



Domestic Fundamentals:

- Edible oils complex featured mixed trend in various markets centers on Monday.
- Soy oil domestic and palm oil domestic futures rose on rise in international benchmarks. BMD CPO rose on weak global supply prospects. CBOT soy oil rose on US-China trade settlement optimism.
- 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 cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-20 palm oil exports fell 10.2 percent to 837,873 tons compared to 933,321 tons in corresponding period last month. Top buyers were European Union 210,690 tons (238,335 tons), China at 111,591 tons (121,670 tons), India at 59,400 tons (99,900 tons), Pakistan at 41,000 tons (32,000 tons) and United States at 34,300 tons (50,970 tons). Values in brackets are figures of corresponding period last month.
- 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.

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	4.20	908.60	913.20	905.80	912.00	19,795	-10935	54075	-2605
Feb-20	8.40	920.00	920.00	902.00	910.00	10,935	1445	42155	4405

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	-10.00	
Jan-20		-2.00
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	0.40	743.50	745.80	738.70	742.50	549	-63	2325	-95
Jan-20	1.10	747.00	750.20	746.00	748.20	1019	-138	5114	195

Spread
Dec-19
Jan-20
Spot

4.5

Dec-19

5.7

Jan-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.04	33.97	34.02	33.73	33.83
15-Mar	0.03	34.25	34.29	34	34.09
15-May	0.04	34.55	34.6	34.3	34.4
15-Jul	0.03	34.81	34.88	34.6	34.7
15-Aug	-0.01	34.84	34.84	34.66	34.69

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	5	2907	2907	2893	2902
15-Feb	-8	2900	2916	2900	2907
15-Mar	-5	2894	2919	2894	2907
15-Apr	-9	2876	2893	2875	2883

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
23/12/2019	7.01	13969	4.143	59.73	71.17	4.10	97.70	60.35

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-Dec-19	21-Dec-19	
Refined Soybean Oil	Indore	902	900	2
	Indore (Soy Solvent Crude)	890	870	20
	Mumbai	890	890	Unch
	Mumbai (Soy Degum)	857	857	Unch
	Kandla/Mundra	885	885	Unch
	Kandla/Mundra (Soy Degum)	855	857	-2
	Kolkata	875	875	Unch
	Delhi	937	935	2
	Nagpur	903	898	5
	Rajkot	880	880	Unch
	Kota	905	900	5
	Hyderabad	Unq	Unq	-

	Akola	905	900	5
	Amrawati	907	900	7
	Bundi	910	905	5
	Jalna	893	887	6
	Solapur	890	884	6
	Dhule	894	893	1
Palm Oil*	Kandla (Crude Palm Oil)	784	781	3
	Kandla (RBD Palm oil)	824	824	Unch
	Kandla RBD Pamolein	851	856	-5
	Kakinada (Crude Palm Oil)	761	761	Unch
	Kakinada RBD Pamolein	845	856	-11
	Haldia Pamolein	851	861	-11
	Chennai RBD Pamolein	856	861	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	915	918	-3
	KPT (krishna patnam) Pamolein	845	856	-11
	Mumbai RBD Pamolein	856	861	-5
	Mangalore RBD Pamolein	861	866	-5
	Tuticorin (RBD Palmolein)	854	854	Unch
	Delhi	880	880	Unch
	Rajkot	840	840	Unch
	Hyderabad	820	820	Unch
	PFAD (Kandla)	530	530	Unch
	Refined Palm Stearin (Kandla)	761	761	Unch
	Superolien (Kandla)	887	887	Unch
	Superolien (Mumbai)	893	893	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	875	870	5
	Mumbai	910	910	Unch
	Mumbai(Expeller Oil)	860	860	Unch
	Kandla (Ref.)	890	890	Unch
	Hyderabad (Ref)	880	880	Unch
	Latur (Expeller Oil)	827	827	Unch
	Chellakere (Expeller Oil)	832	832	Unch
	Erode (Expeller Oil)	910	910	Unch
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1130	1170	-40
	Delhi	1100	1100	Unch
	Hyderabad *	1100	1100	Unch
	Mumbai	1130	1125	5
	Gondal	1130	1100	30



	Jamnagar	1130	1100	30
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	915	915	Unch
	Jaipur (Kacchi Ghani Oil)	951	941	10
	Kota (Expeller Oil)	930	920	10
	Kota (Kacchi Ghani Oil)	930	930	Unch
	Neewai (Expeller Oil)	915	910	5
	Neewai (Kacchi Ghani Oil)	935	930	5
	Bharatpur (Kacchi Ghani Oil)	950	940	10
	Sri-Ganga Nagar(Exp Oil)	940	935	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	950	950	Unch
	Mumbai (Expeller Oil)	900	900	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	935	932	3
	Hapur (Expeller Oil)	890	895	-5
	Hapur (Kacchi Ghani Oil)	920	925	-5
	Agra (Kacchi Ghani Oil)	955	945	10
Refined Cottonseed Oil	Rajkot	840	840	Unch
	Hyderabad	850	850	Unch
	Mumbai	875	875	Unch
	New Delhi	838	833	5
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1485	1485	Unch
Sesame Oil	New Delhi	1500	1500	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	697	695	2
Rice Bran Oil (4%)	Punjab	700	700	Unch
Malaysia Palmolein USD/MT	FOB	723	715	8
	CNF India	785	763	22
Indonesia CPO USD/MT	FOB	720	718	2
	CNF India	760	735	25
RBD Palm oil (Malaysia Origin USD/MT)	FOB	720	723	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	725	725	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1025	1020	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	630	628	2
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-

Ukraine Origin CSFO USD/MT Kandla	CIF	858	848	10
Rapeseed Oil Rotterdam Euro/MT	FOB	848	Closed	-
Argentina FOB (\$/MT)		21-Dec-19	20-Dec-19	Change
Crude Soybean Oil Ship		Closed	799	-
Refined Soy Oil (Bulk) Ship		Closed	827	-
Sunflower Oil Ship		Closed	760	-
Cottonseed Oil Ship		Closed	779	-
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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