

Domestic Fundamentals:

- Edible oil complex featured mixed tone at various market centers on Friday.
- Soy oil and palm oil domestic futures prices rose on demand prospects. CBOT soy oil rose on global buying due to US-Iran tensions while BMD CPO prices increased on lower supply concerns.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's December palm oil stocks fell 1099 percent to 20.07 lakh tons compared to 22.55 lakh tons in November 2019. Production of palm oil in Dec fell 13.27 percent to 13.34 lakh tons compared to 15.38 lakh tons in Nov 2019. Exports of palm oil in Dec fell 0.67 percent to 13.96 lakh tons compared to 14.06 lakh tons in Nov 2019. Imports of palm oil in Dec rose 64.73 percent to 1.23 lakh tons compared to 0.75 lakh tons in Nov 2019. End stocks of palm oil fell more compared to trade expectation. Fall in stocks was due to lower production partially setoff by fall in exports of palm oil.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Jan 1-10 palm oil exports rose 21.6 percent to 457,831 tons compared to 376,659 tons in corresponding period last month. Top buyers were European Union 152,641 tons (95,620 tons), United States at 51,300 tons (29,300 tons), China at 49,580 tons (40,980 tons), Pakistan at 44,000 tons (41,000 tons) India at 18,500 tons (31,300 tons). Values in brackets are figures of corresponding period last month.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Jan 1-10 palm oil exports rose 29.8 percent to 468,871 tons compared to 361,220 tons in corresponding period last month. Top buyers were European Union 123,031 tons (86,000 tons), India & subcontinent 94,400 tons (36,500 tons) and China at 63,580 tons (82,630 tons). Values in brackets are figures of corresponding period last month.
- According to ministry of commerce & industry notification no 39/2015-2020 dated 8th January, Indian has placed RBD palmolein imports to "Restricted" category from "Free", which means that India has restricted imports of RBD palmolein from all destinations and any import will be only possible after permission from DGFT. So, RBD palmolein is removed from Open General License. This comes amid India-Malaysia tensions on Malaysia raising Kashmir issue at UN which has prompted India to retaliate. India imports RBD palmolein mainly from Malaysia. This will mean that any permission on imports of RBD palmolein will be only from Indonesia. This step is welcome step of palm oil refining industry which is reeling under overcapacity and rising debt. This step will increase capacity utilization and a welcome step from India refining industry. Further, this step will support farmers by restricting imports will get more incentive to grow oilseeds.
- Palm oil prices are expected to rise supported by fall in end stocks of palm oil in Malaysia, fall in production of palm oil in Malaysia, rise in exports of palm oil from Malaysia and Indonesia, higher use of palm oil in biodiesel in Malaysia and Indonesia, flood conditions in Indonesia and Malaysia, rise in competing oils and rise in crude 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, rise in crude oil prices due to US-Iran tensions, hike in export duty on soy oil by new Argentina government, low stocks of soy oil in US, and firm demand of soybean from China.

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	5.40	934.00	941.00	930.40	937.40	6,155	-6670	17120	-5195
Feb-20	4.40	931.00	940.20	930.00	935.40	24,680	-16115	67695	9790

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	9.60	
Jan-20		-2.00
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	4.90	830.00	839.80	826.50	835.00	1747	-2189	3888	146
Feb-20	6.40	832.80	844.00	830.50	840.00	1355	-588	2173	234

Spread
Jan-20
Feb-20
Spot

6.0

Jan-20

5

Feb-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.09	34.44	34.44	34.44	34.44
15-Mar	0.07	34.72	34.89	34.54	34.71
15-May	0.06	35	35.19	34.84	35
15-Jul	0.11	35.31	35.51	35.18	35.39
15-Aug	0.08	35.36	35.59	35.24	35.41

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	24	3035	3132	3035	3132
15-Feb	25	3108	3155	3100	3147
15-Mar	26	3100	3150	3088	3136
15-Apr	29	3068	3122	3061	3112

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
9/1/2020	6.92	13759	4.077	59.73	70.93	4.09	97.51	59.67

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		10-Jan-20	9-Jan-20	
Refined Soybean Oil	Indore	947	940	7
	Indore (Soy Solvent Crude)	890	930	-40
	Mumbai	955	955	Unch
	Mumbai (Soy Degum)	910	905	5
	Kandla/Mundra	940	950	-10
	Kandla/Mundra (Soy Degum)	910	910	Unch
	Kolkata	945	950	-5
	Delhi	985	985	Unch
	Nagpur	948	948	Unch
	Rajkot	930	930	Unch
	Kota	940	940	Unch

	Hyderabad	Unq	Unq	-
	Akola	950	950	Unch
	Amrawati	948	945	3
	Bundi	945	945	Unch
	Jalna	935	935	Unch
	Solapur	914	914	Unch
	Dhule	937	937	Unch
Palm Oil*	Kandla (Crude Palm Oil)	884	876	8
	Kandla (RBD Palm oil)	908	903	5
	Kandla RBD Pamolein	935	945	-11
	Kakinada (Crude Palm Oil)	861	861	Unch
	Kakinada RBD Pamolein	935	935	Unch
	Haldia Pamolein	929	935	-5
	Chennai RBD Pamolein	940	940	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1003	1003	Unch
	KPT (krishna patnam) Pamolein	935	935	Unch
	Mumbai RBD Pamolein	950	950	Unch
	Mangalore RBD Pamolein	945	945	Unch
	Tuticorin (RBD Palmolein)	950	950	Unch
	Delhi	975	965	10
	Rajkot	924	924	Unch
	Hyderabad	950	950	Unch
	PFAD (Kandla)	593	593	Unch
	Refined Palm Stearin (Kandla)	861	861	Unch
	Superolien (Kandla)	982	982	Unch
	Superolien (Mumbai)	987	987	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	940	925	15
	Mumbai	970	960	10
	Mumbai(Expeller Oil)	890	890	Unch
	Kandla (Ref.)	945	945	Unch
	Hyderabad (Ref)	940	935	5
	Latur (Expeller Oil)	873	873	Unch
	Chellakere (Expeller Oil)	878	878	Unch
	Erode (Expeller Oil)	975	970	5
Groundnut Oil	Rajkot	1150	1125	25
	Chennai	1170	1130	40
	Delhi	1100	1100	Unch
	Hyderabad *	1200	1200	Unch
	Mumbai	1140	1130	10

	Gondal	1085	1085	Unch
	Jamnagar	1085	1085	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	930	950	-20
	Jaipur (Kacchi Ghani Oil)	954	970	-16
	Kota (Expeller Oil)	940	940	Unch
	Kota (Kacchi Ghani Oil)	940	940	Unch
	Neewai (Expeller Oil)	925	925	Unch
	Neewai (Kacchi Ghani Oil)	942	942	Unch
	Bharatpur (Kacchi Ghani Oil)	970	970	Unch
	Sri-Ganga Nagar(Exp Oil)	930	925	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	945	935	10
	Mumbai (Expeller Oil)	950	950	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	935	945	-10
	Hapur (Expeller Oil)	890	890	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	975	975	Unch
Refined Cottonseed Oil	Rajkot	915	910	5
	Hyderabad	910	900	10
	Mumbai	917	900	17
	New Delhi	885	870	15
Coconut Oil	Kangayan (Crude)	1360	1360	Unch
	Cochin	1510	1510	Unch
Sesame Oil	New Delhi	1450	1450	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	715	715	Unch
Rice Bran Oil (4%)	Punjab	735	735	Unch
Malaysia Palmolein USD/MT	FOB	793	790	3
	CNF India	845	830	15
Indonesia CPO USD/MT	FOB	810	790	20
	CNF India	850	850	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	790	788	2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	778	775	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1090	1090	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	690	685	5

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1070	-
Ukraine Origin CSFO USD/MT Kandla	CIF	875	870	5
Rapeseed Oil Rotterdam Euro/MT	FOB	880	880	Unch
Argentina FOB (\$/MT)		9-Jan-20	8-Jan-20	Change
Crude Soybean Oil Ship		830	824	6
Refined Soy Oil (Bulk) Ship		859	853	6
Sunflower Oil Ship		795	795	Unch
Cottonseed Oil Ship		810	804	6
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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