179	59.94	71.77	4.20	97.79	55.94

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		2-Dec-19	30-Nov-19	
Refined Soybean Oil	Indore	815	812	3
	Indore (Soy Solvent Crude)	780	770	10
	Mumbai	815	815	Unch
	Mumbai (Soy Degum)	795	787	8
	Kandla/Mundra	805	805	Unch
	Kandla/Mundra (Soy Degum)	780	775	5
	Kolkata	805	800	5
	Delhi	854	846	8
	Nagpur	821	810	11
	Rajkot	815	800	15
	Kota	820	815	5

	Hyderabad	Unq	Unq	-
	Akola	822	812	10
	Amrawati	821	813	8
	Bundi	825	820	5
	Jalna	814	808	6
	Solapur	806	806	Unch
	Dhule	819	810	9
Palm Oil*	Kandla (Crude Palm Oil)	718	714	4
	Kandla (RBD Palm oil)	746	746	Unch
	Kandla RBD Pamolein	788	788	Unch
	Kakinada (Crude Palm Oil)	688	688	Unch
	Kakinada RBD Pamolein	788	782	5
	Haldia Pamolein	788	782	5
	Chennai RBD Pamolein	800	793	7
	Chennai RBD Pamolein (Vitamin A&D Fortified)	852	847	4
	KPT (krishna patnam) Pamolein	788	782	5
	Mumbai RBD Pamolein	809	809	Unch
	Mangalore RBD Pamolein	803	800	3
	Tuticorin (RBD Palmolein)	802	803	-1
	Delhi	822	817	5
	Rajkot	788	782	5
	Hyderabad	790	780	10
	PFAD (Kandla)	488	488	Unch
	Refined Palm Stearin (Kandla)	688	688	Unch
	Superolien (Kandla)	809	809	Unch
	Superolien (Mumbai)	819	819	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	840	840	Unch
	Mumbai	845	850	-5
	Mumbai(Expeller Oil)	790	790	Unch
	Kandla (Ref.)	835	835	Unch
	Hyderabad (Ref)	850	850	Unch
	Latur (Expeller Oil)	820	810	10
	Chellakere (Expeller Oil)	805	800	5
	Erode (Expeller Oil)	880	880	Unch
Groundnut Oil	Rajkot	1025	1000	25
	Chennai	1020	1020	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1020	1020	Unch

	Gondal	1000	980	20
	Jamnagar	1000	990	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	865	865	Unch
	Jaipur (Kacchi Ghani Oil)	895	889	6
	Kota (Expeller Oil)	865	865	Unch
	Kota (Kacchi Ghani Oil)	875	875	Unch
	Neewai (Expeller Oil)	865	860	5
	Neewai (Kacchi Ghani Oil)	883	875	8
	Bharatpur (Kacchi Ghani Oil)	890	875	15
	Sri-Ganga Nagar(Exp Oil)	875	865	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	895	885	10
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	870	858	12
	Hapur (Expeller Oil)	890	880	10
	Hapur (Kacchi Ghani Oil)	920	915	5
	Agra (Kacchi Ghani Oil)	895	880	15
Refined Cottonseed Oil	Rajkot	810	805	5
	Hyderabad	815	820	-5
	Mumbai	810	812	-2
	New Delhi	788	780	8
Coconut Oil	Kangayan (Crude)	1320	1320	Unch
	Cochin	1440	1440	Unch
Sesame Oil	New Delhi	1400	1400	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	655	652	3
Rice Bran Oil (4%)	Punjab	640	635	5
Malaysia Palmolein USD/MT	FOB	653	653	Unch
	CNF India	690	693	-3
Indonesia CPO USD/MT	FOB	628	630	-2
	CNF India	660	660	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	650	650	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	658	653	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	880	880	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	538	538	Unch



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	860	-
Ukraine Origin CSFO USD/MT Kandla	CIF	788	785	3
Rapeseed Oil Rotterdam Euro/MT	FOB	817	820	-3
Argentina FOB (\$/MT)		2-Dec-19	30-Nov-19	Change
Crude Soybean Oil Ship		693	Closed	-
Refined Soy Oil (Bulk) Ship		717	Closed	-
Sunflower Oil Ship		710	Closed	-
Cottonseed Oil Ship		673	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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