

Domestic Fundamentals:

- Edible oils complex featured firm trend in various markets centers on Wednesday.
- Soy oil and palm oil domestic futures rose on demand prospects and rise in international benchmarks. BMD CPO rose on weak supply worries. CBOT soy oil rose on technical buying. Crude oil was trading higher on Wednesday.
- 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 implemented 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.
- 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.

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	4.80	825.00	830.60	822.20	828.00	9,540	-3440	26035	-5005
Jan-19	2.60	828.00	833.00	826.00	829.00	11,520	-1695	46485	3010

Prices & Vol-OI are at 5:30 PM

Spread	Dec-19	Jan-19
Spot	-3.00	
Dec-19		1.00
Jan-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	5.90	682.10	689.70	681.20	688.00	1521	260	4808	-567
Jan-19	6.20	682.50	690.00	682.00	688.00	728	418	1828	707

Spread
Dec-19
Jan-19
Spot

-2.0

Dec-19

0

Jan-19
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	0.01	30	30	30	30
15-Jan	0.06	30.27	30.32	30.2	30.25
15-Mar	0.07	30.57	30.62	30.5	30.56
15-May	0.03	30.9	30.95	30.85	30.85
15-Jul	0.03	31.22	31.25	31.18	31.19

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Dec	54	2662	2700	2700	2673
15-Jan	29	2748	2754	2754	2752
15-Feb	24	2771	2771	2777	2773
15-Mar	19	2765	2764	2769	2761

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
02/12/2019	7.05	14103	4.177	59.83	71.52	4.21	97.75	57.06

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		4-Dec-19	3-Dec-19	
Refined Soybean Oil	Indore	825	815	10
	Indore (Soy Solvent Crude)	780	780	Unch
	Mumbai	820	815	5
	Mumbai (Soy Degum)	795	795	Unch
	Kandla/Mundra	815	805	10
	Kandla/Mundra (Soy Degum)	778	780	-2
	Kolkata	815	805	10
	Delhi	854	854	Unch
	Nagpur	821	821	Unch
	Rajkot	815	815	Unch
	Kota	820	820	Unch

	Hyderabad	Unq	Unq	-
	Akola	824	822	2
	Amrawati	823	821	2
	Bundi	825	825	Unch
	Jalna	814	814	Unch
	Solapur	806	806	Unch
	Dhule	819	819	Unch
Palm Oil*	Kandla (Crude Palm Oil)	720	717	3
	Kandla (RBD Palm oil)	746	746	Unch
	Kandla RBD Pamolein	788	788	Unch
	Kakinada (Crude Palm Oil)	695	688	7
	Kakinada RBD Pamolein	793	788	5
	Haldia Pamolein	793	788	5
	Chennai RBD Pamolein	803	800	3
	Chennai RBD Pamolein (Vitamin A&D Fortified)	854	852	2
	KPT (krishna patnam) Pamolein	793	788	5
	Mumbai RBD Pamolein	814	809	5
	Mangalore RBD Pamolein	809	803	5
	Tuticorin (RBD Palmolein)	805	802	3
	Delhi	822	822	Unch
	Rajkot	793	788	5
	Hyderabad	795	790	5
	PFAD (Kandla)	494	488	5
	Refined Palm Stearin (Kandla)	695	688	7
	Superolien (Kandla)	809	809	Unch
	Superolien (Mumbai)	819	819	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	840	840	Unch
	Mumbai	845	845	Unch
	Mumbai(Expeller Oil)	795	790	5
	Kandla (Ref.)	840	835	5
	Hyderabad (Ref)	860	850	10
	Latur (Expeller Oil)	820	820	Unch
	Chellakere (Expeller Oil)	805	805	Unch
	Erode (Expeller Oil)	880	880	Unch
Groundnut Oil	Rajkot	1025	1025	Unch
	Chennai	1020	1020	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1020	1020	Unch



	Gondal	1000	1000	Unch
	Jamnagar	1000	1000	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	875	865	10
	Jaipur (Kacchi Ghani Oil)	895	895	Unch
	Kota (Expeller Oil)	870	865	5
	Kota (Kacchi Ghani Oil)	890	875	15
	Neewai (Expeller Oil)	865	865	Unch
	Neewai (Kacchi Ghani Oil)	883	883	Unch
	Bharatpur (Kacchi Ghani Oil)	900	890	10
	Sri-Ganga Nagar(Exp Oil)	870	875	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	895	-5
	Mumbai (Expeller Oil)	860	850	10
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	870	870	Unch
	Hapur (Expeller Oil)	880	890	-10
	Hapur (Kacchi Ghani Oil)	910	920	-10
	Agra (Kacchi Ghani Oil)	905	895	10
Refined Cottonseed Oil	Rajkot	810	810	Unch
	Hyderabad	825	815	10
	Mumbai	815	810	5
	New Delhi	788	788	Unch
Coconut Oil	Kangayan (Crude)	1325	1320	5
	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	655	Unch
Rice Bran Oil (4%)	Punjab	650	640	10
Malaysia Palmolein USD/MT	FOB	668	653	15
	CNF India	703	690	13
Indonesia CPO USD/MT	FOB	640	628	12
	CNF India	673	660	13
RBD Palm oil (Malaysia Origin USD/MT)	FOB	665	650	15
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	663	658	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	900	880	20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	545	538	7

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	850	-
Ukraine Origin CSFO USD/MT Kandla	CIF	788	788	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	815	817	-2
Argentina FOB (\$/MT)		3-Dec-19	2-Dec-19	Change
Crude Soybean Oil Ship		700	693	7
Refined Soy Oil (Bulk) Ship		725	717	8
Sunflower Oil Ship		710	710	Unch
Cottonseed Oil Ship		680	673	7
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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