

Domestic Fundamentals:

- Edible oil complex featured mostly weak tone at various market centers on Wednesday.
- 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.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Jan 1-15 palm oil exports rose 5.8 percent to 580,421 tons compared to 548,780 tons in corresponding period last month. Top buyers were European Union 147,411 tons (168,880 tons), India & subcontinent 105,400 tons (52,500 tons) and China at 86,480 tons (101,130 tons). Values in brackets are figures of corresponding period last month.
- According to China's General Administration of Customs (CNGOIC), China's December edible vegetable oils imports rose 14.6 percent m-o-m to 9.04 LT from 10.59 LT in November 2019. Imports in Dec was higher by 21.8 percent compared to Dec 2018 which was reported at 7.42 LT. Year to date imports of edible vegetable oil rose 51.5 percent to 95.33 lakh tons.
- According to China's General Administration of Customs (CNGOIC), China's Dec soybean imports rose 15.3 percent to 9.54 MMT from 8.28 MMT in Nov 2019. Imports in Dec are 66.80percent higher than Dec 2018 import of 5.72 MMT. Year to date soybean imports rose 0.5 percent to 88.511 MMT.
- Palm oil prices are expected to be 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. Palm oil end stocks fell in Malaysia in Dec on big fall in production and slow fall in exports to reach 2 MMT from 2.2 MMT. Palm oil end stocks are expected to fall further in Jan due to fall in production and rise in exports. Production is expected to fall in Malaysia and Indonesia due to seasonal fall in production, adverse effect of haze which occurred last year and lower use of fertilizers in first half of 2019 due to lower prices. Production of Malaysia is expected to fall in Malaysia in 2020 compared to 2019 due to above adverse factors. Production of palm oil is expected to rise modestly in Indonesia in 2020 due to maturing trees despite adverse factors. Stocks of palm oil is expected to fall in Indonesia in coming months due to seasonally weak production and surge in use of biodiesel. Exports of palm oil is expected to remain firm from Malaysia due to higher demand from China and EU despite weak demand from India. Import demand of palm oil is expected to rise from China due to lower supply of soy oil in the country due to lower imports if soybean on fall in swine count due to deadly swine flu cutting half breed of swine in China. Imports from India is expected to remain benign due India placing RBD palmolein imports to restricted list from free thereby ending OGL of RBD palmolein. Further India has asked its importers to refrain from buying palm oil from Malaysia due to Malaysia's stand on CAA and Kashmir issue. This will lead to surge in imports of CPO from Indonesia.
- Soy oil international prices are supported by US-China trade settlement optimism, rise in crude oil prices due to US-Iran tensions, and fall in stocks of soy oil in US, higher demand of soybean from China. However, higher production of soybean in South America will cap gains.

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	-9.40	928.20	935.80	917.60	918.80	4,465	-5575	7000	-1095
Feb-20	-7.60	914.00	915.60	898.20	904.60	30,980	-6520	64020	-1365

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	1.20	
Jan-20		-14.20
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-16.90	824.40	827.10	799.80	806.70	2118	110	3473	-314
Feb-20	-17.80	828.00	830.00	802.00	808.90	2497	530	2946	117

Spread
Jan-20
Feb-20
Spot

10.3

Jan-20

2.2

Feb-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.22	34.08	34.11	33.7	33.85
15-Mar	-0.24	34.38	34.43	34.03	34.16
15-May	-0.22	34.76	34.78	34.39	34.54
15-Jul	-0.17	34.8	34.84	34.49	34.64
15-Aug	-0.24	34.87	34.87	34.58	34.63

-0.22

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-48	3063	3063	2979	2982
15-Feb	-60	3021	3038	2943	2945
15-Mar	-69	2992	3012	2907	2909
15-Apr	-67	2956	2970	2867	2870

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
15/1/2020	6.89	13676	4.075	59.99	70.81	4.13	97.27	58.34

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-Jan-20	14-Jan-20	
Refined Soybean Oil	Indore	920	945	-25
	Indore (Soy Solvent Crude)	875	900	-25
	Mumbai	950	950	Unch
	Mumbai (Soy Degum)	895	900	-5
	Kandla/Mundra	940	945	-5
	Kandla/Mundra (Soy Degum)	892	900	-8
	Kolkata	935	935	Unch
	Delhi	975	975	Unch
	Nagpur	Closed	941	-
	Rajkot	910	930	-20
	Kota	930	930	Unch

	Hyderabad	Unq	Unq	-
	Akola	Closed	945	-
	Amrawati	Closed	945	-
	Bundi	935	935	Unch
	Jalna	Closed	940	-
	Solapur	Closed	925	-
	Dhule	Closed	933	-
Palm Oil*	Kandla (Crude Palm Oil)	858	865	-7
	Kandla (RBD Palm oil)	898	903	-5
	Kandla RBD Pamolein	935	940	-5
	Kakinada (Crude Palm Oil)	-	866	-
	Kakinada RBD Pamolein	929	935	-5
	Haldia Pamolein	929	935	-5
	Chennai RBD Pamolein	935	940	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	1000	1003	-3
	KPT (krishna patnam) Pamolein	929	935	-5
	Mumbai RBD Pamolein	950	950	Unch
	Mangalore RBD Pamolein	945	950	-5
	Tuticorin (RBD Palmolein)	-	961	-
	Delhi	955	955	Unch
	Rajkot	903	924	-21
	Hyderabad	Closed	950	-
	PFAD (Kandla)	588	593	-5
	Refined Palm Stearin (Kandla)	-	866	-
	Superolien (Kandla)	982	982	Unch
	Superolien (Mumbai)	987	987	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	Closed	940	-
	Mumbai	970	970	Unch
	Mumbai(Expeller Oil)	880	890	-10
	Kandla (Ref.)	945	945	Unch
	Hyderabad (Ref)	Closed	938	-
	Latur (Expeller Oil)	Closed	880	-
	Chellakere (Expeller Oil)	Closed	885	-
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	1170	1150	20
	Chennai	Closed	1130	-
	Delhi	1100	1100	Unch
	Hyderabad *	Closed	1200	-
	Mumbai	1150	1160	-10

	Gondal	Closed	Closed	-
	Jamnagar	Closed	Closed	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	915	915	Unch
	Jaipur (Kacchi Ghani Oil)	932	950	-18
	Kota (Expeller Oil)	930	930	Unch
	Kota (Kacchi Ghani Oil)	930	930	Unch
	Neewai (Expeller Oil)	890	Closed	-
	Neewai (Kacchi Ghani Oil)	905	Closed	-
	Bharatpur (Kacchi Ghani Oil)	920	940	-20
	Sri-Ganga Nagar(Exp Oil)	910	910	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	930	930	Unch
	Mumbai (Expeller Oil)	945	945	Unch
	Kolkata(Expeller Oil)	1040	1000	40
	New Delhi (Expeller Oil)	915	915	Unch
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	925	925	Unch
	Agra (Kacchi Ghani Oil)	925	945	-20
Refined Cottonseed Oil	Rajkot	885	910	-25
	Hyderabad	Closed	895	-
	Mumbai	915	925	-10
	New Delhi	875	875	Unch
Coconut Oil	Kangayan (Crude)	Closed	Closed	-
	Cochin	1510	1510	Unch
Sesame Oil	New Delhi	1420	1420	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	710	710	Unch
Rice Bran Oil (4%)	Punjab	750	750	Unch
Malaysia Palmolein USD/MT	FOB	780	790	-10
	CNF India	810	840	-30
Indonesia CPO USD/MT	FOB	795	808	-13
	CNF India	830	840	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	775	788	-13
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	770	780	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1025	1060	-35
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	685	693	-8

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1070	-
Ukraine Origin CSFO USD/MT Kandla	CIF	868	880	-12
Rapeseed Oil Rotterdam Euro/MT	FOB	855	860	-5
Argentina FOB (\$/MT)		14-Jan-20	13-Jan-20	Change
Crude Soybean Oil Ship		822	822	Unch
Refined Soy Oil (Bulk) Ship		851	851	Unch
Sunflower Oil Ship		800	800	Unch
Cottonseed Oil Ship		802	802	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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