

Domestic Fundamentals:

- Edible oils complex featured firm trend in various markets centers on Monday.
- Soy oil and palm oil domestic futures rose on and rise in international benchmarks. BMD CPO rose on weak supply worries. CBOT soy oil rose on US-China trade settlement optimism.
- According to China's General Administration of Customs (CNGOIC), China's November edible vegetable oils imports rose 16.1 percent m-o-m to 10.59 LT from 9.12 LT in October 2019. Imports in Nov was higher by 70.3 percent compared to Nov 2018 which was reported at 6.22 LT. Year to date imports of edible vegetable oil rose 55.5 percent to 86.29 lakh tons.
- According to China's General Administration of Customs (CNGOIC), China's Nov soybean imports rose 33.9 percent to 8.28 MMT from 6.18 MMT in October 2019. Imports in Nov are 53.8 percent lower than Nov 2018 import of 5.38 MMT. Year to date soybean imports fell 4.1 percent to 78.97 MMT.
- 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 to fall 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.
- 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 supported by US-China trade settlement optimism, firm China soybean demand, lower rate of planting of soybean crop weather in Argentina and Brazil, change in government in Argentina, fall in stocks of soy oil in US, rise in competing oils and rise in crude oil prices will support.
- 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	5.40	861.00	863.00	854.00	858.60	7,355	-4555	16925	-6325
Jan-19	5.60	852.80	860.60	849.20	855.40	26,225	9365	47755	175

Prices & Vol-OI are at 5:30 PM

Spread	Dec-19	Jan-19
Spot	-28.60	
Dec-19		-3.20
Jan-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	10.40	714.00	722.50	713.00	719.80	1934	638	3794	-702
Jan-19	10.00	714.80	720.90	713.50	719.00	1578	1049	2848	905

Spread
Dec-19
Jan-19
Spot

3.2

Dec-19

-0.8

Jan-19
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.03	31.23	31.43	31.17	31.25
15-Mar	0.03	31.46	31.71	31.45	31.53
15-May	0.03	31.8	32.01	31.77	31.85
15-Jul	0.03	32.13	32.32	32.08	32.16
15-Aug	0.04	32.32	32.34	32.27	32.27

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	45	2862	2890	2841	2881
15-Feb	46	2882	2915	2863	2904
15-Mar	41	2875	2906	2858	2891
15-Apr	33	2841	2868	2825	2850

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
09/12/2019	7.04	14013	4.162	59.89	71.04	4.14	97.57	58.52

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		09-Dec-19	07-Dec-19	
Refined Soybean Oil	Indore	860	855	5
	Indore (Soy Solvent Crude)	825	825	Unch
	Mumbai	850	840	10
	Mumbai (Soy Degum)	818	805	13
	Kandla/Mundra	840	835	5
	Kandla/Mundra (Soy Degum)	810	805	5
	Kolkata	860	840	20
	Delhi	890	875	15
	Nagpur	860	848	12
	Rajkot	830	830	Unch
	Kota	850	845	5
	Hyderabad	Unq	Unq	-

	Akola	870	849	21
	Amrawati	868	848	20
	Bundi	855	850	5
	Jalna	860	837	23
	Solapur	859	820	39
	Dhule	858	837	21
Palm Oil*	Kandla (Crude Palm Oil)	759	749	11
	Kandla (RBD Palm oil)	798	788	11
	Kandla RBD Pamolein	830	824	5
	Kakinada (Crude Palm Oil)	746	735	11
	Kakinada RBD Pamolein	840	814	26
	Haldia Pamolein	845	819	26
	Chennai RBD Pamolein	851	830	21
	Chennai RBD Pamolein (Vitamin A&D Fortified)	903	886	17
	KPT (krishna patnam) Pamolein	840	814	26
	Mumbai RBD Pamolein	856	840	16
	Mangalore RBD Pamolein	851	830	21
	Tuticorin (RBD Palmolein)	848	835	14
	Delhi	864	838	26
	Rajkot	830	819	11
	Hyderabad	810	800	10
	PFAD (Kandla)	499	504	-5
	Refined Palm Stearin (Kandla)	746	735	11
	Superolien (Kandla)	856	851	5
	Superolien (Mumbai)	872	861	11
* inclusive of GST				
Refined Sunflower Oil	Chennai	870	850	20
	Mumbai	870	870	Unch
	Mumbai(Expeller Oil)	820	805	15
	Kandla (Ref.)	870	860	10
	Hyderabad (Ref)	870	860	10
	Latur (Expeller Oil)	825	820	5
	Chellakere (Expeller Oil)	835	827	8
	Erode (Expeller Oil)	890	875	15
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1070	1060	10
	Delhi	1100	1100	Unch
	Hyderabad *	1060	1060	Unch
	Mumbai	1040	1035	5
	Gondal	1040	1040	Unch



	Jamnagar	1040	1040	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	890	885	5
	Jaipur (Kacchi Ghani Oil)	910	905	5
	Kota (Expeller Oil)	890	885	5
	Kota (Kacchi Ghani Oil)	910	905	5
	Neewai (Expeller Oil)	870	870	Unch
	Neewai (Kacchi Ghani Oil)	893	893	Unch
	Bharatpur (Kacchi Ghani Oil)	900	900	Unch
	Sri-Ganga Nagar(Exp Oil)	900	890	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	910	905	5
	Mumbai (Expeller Oil)	880	870	10
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	890	878	12
	Hapur (Expeller Oil)	890	890	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	905	905	Unch
Refined Cottonseed Oil	Rajkot	840	830	10
	Hyderabad	850	840	10
	Mumbai	840	835	5
	New Delhi	818	800	18
Coconut Oil	Kangayan (Crude)	1340	1340	Unch
	Cochin	1460	1450	10
Sesame Oil	New Delhi	1380	1380	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	880	-
Rice Bran Oil (40%)	New Delhi	662	654	8
Rice Bran Oil (4%)	Punjab	670	660	10
Malaysia Palmolein USD/MT	FOB	713	700	13
	CNF India	745	740	5
Indonesia CPO USD/MT	FOB	673	685	-12
	CNF India	720	715	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	710	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	705	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	980	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	580	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-



Ukraine Origin CSFO USD/MT Kandla	CIF	808	800	8
Rapeseed Oil Rotterdam Euro/MT	FOB	805	Closed	-
Argentina FOB (\$/MT)		7-Dec-19	6-Dec-19	Change
Crude Soybean Oil Ship		Closed	732	-
Refined Soy Oil (Bulk) Ship		Closed	758	-
Sunflower Oil Ship		Closed	710	-
Cottonseed Oil Ship		Closed	712	-
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).

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