

Domestic Fundamentals:

- Mostly weak tone are featured in Edible oil complex on Tuesday on weak sentiments.
- Soy oil and palm oil domestic futures prices rose on demand concerns. CBOT Soyoil declined on selling pressures however BMD CPO prices increased on buying interests.
- 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	+0.37	917.60	924.00	908.00	917.4	15855	-8,200	23490	-1190
Feb-20	+0.26	917.00	923.80	906.20	916.4	37095	-9,345	51160	1945

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	2.6	
Jan-20		4
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	+1.72	802.90	814.70	797.60	811.00	3722	-751	3794	146
Feb-20	+1.47	803.60	816.70	800.00	812.40	1961	-274	1795	-361

Spread
Jan-20
Feb-20
Spot

49

Jan-20

48

Feb-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.57	34.65	34.65	34.24	34.24
15-Mar	-0.56	34.92	35.18	34.48	34.52
15-May	-0.54	35.25	35.46	34.79	34.83
15-Jul	-0.52	35.54	35.75	35.1	35.15
15-Aug	-0.5	35.58	35.79	35.18	35.21

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	4	3061	-	-	3040
15-Feb	2	3052	2750	3250	3054
15-Mar	5	3046	3042	3056	3047
15-Apr	1	3052	3000	3045	3037

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
7/1/2020	6.94	13890.55	4.09	59.81	71.84	4.08	97.08	62.23

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Jan-20	6-Jan-20	
Refined Soybean Oil	Indore	920	930	-10
	Indore (Soy Solvent Crude)	875	885	-10
	Mumbai	945	950	-5
	Mumbai (Soy Degum)	890	900	-10
	Kandla/Mundra	940	945	-5
	Kandla/Mundra (Soy Degum)	902	905	-3
	Kolkata	935	945	-10
	Delhi	985	985	Unch
	Nagpur	916	950	-34
	Rajkot	930	930	Unch
	Kota	930	940	-10



	Hyderabad	Unq	Unq	-
	Akola	922	938	-16
	Amrawati	921	953	-32
	Bundi	935	945	-10
	Jalna	921	927	-6
	Solapur	914	920	-6
	Dhule	927	931	-4
Palm Oil*	Kandla (Crude Palm Oil)	860	860	Unch
	Kandla (RBD Palm oil)	882	882	Unch
	Kandla RBD Pamolein	924	929	-5
	Kakinada (Crude Palm Oil)	845	845	Unch
	Kakinada RBD Pamolein	908	914	-5
	Haldia Pamolein	903	914	-11
	Chennai RBD Pamolein	919	919	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	980	980	Unch
	KPT (krishna patnam) Pamolein	908	914	-5
	Mumbai RBD Pamolein	924	929	-5
	Mangalore RBD Pamolein	924	924	Unch
	Tuticorin (RBD Palmolein)	924	924	Unch
	Delhi	962	954	8
	Rajkot	914	914	Unch
	Hyderabad	940	930	10
	PFAD (Kandla)	583	588	-5
	Refined Palm Stearin (Kandla)	845	845	Unch
	Superolien (Kandla)	956	956	Unch
	Superolien (Mumbai)	961	961	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	920	930	-10
	Mumbai	960	960	Unch
	Mumbai(Expeller Oil)	880	890	-10
	Kandla (Ref.)	945	950	-5
	Hyderabad (Ref)	920	925	-5
	Latur (Expeller Oil)	880	875	5
	Chellakere (Expeller Oil)	885	880	5
	Erode (Expeller Oil)	970	975	-5
Groundnut Oil	Rajkot	1100	1100	Unch
	Chennai	1150	1150	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1200	1220	-20
	Mumbai	1140	1180	-40

	Gondal	1075	1100	-25
	Jamnagar	1075	1100	-25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	940	960	-20
	Jaipur (Kacchi Ghani Oil)	960	978	-18
	Kota (Expeller Oil)	930	940	-10
	Kota (Kacchi Ghani Oil)	950	965	-15
	Neewai (Expeller Oil)	925	935	-10
	Neewai (Kacchi Ghani Oil)	940	950	-10
	Bharatpur (Kacchi Ghani Oil)	960	960	Unch
	Sri-Ganga Nagar(Exp Oil)	925	960	-35
	Sri-Ganga Nagar (Kacchi Ghani Oil)	945	975	-30
	Mumbai (Expeller Oil)	940	950	-10
	Kolkata(Expeller Oil)	1000	980	20
	New Delhi (Expeller Oil)	930	950	-20
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	965	965	Unch
Refined Cottonseed Oil	Rajkot	900	900	Unch
	Hyderabad	875	880	-5
	Mumbai	920	920	Unch
	New Delhi	853	863	-10
Coconut Oil	Kangayan (Crude)	1360	1360	Unch
	Cochin	1500	1500	Unch
Sesame Oil	New Delhi	1420	1450	-30
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	710	723	-13
Rice Bran Oil (4%)	Punjab	735	735	Unch
Malaysia Palmolein USD/MT	FOB	788	790	-2
	CNF India	825	825	Unch
Indonesia CPO USD/MT	FOB	785	793	-8
	CNF India	820	820	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	785	785	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	770	768	2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1100	1120	-20



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	678	670	8
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1075	-
Ukraine Origin CSFO USD/MT Kandla	CIF	865	880	-15
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	880	-
Argentina FOB (\$/MT)		6-Jan-20	4-Jan-20	Change
Crude Soybean Oil Ship		816	Close d	-
Refined Soy Oil (Bulk) Ship		845	Close d	-
Sunflower Oil Ship		795	Close d	-
Cottonseed Oil Ship		796	Close d	-
Refined Linseed Oil (Bulk) Ship		Unq	Close d	-
* 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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