

**Domestic Fundamentals:**

- Edible oils complex featured firm trend in various markets centers on Friday.
- 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 Indonesia trade ministry, Indonesia will charge export levy on exports of crude palm oil (CPO) at USD 50 per ton from Jan. The reference price is set at USD 729.72 per ton for Jan. Indonesia will charge export duty on exports of CPO above USD 750 per ton and above the threshold levy of USD 570 per ton. USD 10-15 per ton levy will be charged when reference prices rise above threshold prices and will be USD 20-50 per ton if prices rise above USD 619 per ton.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Dec 1-25 palm oil exports fell 15.5 percent to 1,066,943 tons compared to 1,166,676 tons in corresponding period last month. Top buyers were European Union 240,140 tons (293,660 tons), China at 185,691 tons (226,030 tons), India at 81,900 tons (115,900 tons), United States at 48,863 tons (50,970 tons) and Pakistan at 41,000 tons (57,000 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 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.

**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	1.40	939.00	950.00	924.60	937.40	40,480	6470	42750	-1815
Feb-20	-0.80	939.00	948.00	925.80	934.40	32,000	7735	48690	460

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	-12.40	
Jan-20		-3.00
Feb-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-19	21.00	785.70	810.30	770.70	801.00	1284	547	2345	221
Jan-20	14.10	793.60	817.80	776.90	801.30	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	0.36	34.36	34.89	34.36	34.74
15-Mar	0.35	34.64	35.18	34.64	35.02
15-May	0.34	34.92	35.45	34.92	35.29
15-Jul	0.34	35.2	35.74	35.2	35.59
15-Aug	0.41	35.29	35.76	35.29	35.71

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	68	3010	3058	3006	3037
15-Feb	74	3040	3103	3027	3078
15-Mar	67	3036	3103	3024	3072
15-Apr	69	3010	3083	3006	3057

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
27/12/2019	6.99	13954	4.127	59.80	71.35	4.06	97.19	61.85

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-Dec-19	26-Dec-19	
Refined Soybean Oil	Indore	925	915	10
	Indore (Soy Solvent Crude)	880	870	10
	Mumbai	935	900	35
	Mumbai (Soy Degum)	895	870	25
	Kandla/Mundra	930	900	30
	Kandla/Mundra (Soy Degum)	895	870	25
	Kolkata	935	890	45
	Delhi	964	964	Unch
	Nagpur	920	903	17
	Rajkot	930	920	10
	Kota	960	910	50
	Hyderabad	Unq	Unq	-

	Akola	925	915	10
	Amrawati	925	915	10
	Bundi	965	915	50
	Jalna	907	893	14
	Solapur	900	890	10
	Dhule	918	894	24
	Kandla (Crude Palm Oil)	832	797	35
	Kandla (RBD Palm oil)	866	840	26
	Kandla RBD Pamolein	903	877	26
	Kakinada (Crude Palm Oil)	840	777	63
	Kakinada RBD Pamolein	882	856	26
	Haldia Pamolein	882	851	32
	Chennai RBD Pamolein	893	861	32
	Chennai RBD Pamolein (Vitamin A&D Fortified)	949	922	27
	KPT (krishna patnam) Pamolein	882	856	26
	Mumbai RBD Pamolein	908	887	21
	Mangalore RBD Pamolein	903	872	32
	Tuticorin (RBD Palmolein)	898	861	37
	Delhi	932	905	27
	Rajkot	887	872	16
	Hyderabad	850	835	15
	PFAD (Kandla)	551	541	11
	Refined Palm Stearin (Kandla)	840	777	63
	Superolien (Kandla)	914	893	21
	Superolien (Mumbai)	924	903	21
<b>* inclusive of GST</b>				
	Chennai	900	890	10
	Mumbai	930	915	15
	Mumbai(Expeller Oil)	880	865	15
	Kandla (Ref.)	920	900	20
	Hyderabad (Ref)	915	900	15
	Latur (Expeller Oil)	847	840	7
	Chellakere (Expeller Oil)	852	845	7
	Erode (Expeller Oil)	940	940	Unch
	Rajkot	1050	1050	Unch
	Chennai	1170	1170	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1160	1150	10
	Mumbai	1155	1135	20
	Gondal	1135	1125	10

	Jamnagar	1130	1125	<b>5</b>
<b>Rapeseed Oil/Mustard Oil</b>	Jaipur (Expeller Oil)	940	930	<b>10</b>
	Jaipur (Kacchi Ghani Oil)	960	954	<b>6</b>
	Kota (Expeller Oil)	940	930	<b>10</b>
	Kota (Kacchi Ghani Oil)	955	945	<b>10</b>
	Neewai (Expeller Oil)	930	915	<b>15</b>
	Neewai (Kacchi Ghani Oil)	950	940	<b>10</b>
	Bharatpur (Kacchi Ghani Oil)	960	960	<b>Unch</b>
	Sri-Ganga Nagar(Exp Oil)	940	940	<b>Unch</b>
	Sri-Ganga Nagar (Kacchi Ghani Oil)	955	950	<b>5</b>
	Mumbai (Expeller Oil)	920	910	<b>10</b>
	Kolkata(Expeller Oil)	970	970	<b>Unch</b>
	New Delhi (Expeller Oil)	945	940	<b>5</b>
	Hapur (Expeller Oil)	890	890	<b>Unch</b>
	Hapur (Kacchi Ghani Oil)	920	920	<b>Unch</b>
Agra (Kacchi Ghani Oil)	965	965	<b>Unch</b>	
<b>Refined Cottonseed Oil</b>	Rajkot	900	880	<b>20</b>
	Hyderabad	860	860	<b>Unch</b>
	Mumbai	880	880	<b>Unch</b>
	New Delhi	865	860	<b>5</b>
<b>Coconut Oil</b>	Kangayan (Crude)	1365	1365	<b>Unch</b>
	Cochin	1485	1485	<b>Unch</b>
<b>Sesame Oil</b>	New Delhi	1500	1500	<b>Unch</b>
	Mumbai	Unq	Unq	<b>-</b>
<b>Kardi</b>	Mumbai	Unq	Unq	<b>-</b>
<b>Rice Bran Oil (40%)</b>	New Delhi	715	700	<b>15</b>
<b>Rice Bran Oil (4%)</b>	Punjab	725	710	<b>15</b>
<b>Malaysia Palmolein USD/MT</b>	FOB	758	740	<b>18</b>
	CNF India	820	790	<b>30</b>
<b>Indonesia CPO USD/MT</b>	FOB	755	728	<b>27</b>
	CNF India	800	770	<b>30</b>
<b>RBD Palm oil (Malaysia Origin USD/MT)</b>	FOB	755	733	<b>22</b>
<b>RBD Palm Stearin (Malaysia Origin USD/MT)</b>	FOB	750	733	<b>17</b>
<b>RBD Palm Kernel Oil (Malaysia Origin USD/MT)</b>	FOB	1115	1060	<b>55</b>
<b>Palm Fatty Acid Distillate (Malaysia Origin USD/MT)</b>	FOB	645	635	<b>10</b>
<b>Crude palm Kernel Oil India (USD/MT)</b>	CNF India	Unq	1060	<b>-</b>

Ukraine Origin CSFO USD/MT Kandla	CIF	845	840	5
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	Unq	-
<b>Argentina FOB (\$/MT)</b>				
		<b>26-Dec-19</b>	<b>24-Dec-19</b>	<b>Change</b>
Crude Soybean Oil Ship		807	798	9
Refined Soy Oil (Bulk) Ship		835	826	9
Sunflower Oil Ship		765	760	5
Cottonseed Oil Ship		787	778	9
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
<b>* indicates including GST</b>				

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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