

Domestic Fundamentals:

- Edible oil complex featured mostly firm trend at various markets centers on Tuesday.
- Soy oil and palm oil domestic futures prices declined on weak sentiments today and fall in international benchmarks. BMD CPO declined on dull demand. However, 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, 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 Malaysia and Indonesia 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.
- 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 (57,000tons). Values in brackets are figures of corresponding period last month.
- 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.

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	-1.49	952.80	954.00	937.20	938	23210	4,470	39945	-1525
Feb-20	-1.22	949.00	949.40	934.80	936	18725	3,085	51805	1040

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	50	
Jan-20		50
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-1.56	816.60	817.00	797.70	799.5	2658	2,207	4408	2930
Feb-20	-1.61	819.20	821.00	798.00	798.70	632	-1,559	1417	-2960

Spread
Jan-19
Feb-20
Spot

0.5

Jan-19

4

Feb-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.44	34.70	35.22	34.66	35.17
15-Mar	0.41	34.99	35.52	34.95	35.45
15-May	0.43	35.25	35.79	35.22	35.75
15-Jul	0.43	35.54	36.06	35.51	36.04
15-Aug	0.41	35.58	36.08	35.54	36.05

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-53	3015	3118	3010	-
15-Feb	-90	3062	3143	3057	3051
15-Mar	-82	3069	3130	3052	3046
15-Apr	-100	3041	3097	3032	3000

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
31/12/2019	6.96	13874	4.09	59.88	71.33	4.01	96.37	61.03

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Dec-19	30-Dec-19	
Refined Soybean Oil	Indore	950	935	15
	Indore (Soy Solvent Crude)	910	895	15
	Mumbai	945	940	5
	Mumbai (Soy Degum)	910	905	5
	Kandla/Mundra	945	935	10
	Kandla/Mundra (Soy Degum)	910	910	Unch
	Kolkata	940	945	-5
	Delhi	985	985	Unch
	Nagpur	932	932	Unch
	Rajkot	950	940	10
	Kota	960	950	10
	Hyderabad	Unq	Unq	-

	Akola	940	935	5
	Amrawati	940	935	5
	Bundi	965	955	10
	Jalna	940	940	Unch
	Solapur	935	935	Unch
	Dhule	940	940	Unch
Palm Oil*	Kandla (Crude Palm Oil)	853	849	3
	Kandla (RBD Palm oil)	887	877	11
	Kandla RBD Pamolein	919	919	Unch
	Kakinada (Crude Palm Oil)	830	851	-21
	Kakinada RBD Pamolein	893	882	11
	Haldia Pamolein	903	887	16
	Chennai RBD Pamolein	903	903	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	970	956	15
	KPT (krishna patnam) Pamolein	893	893	Unch
	Mumbai RBD Pamolein	924	924	Unch
	Mangalore RBD Pamolein	914	914	Unch
	Tuticorin (RBD Palmolein)	938	914	24
	Delhi	954	943	11
	Rajkot	914	903	11
	Hyderabad	935	910	25
	PFAD (Kandla)	567	567	Unch
	Refined Palm Stearin (Kandla)	830	851	-21
	Superolien (Kandla)	956	914	42
	Superolien (Mumbai)	961	924	37
* inclusive of GST				
Refined Sunflower Oil	Chennai	930	925	5
	Mumbai	960	940	20
	Mumbai(Expeller Oil)	900	900	Unch
	Kandla (Ref.)	950	935	15
	Hyderabad (Ref)	930	920	10
	Latur (Expeller Oil)	875	865	10
	Chellakere (Expeller Oil)	880	870	10
	Erode (Expeller Oil)	960	960	Unch
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	1200	1160	40
	Delhi	1100	1100	Unch
	Hyderabad *	1230	1220	10
	Mumbai	1180	1170	10
	Gondal	1150	1135	15



	Jamnagar	1150	1135	15
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	955	945	10
	Jaipur (Kacchi Ghani Oil)	991	974	17
	Kota (Expeller Oil)	960	950	10
	Kota (Kacchi Ghani Oil)	970	970	Unch
	Neewai (Expeller Oil)	955	945	10
	Neewai (Kacchi Ghani Oil)	975	960	15
	Bharatpur (Kacchi Ghani Oil)	975	975	Unch
	Sri-Ganga Nagar(Exp Oil)	960	945	15
	Sri-Ganga Nagar (Kacchi Ghani Oil)	980	965	15
	Mumbai (Expeller Oil)	950	930	20
	Kolkata(Expeller Oil)	950	940	10
	New Delhi (Expeller Oil)	970	953	17
	Hapur (Expeller Oil)	885	890	-5
	Hapur (Kacchi Ghani Oil)	915	920	-5
	Agra (Kacchi Ghani Oil)	980	980	Unch
Refined Cottonseed Oil	Rajkot	920	910	10
	Hyderabad	915	870	45
	Mumbai	920	880	40
	New Delhi	890	885	5
Coconut Oil	Kangayan (Crude)	1380	1380	Unch
	Cochin	1500	1485	15
Sesame Oil	New Delhi	1500	1500	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	740	735	5
Rice Bran Oil (4%)	Punjab	735	735	Unch
Malaysia Palmolein USD/MT	FOB	780	765	15
	CNF India	840	830	10
Indonesia CPO USD/MT	FOB	785	765	20
	CNF India	820	810	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	778	763	15
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	770	755	15
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1140	1125	15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	660	655	5



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1115	-
Ukraine Origin CSFO USD/MT Kandla	CIF	880	863	17
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	865	-
Argentina FOB (\$/MT)		30-Dec-19	28-Dec-19	Change
Crude Soybean Oil Ship		834	Closed	-
Refined Soy Oil (Bulk) Ship		863	Closed	-
Sunflower Oil Ship		780	Closed	-
Cottonseed Oil Ship		814	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
* 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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