

Domestic Fundamentals:

- Mixed trend are featured in Edible oil complex on Thursday.
- Soy oil and palm oil domestic futures prices declined on demand concerns and fall in international benchmarks. BMD CPO declined on selling pressures. CBOT soy oil improved after buying activities in the market today.
- As per sources, India has reduced the import duty on Crude palm oil from 40% to 37.5% and on refined palm oil from 50% to 45% from January 1, 2020. As a result, duty difference between the imported crude and refined oils comes at 7.5% lower against 10% from previous differences.
- 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 rise 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.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-0.78	945.80	944.40	932.00	938.4	15820	-11,715	31720	-1715
Feb-20	-0.87	945.00	942.80	930.40	936.8	24385	-12,375	53285	-3535

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	11.6	
Jan-20		13
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-1.04	937.00	937.00	924.60	930	1920	-2,365	23230	19349
Feb-20	-0.61	822.10	823.50	808.60	818.7	2894	1,789	3920	2267

Spread

Jan-20

Feb-20

Spot

-81

Jan-20

30

Feb-20

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.48	34.9	35.36	34.88	34.97
15-Mar	0.47	35.11	35.67	35.11	35.24
15-May	0.46	35.41	35.94	35.4	35.52
15-Jul	0.44	35.72	36.23	35.69	35.8
15-Aug	0.45	35.74	36.24	35.71	35.82

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-15	3129	-	-	3110
15-Feb	-15	3171	3083	3250	3126
15-Mar	-13	3140	3114	3129	3117
15-Apr	-8	3092	3050	3190	3099

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
3/1/2020	6.96	13926.06	4.10	59.81	71.75	4.03	96.78	62.82

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Jan-19	2-Jan-20	
Refined Soybean Oil	Indore	950	950	Unch
	Indore (Soy Solvent Crude)	910	910	Unch
	Mumbai	945	945	Unch
	Mumbai (Soy Degum)	905	910	-5
	Kandla/Mundra	945	945	Unch
	Kandla/Mundra (Soy Degum)	905	910	-5
	Kolkata	945	940	5
	Delhi	980	985	-5
	Nagpur	935	932	3
	Rajkot	940	950	-10
	Kota	960	960	Unch

	Hyderabad	Unq	Unq	-
	Akola	940	940	Unch
	Amrawati	940	940	Unch
	Bundi	965	965	Unch
	Jalna	940	940	Unch
	Solapur	938	935	3
	Dhule	940	940	Unch
Palm Oil*	Kandla (Crude Palm Oil)	874	849	24
	Kandla (RBD Palm oil)	887	882	5
	Kandla RBD Pamolein	929	924	5
	Kakinada (Crude Palm Oil)	840	840	Unch
	Kakinada RBD Pamolein	919	914	5
	Haldia Pamolein	919	914	5
	Chennai RBD Pamolein	924	919	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	983	980	3
	KPT (krishna patnam) Pamolein	919	914	5
	Mumbai RBD Pamolein	935	935	Unch
	Mangalore RBD Pamolein	935	929	5
	Tuticorin (RBD Palmolein)	931	929	2
	Delhi	960	960	Unch
	Rajkot	914	914	Unch
	Hyderabad	940	935	5
	PFAD (Kandla)	588	567	21
	Refined Palm Stearin (Kandla)	840	840	Unch
	Superolien (Kandla)	956	956	Unch
	Superolien (Mumbai)	961	961	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	930	930	Unch
	Mumbai	960	960	Unch
	Mumbai(Expeller Oil)	890	890	Unch
	Kandla (Ref.)	950	950	Unch
	Hyderabad (Ref)	930	930	Unch
	Latur (Expeller Oil)	875	875	Unch
	Chellakere (Expeller Oil)	880	880	Unch
	Erode (Expeller Oil)	970	970	Unch
Groundnut Oil	Rajkot	1090	1100	-10
	Chennai	1180	1180	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1220	1220	Unch
	Mumbai	1180	1180	Unch

	Gondal	1125	1130	-5
	Jamnagar	1130	1135	-5
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	965	970	-5
	Jaipur (Kacchi Ghani Oil)	985	990	-5
	Kota (Expeller Oil)	950	960	-10
	Kota (Kacchi Ghani Oil)	982	985	-3
	Neewai (Expeller Oil)	945	960	-15
	Neewai (Kacchi Ghani Oil)	965	975	-10
	Bharatpur (Kacchi Ghani Oil)	990	990	Unch
	Sri-Ganga Nagar(Exp Oil)	960	965	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	975	980	-5
	Mumbai (Expeller Oil)	950	950	Unch
	Kolkata(Expeller Oil)	970	970	Unch
	New Delhi (Expeller Oil)	970	962	8
	Hapur (Expeller Oil)	885	885	Unch
	Hapur (Kacchi Ghani Oil)	915	915	Unch
	Agra (Kacchi Ghani Oil)	995	995	Unch
Refined Cottonseed Oil	Rajkot	905	920	-15
	Hyderabad	910	915	-5
	Mumbai	920	920	Unch
	New Delhi	880	890	-10
Coconut Oil	Kangayan (Crude)	1380	1380	Unch
	Cochin	1500	1500	Unch
Sesame Oil	New Delhi	1450	1500	-50
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	730	735	-5
Rice Bran Oil (4%)	Punjab	735	735	Unch
Malaysia Palmolein USD/MT	FOB	795	783	12
	CNF India	845	840	5
Indonesia CPO USD/MT	FOB	795	790	5
	CNF India	830	820	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	788	778	10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	773	770	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1140	1140	Unch



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	670	660	10
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1110	-
Ukraine Origin CSFO USD/MT Kandla	CIF	880	880	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	855	-
Argentina FOB (\$/MT)		2-Jan-20	31-Dec-19	Change
Crude Soybean Oil Ship		834	834	Unch
Refined Soy Oil (Bulk) Ship		863	863	Unch
Sunflower Oil Ship		780	780	Unch
Cottonseed Oil Ship		814	814	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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