

Domestic Fundamentals:

- Edible oils complex featured firm trend in various markets centers on Thursday.
- Soy oil and palm oil domestic futures prices rose on weak supply concerns and rise in international benchmarks. 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 1-25 palm oil exports fell 12.8 percent to 1,035,930 tons compared to 1,187,970 tons in corresponding period last month. Top buyers were European Union 251,750 tons (231,275 tons), China at 195,030 tons (290,910 tons) and India & subcontinent 105,100 tons (219,500 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, rise in competing oils and rise in crude oil prices.
- Palm oil end stocks are expected to fall 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 in Dec 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. Palm oil imports by China is expected to remain firm in coming months on stocking ahead of Chinese New Year and lower production of soy oil in China will lead to higher imports palm oil to the country. However, palm oil prices are capped by appreciation of ringgit which makes palm uncompetitive compared to other oils. Rise in oils like soy oil CBOT and RBD palmolein China will support palm oil prices. Rise in crude oil prices are expected to support palm oil prices.
- 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. Most of the US agricultural trade between both countries are in soybeans. China has asked US to rollback 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.

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	15.00	918.00	934.40	916.40	929.40	34,010	5590	44565	-4860
Feb-20	13.80	919.40	935.00	916.00	928.00	24,265	4970	48230	1195

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	-14.40	
Jan-20		-1.40
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	23.00	753.30	777.50	753.00	773.50	1284	547	2345	221
Jan-20	23.50	759.20	784.70	759.20	781.80	3624	1945	4613	-651

Spread
Dec-19
Jan-20
Spot

-14.5

Dec-19

8.3

Jan-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.09	33.72	33.96	33.54	33.87
15-Mar	0.11	33.99	34.25	33.8	34.16
15-May	0.11	34.32	34.54	34.1	34.46
15-Jul	0.09	34.55	34.81	34.4	34.74
15-Aug	0.07	34.6	34.87	34.45	34.77

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	70	2910	2970	2910	2970
15-Feb	82	2932	3008	2931	3004
15-Mar	80	2934	3008	2930	3003
15-Apr	75	2913	2989	2913	2983

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
26/12/2019	6.99	13959	4.133	59.74	71.17	4.08	97.78	61.32

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		26-Dec-19	24-Dec-19	
Refined Soybean Oil	Indore	915	905	10
	Indore (Soy Solvent Crude)	870	870	Unch
	Mumbai	900	890	10
	Mumbai (Soy Degum)	870	862	8
	Kandla/Mundra	900	885	15
	Kandla/Mundra (Soy Degum)	870	862	8
	Kolkata	890	875	15
	Delhi	964	937	27
	Nagpur	903	903	Unch
	Rajkot	920	900	20
	Kota	910	905	5
	Hyderabad	Unq	Unq	-

	Akola	915	905	10
	Amrawati	915	905	10
	Bundi	915	910	5
	Jalna	893	893	Unch
	Solapur	890	890	Unch
	Dhule	894	894	Unch
Palm Oil*	Kandla (Crude Palm Oil)	797	784	13
	Kandla (RBD Palm oil)	840	824	16
	Kandla RBD Pamolein	877	851	26
	Kakinada (Crude Palm Oil)	777	767	11
	Kakinada RBD Pamolein	856	845	11
	Haldia Pamolein	851	845	5
	Chennai RBD Pamolein	861	856	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	922	915	7
	KPT (krishna patnam) Pamolein	856	845	11
	Mumbai RBD Pamolein	887	856	32
	Mangalore RBD Pamolein	872	861	11
	Tuticorin (RBD Palmolein)	861	856	5
	Delhi	905	875	30
	Rajkot	872	845	26
	Hyderabad	835	817	18
	PFAD (Kandla)	541	530	11
	Refined Palm Stearin (Kandla)	777	767	11
	Superolien (Kandla)	893	887	5
	Superolien (Mumbai)	903	893	11
* inclusive of GST				
Refined Sunflower Oil	Chennai	890	875	15
	Mumbai	915	910	5
	Mumbai(Expeller Oil)	865	860	5
	Kandla (Ref.)	900	890	10
	Hyderabad (Ref)	900	890	10
	Latur (Expeller Oil)	840	827	13
	Chellakere (Expeller Oil)	845	832	13
	Erode (Expeller Oil)	940	910	30
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1170	1120	50
	Delhi	1100	1100	Unch
	Hyderabad *	1150	1130	20
	Mumbai	1135	1135	Unch
	Gondal	1125	1125	Unch



	Jamnagar	1125	1125	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	930	940	-10
	Jaipur (Kacchi Ghani Oil)	954	950	4
	Kota (Expeller Oil)	930	930	Unch
	Kota (Kacchi Ghani Oil)	945	950	-5
	Neewai (Expeller Oil)	915	915	Unch
	Neewai (Kacchi Ghani Oil)	940	935	5
	Bharatpur (Kacchi Ghani Oil)	960	950	10
	Sri-Ganga Nagar(Exp Oil)	940	940	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	950	950	Unch
	Mumbai (Expeller Oil)	910	910	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	940	935	5
	Hapur (Expeller Oil)	890	890	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	965	955	10
Refined Cottonseed Oil	Rajkot	880	870	10
	Hyderabad	860	850	10
	Mumbai	880	875	5
	New Delhi	860	835	25
Coconut Oil	Kangayan (Crude)	1365	1400	-35
	Cochin	1485	1485	Unch
Sesame Oil	New Delhi	1500	1500	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	700	697	3
Rice Bran Oil (4%)	Punjab	710	700	10
Malaysia Palmolein USD/MT	FOB	740	728	12
	CNF India	790	785	5
Indonesia CPO USD/MT	FOB	728	723	5
	CNF India	770	765	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	733	725	8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	733	725	8
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1060	1030	30
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	635	630	5
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1020	-

Ukraine Origin CSFO USD/MT Kandla	CIF	840	840	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	848	-
Argentina FOB (\$/MT)		24-Dec-19	23-Dec-19	Change
Crude Soybean Oil Ship		798	798	Unch
Refined Soy Oil (Bulk) Ship		826	826	Unch
Sunflower Oil Ship		760	760	Unch
Cottonseed Oil Ship		778	778	Unch
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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