

Domestic Fundamentals:

- Edible oils complex featured mostly firm trend in various markets centers on Friday.
- Soy oil domestic and palm oil domestic futures fell on demand concerns. BMD CPO rose on weak global supply prospects. CBOT soy oil rose on US-China trade settlement optimism.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Dec 1-20 palm oil exports fell 13.1 percent to 812,065 tons compared to 934,855 tons in corresponding period last month. Top buyers were European Union 197,870 tons (183,150 tons), China at 156,630 tons (161,550 tons) and India & subcontinent 67,600 tons (166,500 tons). Values in brackets are figures of corresponding period last month.
- 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.
- Palm oil end stocks fell in Nov in Malaysia on fall in production amid sharp fall in exports. Palm oil end stocks are expected to fall further in Malaysia in coming months due to fall in production of palm oil and higher use of palm oil in biodiesel amid slow exports of palm oil from Malaysia.
- Palm oil production is expected to slow in coming months on seasonal downtrend of production and fall in production due to lower use of fertilizers and fall in production due to unusual haze due to burning of forests in Indonesia to clear it for palm plantation.
- Palm oil exports are expected to remain slow in Dec-Jan from Malaysia due to seasonal slowdown of exports due to winters. Exports of palm oil will remain slow to India while it will rise to China on demand ahead of Chinese New Year.
- Exports of palm oil is expected to slow to India from Malaysia due to India-Malaysia dispute over Kashmir. Exports are expected to pick up from Jan from Malaysia due to reduction of palm oil import duty by India which will reduce import duty differential between CPO and RBD palmolein from 11 percent to 7.5 percent.
- 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.
- 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.

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
Jan-20	-1.20	909.80	911.80	903.40	904.40	30,730	-3300	56680	1485
Feb-20	-1.00	900.00	904.00	894.60	896.80	9,490	-7665	37750	1825

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	-14.40	
Jan-20		-7.60
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	-2.50	744.00	744.00	737.40	738.00	612	-464	2420	-75
Jan-20	-3.80	750.00	750.00	742.50	742.50	1157	-699	4919	142

Spread
Dec-19
Jan-20
Spot

4.0

Dec-19

4.5

Jan-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.13	33.87	33.99	33.8	33.92
15-Mar	0.13	34.15	34.27	34.07	34.2
15-May	0.14	34.45	34.56	34.39	34.51
15-Jul	0.14	34.75	34.85	34.69	34.81
15-Aug	0.14	34.8	34.87	34.75	34.86

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	44	2895	2901	2894	2897
15-Feb	48	2909	2924	2896	2917
15-Mar	40	2911	2922	2899	2914
15-Apr	36	2890	2898	2880	2893

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
20/12/2019	7.00	13982	4.14	59.73	71.10	4.07	97.46	60.91

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-Dec-19	19-Dec-19	
Refined Soybean Oil	Indore	890	880	10
	Indore (Soy Solvent Crude)	850	840	10
	Mumbai	885	875	10
	Mumbai (Soy Degum)	860	842	18
	Kandla/Mundra	870	860	10
	Kandla/Mundra (Soy Degum)	860	840	20
	Kolkata	870	855	15
	Delhi	938	917	21
	Nagpur	883	880	3
	Rajkot	850	850	Unch
	Kota	880	880	Unch
	Hyderabad	Unq	Unq	-



	Akola	880	880	Unch
	Amrawati	885	885	Unch
	Bundi	885	885	Unch
	Jalna	885	856	29
	Solapur	872	865	7
	Dhule	883	885	-2
Palm Oil*	Kandla (Crude Palm Oil)	779	769	11
	Kandla (RBD Palm oil)	809	809	Unch
	Kandla RBD Pamolein	851	835	16
	Kakinada (Crude Palm Oil)	761	761	Unch
	Kakinada RBD Pamolein	851	840	11
	Haldia Pamolein	856	840	16
	Chennai RBD Pamolein	856	851	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	915	909	5
	KPT (krishna patnam) Pamolein	851	840	11
	Mumbai RBD Pamolein	856	861	-5
	Mangalore RBD Pamolein	861	856	5
	Tuticorin (RBD Palmolein)	851	849	1
	Delhi	880	878	2
	Rajkot	840	840	Unch
	Hyderabad	817	817	Unch
	PFAD (Kandla)	530	525	5
	Refined Palm Stearin (Kandla)	761	761	Unch
	Superolien (Kandla)	882	877	5
	Superolien (Mumbai)	893	887	5
* inclusive of GST				
Refined Sunflower Oil	Chennai	870	865	5
	Mumbai	890	880	10
	Mumbai(Expeller Oil)	870	860	10
	Kandla (Ref.)	885	875	10
	Hyderabad (Ref)	880	875	5
	Latur (Expeller Oil)	827	827	Unch
	Chellakere (Expeller Oil)	832	832	Unch
	Erode (Expeller Oil)	910	900	10
Groundnut Oil	Rajkot	1050	1100	-50
	Chennai	1120	1120	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1120	1120	Unch
	Mumbai	1115	1120	-5
	Gondal	1100	1100	Unch



	Jamnagar	1080	1080	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	918	912	6
	Jaipur (Kacchi Ghani Oil)	938	933	5
	Kota (Expeller Oil)	900	900	Unch
	Kota (Kacchi Ghani Oil)	935	930	5
	Neewai (Expeller Oil)	910	900	10
	Neewai (Kacchi Ghani Oil)	930	915	15
	Bharatpur (Kacchi Ghani Oil)	945	940	5
	Sri-Ganga Nagar(Exp Oil)	915	915	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	930	930	Unch
	Mumbai (Expeller Oil)	900	895	5
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	930	910	20
	Hapur (Expeller Oil)	890	890	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	950	945	5
Refined Cottonseed Oil	Rajkot	850	840	10
	Hyderabad	855	850	5
	Mumbai	870	865	5
	New Delhi	820	815	5
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1485	1485	Unch
Sesame Oil	New Delhi	1450	1450	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	690	687	3
Rice Bran Oil (4%)	Punjab	710	700	10
Malaysia Palmolein USD/MT	FOB	725	715	10
	CNF India	783	768	15
Indonesia CPO USD/MT	FOB	718	708	10
	CNF India	758	743	15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	723	713	10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	725	715	10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1020	1010	10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	628	618	10
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1000	-

Ukraine Origin CSFO USD/MT Kandla	CIF	838	838	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	830	-
Argentina FOB (\$/MT)		19-Dec-19	18-Dec-19	Change
Crude Soybean Oil Ship		798	788	10
Refined Soy Oil (Bulk) Ship		826	816	10
Sunflower Oil Ship		760	750	10
Cottonseed Oil Ship		778	768	10
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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