



### Domestic Fundamentals:

- Edible oils complex featured firm trend in various markets centers on Friday.
- Soy oil and palm oil domestic futures fell on fall in international benchmarks. BMD CPO fell on rose on technical buying. CBOT soy oil rose on US-China trade settlement optimism.
- According to Solvent Extractors Association (SEA), India's November edible oil imports rose 2.24 percent y-o-y to 10.97 lakh tons from 10.73 lakh tons in Nov 2018. Palm oil imports in Nov fell 1.88 percent y-o-y to 6.79 lakh tons from 6.92 lakh tons in Nov 2018. CPO imports fell 4.75 percent in Nov y-o-y to 5.41 lakh tons from 5.68 lakh tons in Nov 2018. RBD palmolein imports rose by 11.93 percent in Nov y-o-y to 1.22 lakh tons from 1.09 lakh tons in Nov 2018. Soy oil imports fell 19.12 percent in Nov y-o-y to 1.65 lakh tons from 2.04 lakh tons in Nov 2018. Sunflower oil imports rose 58.43 percent y-o-y in Nov to 2.63 lakh tons from 1.66 lakh tons in Nov 2018. Rapeseed (canola) oil imports in Nov was zero compared to 0.12 lakh tons imports in Nov 2018. Rise in imports of edible oil in the month of November was primarily due to rise in imports of sunflower oil.
- According to Solvent Extractors Association (SEA), India's November edible oil stocks at ports and pipelines fell 14.97 percent m-o-m to 15.11 lakh tons from 17.77 lakh tons in November 2019. Stocks of edible oil at ports in November rose to 881,000 tons (CPO 400,000 tons, RBD Palmolein 170,000 tons, Degummed Soybean Oil 160,000 tons, Crude Sunflower Oil 150,000 ton and Rapeseed Oil 1,000 tons) and about 590,000 tons in pipelines. (Stocks at ports were 1,062,000 tons and in pipelines were 715,000 tons in October 2019). India is presently holding 24 days of edible oil requirement on 1st Dec, 2019 at 15.11 lakh tons compared to 28 days of requirements last month at 17.77 lakh tons. India held 21.91 lakh tons of stocks in ports and pipelines on 1st Dec 2018. India's monthly edible oil requirement is 19.0 lakh tons.
- According to Malaysia Palm Oil Board (MPOB), Malaysia hiked Jan crude palm oil export tax to 5.0percent. Export duty of palm oil is calculated at reference price of 2,571.16 ringgit (USD 616.59) per ton. Tax is calculated above 2,250 ringgit starting from 4.5 percent to a maximum of 8.5 percent. Malaysia imposed export duty on exports of crude palm oil after August 2018.
- Edible oil imports by India rose modestly in Nov primarily due to rise in imports of sunflower oil. Imports of palm oil fell 1.88 percent driven by fall in CPO imports. Imports of CPO fell in Nov due to higher prices of CPO in international markets, high stocks of CPO at Indian ports, negative import parity, negative refining margins and India- Malaysia dispute over Kashmir. Imports of RBD palmolein showed modest rise in Nov on lower base of Nov 2018 and Oct 2019. Imports of RBD palmolein slowed due to high stocks at Indian ports, negative import parity and negative refining margins apart from higher prices in international markets. Imports of soy oil fell sharply in Nov due to higher prices of soy oil and low discount over sunflower oil apart from negative import parity and negative refining margins. Port stocks of soy oil fell also fell but fall in imports m-o-m was larger than fall in ports stocks. Imports of sunflower oil surged in Nov due to low premium of sunflower oil over palm oil and soy oil apart from positive import parity and negative refining margins. Imports of canola oil was zero in Nov for the fourth month in a row and imports have been registered only once in last nine months. Lower imports of canola oil is due to hike in import duty on canola oil and lower prices of rapeseed oil in Indian markets. However, edible oils imports are expected to remain firm in coming months as stock position of various edible oil are stretched. Higher prices of edible oil in international markets may cap gains in imports.

**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   | 2.80  | 864.40 | 872.40 | 864.20 | 864.20 | 5,220  | 3645          | 10380 | -4665     |
| Jan-19   | -1.00 | 864.40 | 874.60 | 862.40 | 863.40 | 29,805 | 18690         | 45335 | -6285     |

Prices & Vol-OI are at 5:30 PM

| Spread | Dec-19 | Jan-19 |
|--------|--------|--------|
| Spot   | 5.80   |        |
| Dec-19 |        | -0.80  |
| Jan-19 |        |        |

**MCX CPO Futures**

| Contract | +/-   | Open   | High   | Low    | Close  | Volume | Volume Change | OI   | OI Change |
|----------|-------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Dec-19   | -5.80 | 736.00 | 737.00 | 722.90 | 725.60 | 1616   | 1166          | 2892 | -290      |
| Jan-19   | -5.20 | 739.80 | 739.80 | 727.00 | 728.10 | 1087   | 587           | 4596 | 82        |

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

2.4

**Dec-19**

2.5

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

(Values in US cents/lb)

| Contract | +/-  | Open  | High  | Low   | Close |
|----------|------|-------|-------|-------|-------|
| 15-Jan   | 0.23 | 32.3  | 32.77 | 32.3  | 32.46 |
| 15-Mar   | 0.23 | 32.51 | 33.05 | 32.51 | 32.74 |
| 15-May   | 0.22 | 32.87 | 33.32 | 32.87 | 33.01 |
| 15-Jul   | 0.23 | 33.12 | 33.6  | 33.12 | 33.32 |
| 15-Aug   | 0.27 | 33.32 | 33.67 | 33.32 | 33.45 |

**BMD CPO Futures:**

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low  | Close |
|----------|-----|------|------|------|-------|
| 15-Jan   | -41 | 2897 | 2897 | 2821 | 2824  |
| 15-Feb   | -38 | 2925 | 2928 | 2850 | 2853  |
| 15-Mar   | -28 | 2903 | 2907 | 2844 | 2845  |
| 15-Apr   | -22 | 2853 | 2855 | 2799 | 2800  |

**Forex:**

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 13/12/2019    | 6.98         | 13.987            | 4.135             | 59.75          | 70.81        | 4.09           | 96.85        | 59.93                     |

**Edible Oil Prices at Key Market:**

| Commodity           | Centre                     | Prices(Per 10 Kg) |           | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
|                     |                            | 13-Dec-19         | 12-Dec-19 |        |
| Refined Soybean Oil | Indore                     | 870               | 855       | 15     |
|                     | Indore (Soy Solvent Crude) | 825               | 808       | 17     |
|                     | Mumbai                     | 865               | 860       | 5      |
|                     | Mumbai (Soy Degum)         | 823               | 812       | 11     |
|                     | Kandla/Mundra              | 850               | 840       | 10     |
|                     | Kandla/Mundra (Soy Degum)  | 825               | 806       | 19     |
|                     | Kolkata                    | 845               | 835       | 10     |
|                     | Delhi                      | 895               | 880       | 15     |
|                     | Nagpur                     | 858               | 865       | -7     |
|                     | Rajkot                     | 840               | 840       | Unch   |
|                     | Kota                       | 860               | 850       | 10     |
|                     | Hyderabad                  | Unq               | Unq       | -      |

|                       |  |      |      |      |
|-----------------------|--|------|------|------|
|                       | Akola  | 863  | 867  | -4   |
|                       | Amrawati                                     | 862  | 867  | -5   |
|                       | Bundi  | 865  | 855  | 10   |
|                       | Jalna  | 856  | 865  | -9   |
|                       | Solapur                                      | 853  | 853  | Unch |
|                       | Dhule  | 855  | 856  | -1   |
|                       |  |      |      |      |
| Palm Oil*             | Kandla (Crude Palm Oil)                      | 764  | 756  | 8    |
|                       | Kandla (RBD Palm oil)                        | 819  | 798  | 21   |
|                       | Kandla RBD Pamolein                          | 851  | 830  | 21   |
|                       | Kakinada (Crude Palm Oil)                    | 756  | 748  | 8    |
|                       | Kakinada RBD Pamolein                        | 840  | 827  | 13   |
|                       | Haldia Pamolein                              | 840  | 824  | 16   |
|                       | Chennai RBD Pamolein                         | 856  | 840  | 16   |
|                       | Chennai RBD Pamolein (Vitamin A&D Fortified) | 912  | 897  | 16   |
|                       | KPT (krishna patnam) Pamolein                | 840  | 830  | 11   |
|                       | Mumbai RBD Pamolein                          | 866  | 856  | 11   |
|                       | Mangalore RBD Pamolein                       | 861  | 851  | 11   |
|                       | Tuticorin (RBD Palmolein)                    | 856  | 851  | 5    |
|                       | Delhi  | 860  | 857  | 3    |
|                       | Rajkot                                       | 830  | 830  | Unch |
|                       | Hyderabad                                    | 815  | 815  | Unch |
|                       | PFAD (Kandla)                                | 504  | 499  | 5    |
|                       | Refined Palm Stearin (Kandla)                | 756  | 748  | 8    |
|                       | Superolien (Kandla)                          | 866  | 856  | 11   |
|                       | Superolien (Mumbai)                          | 887  | 872  | 16   |
| * inclusive of GST    |  |      |      |      |
| Refined Sunflower Oil | Chennai                                      | 865  | 860  | 5    |
|                       | Mumbai                                       | 870  | 870  | Unch |
|                       | Mumbai(Expeller Oil)                         | 820  | 810  | 10   |
|                       | Kandla (Ref.)                                | 860  | 860  | Unch |
|                       | Hyderabad (Ref)                              | 875  | 875  | Unch |
|                       | Latur (Expeller Oil)                         | 825  | 805  | 20   |
|                       | Chellakere (Expeller Oil)                    | 830  | 810  | 20   |
|                       | Erode (Expeller Oil)                         | 900  | 890  | 10   |
|                       |  |      |      |      |
| Groundnut Oil         | Rajkot                                       | 1050 | 1050 | Unch |
|                       | Chennai                                      | 1070 | 1070 | Unch |
|                       | Delhi  | 1100 | 1100 | Unch |
|                       | Hyderabad *                                  | 1075 | 1065 | 10   |
|                       | Mumbai                                       | 1060 | 1050 | 10   |
|                       | Gondal                                       | 1050 | 1040 | 10   |



|   |                                    |      |      |      |
|---|------------------------------------|------|------|------|
|   | Jamnagar                           | 1040 | 1035 | 5    |
|   |                                    |      |      |      |
| Rapeseed Oil/Mustard Oil                            | Jaipur (Expeller Oil)              | 900  | 885  | 15   |
|   | Jaipur (Kacchi Ghani Oil)          | 915  | 906  | 9    |
|   | Kota (Expeller Oil)                | 895  | 880  | 15   |
|   | Kota (Kacchi Ghani Oil)            | 915  | 905  | 10   |
|   | Neewai (Expeller Oil)              | 880  | 880  | Unch |
|   | Neewai (Kacchi Ghani Oil)          | 895  | 895  | Unch |
|   | Bharatpur (Kacchi Ghani Oil)       | 920  | 910  | 10   |
|   | Sri-Ganga Nagar(Exp Oil)           | 890  | 880  | 10   |
|   | Sri-Ganga Nagar (Kacchi Ghani Oil) | 915  | 900  | 15   |
|   | Mumbai (Expeller Oil)              | 885  | 885  | Unch |
|   | Kolkata(Expeller Oil)              | 930  | 940  | -10  |
|   | New Delhi (Expeller Oil)           | 885  | 885  | Unch |
|   | Hapur (Expeller Oil)               | 890  | 890  | Unch |
|   | Hapur (Kacchi Ghani Oil)           | 920  | 920  | Unch |
|   | Agra (Kacchi Ghani Oil)            | 925  | 915  | 10   |
|   |                                    |      |      |      |
| Refined Cottonseed Oil                              | Rajkot                             | 840  | 840  | Unch |
|   | Hyderabad                          | 845  | 845  | Unch |
|   | Mumbai                             | 850  | 850  | Unch |
|   | New Delhi                          | 807  | 802  | 5    |
|   |                                    |      |      |      |
| 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  | 680  | Unch |
|   |                                    |      |      |      |
| Malaysia Palmolein USD/MT                           | FOB                                | 728  | 720  | 8    |
|   | CNF India                          | 773  | 745  | 28   |
| Indonesia CPO USD/MT                                | FOB                                | 703  | 683  | 20   |
|   | CNF India                          | 743  | 715  | 28   |
| RBD Palm oil (Malaysia Origin USD/MT)               | FOB                                | 723  | 718  | 5    |
| RBD Palm Stearin (Malaysia Origin USD/MT)           | FOB                                | 720  | 715  | 5    |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT)        | FOB                                | 990  | 970  | 20   |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB                                | 610  | 595  | 15   |
| Crude palm Kernel Oil India (USD/MT)                | CNF India                          | Unq  | 960  | -    |



|                                   |     |           |           |        |
|-----------------------------------|-----|-----------|-----------|--------|
| Ukraine Origin CSFO USD/MT Kandla | CIF | 815       | 818       | -3     |
| Rapeseed Oil Rotterdam Euro/MT    | FOB | 850       | 835       | 15     |
|                                   |     |           |           |        |
| Argentina FOB (\$/MT)             |     | 12-Dec-19 | 11-Dec-19 | Change |
| Crude Soybean Oil Ship            |     | 751       | 735       | 16     |
| Refined Soy Oil (Bulk) Ship       |     | 777       | 761       | 16     |
| Sunflower Oil Ship                |     | 730       | 730       | Unch   |
| Cottonseed Oil Ship               |     | 731       | 715       | 16     |
| 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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