

**Domestic Fundamentals:**

- Edible oils complex featured mostly weak trend in various markets centers on Thursday.
- Soy oil and palm oil domestic futures rose on rise in international benchmarks. BMD CPO fell on rose on technical buying. CBOT soy oil rose on US-China trade settlement optimism.
- Palm oil prices are supported by underpinned by slow fall in end stocks of palm oil in Malaysia, fall in exports of palm oil from Malaysia, appreciation of Ringgit amid fall in production of palm oil in Malaysia.
- Palm oil end stocks fell in Malaysia in November but at lower than expected rate on sharp fall in exports from Malaysia amid sharp fall in production of palm oil in Malaysia in November. Palm oil end stocks fell 4 percent against expectation of more than 5 percent fall in end stocks.  
Palm oil production fell sharply in Malaysia in November on seasonal downtrend of production, lower use of fertilizer and unexpected haze due to burning of forests in Indonesia.
- Palm oil exports fell in November from Malaysia on weak demand from India and EU despite firm demand from China. Imports on palm oil by India from Malaysia fell on India-Malaysia tensions over Kashmir issue, hike in import duty on RBD palmolein sourced from Malaysia, high stocks at Indian ports and negative import and refining margins. Imports by China was firm 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 positive import parity, refining margins, lower premium of soy oil over palm oil and lower supply of soy oil due to lower crushing of soybean in India due to lower soybean crop in Kharif 2019.
- Soy oil international prices are supported by US-China trade settlement optimism, lower stocks of soy oil in US, change in government in Argentina, firm Chinese demand and rise in crude oil prices are expected to support soy oil prices. US and China trade talks are expected to be settled out in some days. This may come amid uncertainty of imposition of fresh round of import duties on Chinese goods starting Dec 15.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's November palm oil stocks fell 4.08 percent to 22.56 lakh tons compared to 23.51 lakh tons in October 2019. Production of palm oil in Nov fell 14.35 percent to 15.38 lakh tons compared to 17.96 lakh tons in Oct 2019. Exports of palm oil in Nov fell 14.64 percent to 14.02 lakh tons compared to 16.42 lakh tons in Oct 2019. Imports of palm oil in Nov fell 12.17 percent to 0.75 lakh tons compared to 0.85 lakh tons in Oct 2019. End stocks of palm oil fell less compared to trade expectation. Fall in stocks was due to lower production partially setoff by fall in exports of palm oil.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-10 palm oil exports fell 11.4 percent to 376,659 tons compared to 425,010 tons in corresponding period last month. Top buyers were European Union 95,620 tons (93,810 tons), Pakistan at 41,000 tons (0 tons), China at 40,980 tons (89,170 tons), India at 31,300 tons (29,900 tons) and United States at 29,300 tons (41,270 tons) and. 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
Dec-19	2.40	854.00	857.40	851.60	854.80	1,575	-5575	15045	-245
Jan-19	3.40	855.60	860.60	852.60	857.40	11,115	-8010	51620	-195

Prices & Vol-OI are at 5:30 PM

Spread	Dec-19	Jan-19
Spot	0.20	
Dec-19		2.60
Jan-19		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	2.70	718.00	724.40	717.30	720.50	450	-1395	3182	-74
Jan-19	2.80	719.90	725.80	718.00	721.60	500	-1534	4514	120

**Spread**
**Dec-19**
**Jan-19**
**Spot**

-0.5

**Dec-19**

1.1

**Jan-19**
**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.09	31.44	31.67	31.42	31.53
15-Mar	0.1	31.69	31.94	31.69	31.81
15-May	0.09	32	32.23	31.99	32.09
15-Jul	0.09	32.3	32.52	32.28	32.39
15-Aug	0.07	32.47	32.57	32.47	32.47

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	14	2853	2877	2835	2865
15-Feb	9	2877	2908	2867	2887
15-Mar	8	2860	2890	2851	2874
15-Apr	4	2822	2836	2804	2822

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
12/12/2019	7.04	14024	4.158	59.74	70.83	4.12	97.50	59.05

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		12-Dec-19	11-Dec-19	
Refined Soybean Oil	Indore	855	860	-5
	Indore (Soy Solvent Crude)	808	825	-17
	Mumbai	860	860	Unch
	Mumbai (Soy Degum)	812	815	-3
	Kandla/Mundra	840	840	Unch
	Kandla/Mundra (Soy Degum)	806	810	-4
	Kolkata	835	845	-10
	Delhi	880	880	Unch
	Nagpur	865	865	Unch
	Rajkot	840	840	Unch
	Kota	850	850	Unch
	Hyderabad	Unq	Unq	-



	Akola	867	867	Unch
	Amrawati	867	867	Unch
	Bundi	855	855	Unch
	Jalna	865	865	Unch
	Solapur	853	853	Unch
	Dhule	856	856	Unch
Palm Oil*	Kandla (Crude Palm Oil)	756	761	-5
	Kandla (RBD Palm oil)	798	798	Unch
	Kandla RBD Pamolein	830	835	-5
	Kakinada (Crude Palm Oil)	748	748	Unch
	Kakinada RBD Pamolein	827	830	-2
	Haldia Pamolein	824	835	-11
	Chennai RBD Pamolein	840	845	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	897	900	-3
	KPT (krishna patnam) Pamolein	830	835	-5
	Mumbai RBD Pamolein	856	856	Unch
	Mangalore RBD Pamolein	851	856	-5
	Tuticorin (RBD Palmolein)	851	840	11
	Delhi	857	865	-8
	Rajkot	830	830	Unch
	Hyderabad	815	815	Unch
	PFAD (Kandla)	499	499	Unch
	Refined Palm Stearin (Kandla)	748	748	Unch
	Superolien (Kandla)	856	856	Unch
	Superolien (Mumbai)	872	872	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	860	860	Unch
	Mumbai	870	870	Unch
	Mumbai(Expeller Oil)	810	810	Unch
	Kandla (Ref.)	860	860	Unch
	Hyderabad (Ref)	875	875	Unch
	Latur (Expeller Oil)	805	805	Unch
	Chellakere (Expeller Oil)	810	810	Unch
	Erode (Expeller Oil)	890	890	Unch
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1070	1070	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1065	1065	Unch
	Mumbai	1050	1050	Unch
	Gondal	1040	1020	20



	Jamnagar	1035	1025	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	885	890	-5
	Jaipur (Kacchi Ghani Oil)	906	910	-4
	Kota (Expeller Oil)	880	880	Unch
	Kota (Kacchi Ghani Oil)	905	910	-5
	Neewai (Expeller Oil)	880	870	10
	Neewai (Kacchi Ghani Oil)	895	893	2
	Bharatpur (Kacchi Ghani Oil)	910	910	Unch
	Sri-Ganga Nagar(Exp Oil)	880	880	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	900	900	Unch
	Mumbai (Expeller Oil)	885	890	-5
	Kolkata(Expeller Oil)	940	940	Unch
	New Delhi (Expeller Oil)	885	890	-5
	Hapur (Expeller Oil)	890	890	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	915	915	Unch
Refined Cottonseed Oil	Rajkot	840	840	Unch
	Hyderabad	845	845	Unch
	Mumbai	850	855	-5
	New Delhi	802	805	-3
Coconut Oil	Kangayan (Crude)	1330	1330	Unch
	Cochin	1470	1470	Unch
Sesame Oil	New Delhi	1380	1380	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	670	670	Unch
Rice Bran Oil (4%)	Punjab	680	675	5
Malaysia Palmolein USD/MT	FOB	720	715	5
	CNF India	745	745	Unch
Indonesia CPO USD/MT	FOB	683	680	3
	CNF India	715	715	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	718	713	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	715	710	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	970	965	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	595	588	7
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	955	-



Ukraine Origin CSFO USD/MT Kandla	CIF	818	820	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	835	835	Unch
Argentina FOB (\$/MT)		11-Dec-19	10-Dec-19	Change
Crude Soybean Oil Ship		735	739	-4
Refined Soy Oil (Bulk) Ship		761	765	-4
Sunflower Oil Ship		730	730	Unch
Cottonseed Oil Ship		715	719	-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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