



### Domestic Fundamentals:

- Edible oils complex featured mixed trend in various markets centers on Wednesday.
- Soy oil domestic and palm oil domestic futures prices are underpinned by fall in international benchmarks. BMD CPO fell on technical selling. CBOT soy oil fell on technical selling.
- According to National Oilseed Processors Association (NOPA), U.S. November soybean crush fell by 7.56 percent m-o-m to 164.909 million bushels from 178.397 million bushels in October 2019, below market expectation. Crush of soybean in Nov was lower by 1.23 percent y-o-y compared to Nov 2018 figure of 166.959 million bushels. Soy oil stocks in U.S. at the end of Nov rose 1.76 percent m-o-m to 1.448 billion lbs compared to 1.423 billion lbs in end Oct 2019. Stocks of soy oil in end Nov was lower by 2.43 percent y-o-y compared to end Nov 2018, which was reported at 1.484 million lbs. Soy oil stocks was above trade expectation.
- Soy oil domestic prices are supported by positive import parity, positive refining margins, rise in competing oil and low production of soy oil in Indian markets due to weak domestic soybean crop.
- Soy oil international prices are supported by US-China trade settlement optimism, hike in export duty on soy oil by new Argentina government, low stocks of soy oil in US, firm demand of soybean from China and rise in crude oil prices.
- US-China has agreed for trade settlement which is seen as first phase of trade deal and both sides seem to be satisfied with the way trade talks are progressing. US trade secretary has said that the present trade deal will increase US farm exports to record. Most of the US agricultural trade between both countries are in soybeans. China has asked US to take back import duties. US has indefinitely postponed proposed trade tariffs to be imposed on Chinese goods from Dec 15. Final trade deal will only be signed in Jan 2020.
- Palm oil prices are expected to be supported by expectation of fall in end stocks of palm oil in Malaysia, fall in production of palm oil in Malaysia, higher use of palm oil in biodiesel in Malaysia and Indonesia, dry conditions in Indonesia and rise in crude oil prices.
- 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.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-15 palm oil exports fell 15.5 percent to 572,409 tons compared to 677,616 tons in corresponding period last month. Top buyers were European Union 175,860 tons (119,910 tons), China at 62,480 tons (108,670 tons), India at 56,300 tons (62,900 tons), Pakistan at 41,000 tons (0 tons) and United States at 29,300 tons (47,570 tons). Values in brackets are figures of corresponding period last month.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Dec 1-15 palm oil exports fell 18.6 percent to 548,780 tons compared to 674,340 tons in corresponding period last month. Top buyers were European Union 168,880 tons (108,115 tons), China at 101,130 tons (161,550 tons) and India & subcontinent 52,500 tons (82,500 tons). 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	0.40	878.80	881.60	877.80	880.00	720	-745	6605	-800
Jan-19	-2.60	888.00	891.80	881.60	886.00	30,540	6460	49190	110

Prices & Vol-OI are at 5:30 PM

Spread	Dec-19	Jan-19
Spot	7.00	
Dec-19		6.00
Jan-19		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	-6.80	735.00	737.90	725.90	730.40	1113	-45	2461	74
Jan-19	-5.00	735.50	739.20	728.40	733.60	2152	362	4834	251

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

8.6

**Dec-19**

3.2

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

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.22	33.72	33.8	33.47	33.6
15-Mar	-0.23	34	34.07	33.76	33.87
15-May	-0.21	34.24	34.34	34.04	34.15
15-Jul	-0.21	34.52	34.58	34.3	34.41
15-Aug	-0.14	34.56	34.59	34.39	34.51

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-13	2844	2846	2776	2836
15-Feb	-15	2859	2861	2793	2850
15-Mar	-19	2865	2877	2806	2859
15-Apr	-13	2848	2860	2800	2846

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
17/12/2019	6.99	13981	4.137	59.74	70.96	4.07	97.37	60.55

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-Dec-19	17-Dec-19	
Refined Soybean Oil	Indore	887	880	7
	Indore (Soy Solvent Crude)	845	835	10
	Mumbai	875	875	Unch
	Mumbai (Soy Degum)	845	842	3
	Kandla/Mundra	860	860	Unch
	Kandla/Mundra (Soy Degum)	845	840	5
	Kolkata	855	855	Unch
	Delhi	910	912	-2
	Nagpur	858	858	Unch
	Rajkot	850	850	Unch
	Kota	880	880	Unch
	Hyderabad	Unq	Unq	-

	Akola	875	869	6
	Amrawati	880	868	12
	Bundi	885	885	Unch
	Jalna	856	856	Unch
	Solapur	853	853	Unch
	Dhule	855	855	Unch
Palm Oil*	Kandla (Crude Palm Oil)	776	779	-3
	Kandla (RBD Palm oil)	819	824	-5
	Kandla RBD Pamolein	845	845	Unch
	Kakinada (Crude Palm Oil)	761	762	-1
	Kakinada RBD Pamolein	851	851	Unch
	Haldia Pamolein	840	845	-5
	Chennai RBD Pamolein	861	861	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	916	916	Unch
	KPT (krishna patnam) Pamolein	851	851	Unch
	Mumbai RBD Pamolein	877	877	Unch
	Mangalore RBD Pamolein	866	866	Unch
	Tuticorin (RBD Palmolein)	854	854	Unch
	Delhi	878	880	-2
	Rajkot	840	840	Unch
	Hyderabad	815	815	Unch
	PFAD (Kandla)	530	525	5
	Refined Palm Stearin (Kandla)	761	762	-1
	Superolien (Kandla)	877	877	Unch
	Superolien (Mumbai)	887	887	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	865	865	Unch
	Mumbai	880	880	Unch
	Mumbai (Expeller Oil)	860	830	30
	Kandla (Ref.)	875	875	Unch
	Hyderabad (Ref)	875	880	-5
	Latur (Expeller Oil)	827	827	Unch
	Chellakere (Expeller Oil)	832	832	Unch
	Erode (Expeller Oil)	900	900	Unch
Groundnut Oil	Rajkot	1100	1100	Unch
	Chennai	1120	1090	30
	Delhi	1100	1100	Unch
	Hyderabad *	1100	1080	20
	Mumbai	1120	1090	30
	Gondal	1100	1080	20



	Jamnagar	1080	1060	20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	910	900	10
	Jaipur (Kacchi Ghani Oil)	933	933	Unch
	Kota (Expeller Oil)	900	910	-10
	Kota (Kacchi Ghani Oil)	930	915	15
	Neewai (Expeller Oil)	900	900	Unch
	Neewai (Kacchi Ghani Oil)	915	915	Unch
	Bharatpur (Kacchi Ghani Oil)	940	940	Unch
	Sri-Ganga Nagar(Exp Oil)	915	895	20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	925	915	10
	Mumbai (Expeller Oil)	895	890	5
	Kolkata(Expeller Oil)	960	930	30
	New Delhi (Expeller Oil)	910	914	-4
	Hapur (Expeller Oil)	895	890	5
	Hapur (Kacchi Ghani Oil)	925	920	5
	Agra (Kacchi Ghani Oil)	945	945	Unch
Refined Cottonseed Oil	Rajkot	840	850	-10
	Hyderabad	850	855	-5
	Mumbai	865	860	5
	New Delhi	815	820	-5
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1485	1480	5
Sesame Oil	New Delhi	1450	1450	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	675	680	-5
Rice Bran Oil (4%)	Punjab	700	690	10
Malaysia Palmolein USD/MT	FOB	720	728	-8
	CNF India	760	773	-13
Indonesia CPO USD/MT	FOB	710	710	Unch
	CNF India	730	745	-15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	718	723	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	720	720	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1020	1020	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	620	620	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	985	-

Ukraine Origin CSFO USD/MT Kandla	CIF	838	830	8
Rapeseed Oil Rotterdam Euro/MT	FOB	855	842	13
Argentina FOB (\$/MT)		17-Dec-19	16-Dec-19	Change
Crude Soybean Oil Ship		786	768	18
Refined Soy Oil (Bulk) Ship		814	795	19
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		766	748	18
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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