

Domestic Fundamentals:

- Edible oil complex featured mixed tone at various market centers on Monday.
- Soy oil and palm oil domestic futures prices fell on fall in international benchmarks and weak demand concerns. BMD CPO fell technical selling and CBOT soy oil fell on profit booking and fall in crude oil prices.
- 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.
- 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, India 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.

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	-1.20	931.20	939.80	931.20	934.60	8,660	2505	15200	-1920
Feb-20	-5.20	926.20	933.80	925.00	926.00	20,490	-4190	65200	-2495

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	15.40	
Jan-20		-8.60
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-6.00	833.00	836.50	829.50	831.60	1492	-255	4051	163
Feb-20	-5.50	837.20	841.30	834.50	837.00	1094	-261	2371	198

Spread
Jan-20
Feb-20
Spot

13.4

Jan-20

5.4

Feb-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.27	34.08	34.08	33.8	33.8
15-Mar	-0.25	34.45	34.55	34.07	34.1
15-May	-0.27	34.77	34.86	34.39	34.39
15-Jul	-0.27	35.09	35.2	34.73	34.73
15-Aug	-0.24	35.15	35.27	34.81	34.81

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-39	3140	3140	3104	3106
15-Feb	-43	3135	3135	3086	3091
15-Mar	-49	3109	3109	3058	3061
15-Apr	-58	3061	3062	3011	3012

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
13/1/2020	6.89	13657	4.062	59.74	70.86	4.09	97.50	58.95

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-Jan-20	11-Jan-20	
Refined Soybean Oil	Indore	950	950	Unch
	Indore (Soy Solvent Crude)	900	890	10
	Mumbai	955	950	5
	Mumbai (Soy Degum)	905	905	Unch
	Kandla/Mundra	945	940	5
	Kandla/Mundra (Soy Degum)	910	908	2
	Kolkata	945	945	Unch
	Delhi	980	985	-5
	Nagpur	948	948	Unch
	Rajkot	930	930	Unch
	Kota	935	940	-5

	Hyderabad	Unq	Unq	-
	Akola	949	952	-3
	Amrawati	948	950	-2
	Bundi	940	945	-5
	Jalna	935	935	Unch
	Solapur	914	914	Unch
	Dhule	937	937	Unch
Palm Oil*	Kandla (Crude Palm Oil)	887	887	Unch
	Kandla (RBD Palm oil)	908	903	5
	Kandla RBD Pamolein	945	945	Unch
	Kakinada (Crude Palm Oil)	861	861	Unch
	Kakinada RBD Pamolein	935	935	Unch
	Haldia Pamolein	929	929	Unch
	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	956	956	Unch
	Mangalore RBD Pamolein	945	950	-5
	Tuticorin (RBD Palmolein)	950	956	-5
	Delhi	960	975	-15
	Rajkot	924	924	Unch
	Hyderabad	950	950	Unch
	PFAD (Kandla)	599	599	Unch
	Refined Palm Stearin (Kandla)	861	861	Unch
	Superolien (Kandla)	982	977	5
	Superolien (Mumbai)	987	987	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	940	940	Unch
	Mumbai	970	970	Unch
	Mumbai(Expeller Oil)	895	890	5
	Kandla (Ref.)	945	950	-5
	Hyderabad (Ref)	940	940	Unch
	Latur (Expeller Oil)	880	880	Unch
	Chellakere (Expeller Oil)	885	885	Unch
	Erode (Expeller Oil)	970	970	Unch
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1115	1170	-55
	Delhi	1100	1100	Unch
	Hyderabad *	1200	1200	Unch
	Mumbai	1170	1140	30

	Gondal	Closed	1115	-
	Jamnagar	Closed	1115	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	930	930	Unch
	Jaipur (Kacchi Ghani Oil)	950	950	Unch
	Kota (Expeller Oil)	920	940	-20
	Kota (Kacchi Ghani Oil)	945	945	Unch
	Neewai (Expeller Oil)	910	917	-7
	Neewai (Kacchi Ghani Oil)	925	935	-10
	Bharatpur (Kacchi Ghani Oil)	945	950	-5
	Sri-Ganga Nagar(Exp Oil)	935	935	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	950	950	Unch
	Mumbai (Expeller Oil)	950	950	Unch
	Kolkata(Expeller Oil)	1000	1000	Unch
	New Delhi (Expeller Oil)	925	935	-10
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	925	925	Unch
	Agra (Kacchi Ghani Oil)	950	955	-5
Refined Cottonseed Oil	Rajkot	910	915	-5
	Hyderabad	910	910	Unch
	Mumbai	930	920	10
	New Delhi	888	885	3
Coconut Oil	Kangayan (Crude)	1360	1360	Unch
	Cochin	1520	1520	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	750	735	15
Malaysia Palmolein USD/MT	FOB	795	798	-3
	CNF India	845	845	Unch
Indonesia CPO USD/MT	FOB	813	815	-2
	CNF India	845	850	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	793	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	780	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1080	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	693	Closed	-

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	880	880	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	Closed	-
Argentina FOB (\$/MT)		11-Jan-20	10-Jan-20	Change
Crude Soybean Oil Ship		Closed	831	-
Refined Soy Oil (Bulk) Ship		Closed	860	-
Sunflower Oil Ship		Closed	795	-
Cottonseed Oil Ship		Closed	811	-
Refined Linseed Oil (Bulk) Ship		Closed	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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