

Domestic Fundamentals:

- Edible oil complex featured weak tone at various market centers on Friday.
- Soy oil and palm oil domestic futures prices fell on fall in international benchmarks and weak demand concerns. BMD CPO fell on weak demand concerns and CBOT soy oil fell as US-China trade optimism faded.
- According to Solvent Extractors Association (SEA), India's December edible oil imports fell 3.41 percent y-o-y to 11.07 lakh tons from 11.46 lakh tons in Dec 2018. Palm oil imports in Dec fell 8.62 percent y-o-y to 7.42 lakh tons from 8.12 lakh tons in Dec 2018. CPO imports fell 5.67 percent in Dec y-o-y to 6.32 lakh tons from 6.70 lakh tons in Dec 2018. RBD palmolein imports fell by 27.48 percent in Dec y-o-y to 0.95 lakh tons from 1.31 lakh tons in Dec 2018. Soy oil imports rose 97.65 percent in Dec y-o-y to 1.68 lakh tons from 0.85 lakh tons in Dec 2018. Sunflower oil imports fell 16.1 percent y-o-y in Dec to 1.98 lakh tons from 2.36 lakh tons in Dec 2018. Rapeseed (canola) oil imports in Dec was zero compared to zero imports in Dec 2018.
- According to Solvent Extractors Association (SEA), India's December edible oil stocks at ports and pipelines fell 9.0 percent m-o-m to 13.75 lakh tons from 15.11 lakh tons in November 2019. Stocks of edible oil at ports in December fell to 860,000 tons (CPO 430,000 tons, RBD Palmolein 180,000 tons, Degummed Soybean Oil 135,000 tons and Crude Sunflower Oil 115,000 ton) and about 515,000 tons in pipelines. (Stocks at ports were 881,000 tons and in pipelines were 590,000 tons in November 2019). India is presently holding 22 days of edible oil requirement on 1st Jan, 2020 at 13.75 lakh tons compared to 24 days of requirements last month at 15.11 lakh tons last month. India held 20.25 lakh tons of stocks in ports and pipelines on 1st Jan 2019. India's monthly edible oil requirement is 19.0 lakh tons.
- 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.

Outlook: Edible oil basket is expected to feature sideways to weak tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-6.20	909.80	909.80	898.00	904.00	850	-3660	4730	-550
Feb-20	-5.40	890.20	893.00	871.20	883.80	35,995	-5665	56840	-1920

Prices & Vol-OI are at 5:30 PM

Spread	Jan-20	Feb-20
Spot	16.00	
Jan-20		-20.20
Feb-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-20	-9.30	793.30	802.40	775.10	788.70	2492	338	3653	61
Feb-20	-7.40	789.00	797.00	773.10	785.10	2559	236	3913	446

Spread

Jan-20

Feb-20

Spot

20.3

Jan-20

-3.6

Feb-20

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.16	33.1	33.19	32.82	32.87
15-May	-0.16	33.42	33.51	33.15	33.21
15-Jul	-0.17	33.82	33.88	33.52	33.57
15-Aug	-0.15	33.86	33.97	33.62	33.67
15-Sep	-0.17	34	34	33.73	33.73

-0.22

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-43	2978	2983	2908	2925
15-Mar	-38	2926	2936	2857	2885
15-Apr	-43	2888	2902	2816	2843
15-Jun	-42	2855	2865	2779	2806

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
17/1/2020	6.86	13648	4.054	59.88	70.90	4.19	97.18	58.91

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		17-Jan-20	16-Jan-20	
Refined Soybean Oil	Indore	920	920	Unch
	Indore (Soy Solvent Crude)	870	885	-15
	Mumbai	905	945	-40
	Mumbai (Soy Degum)	885	885	Unch
	Kandla/Mundra	920	940	-20
	Kandla/Mundra (Soy Degum)	870	885	-15
	Kolkata	925	935	-10
	Delhi	945	950	-5
	Nagpur	922	922	Unch
	Rajkot	890	890	Unch
	Kota	910	910	Unch

	Hyderabad	Unq	Closed	-
	Akola	925	925	Unch
	Amrawati	925	924	1
	Bundi	915	915	Unch
	Jalna	923	923	Unch
	Solapur	900	900	Unch
	Dhule	923	923	Unch
Palm Oil*	Kandla (Crude Palm Oil)	848	870	-22
	Kandla (RBD Palm oil)	887	893	-5
	Kandla RBD Pamolein	903	919	-16
	Kakinada (Crude Palm Oil)	830	866	-37
	Kakinada RBD Pamolein	914	924	-11
	Haldia Pamolein	919	924	-5
	Chennai RBD Pamolein	919	935	-16
	Chennai RBD Pamolein (Vitamin A&D Fortified)	973	1000	-26
	KPT (krishna patnam) Pamolein	914	924	-11
	Mumbai RBD Pamolein	914	945	-32
	Mangalore RBD Pamolein	919	935	-16
	Tuticorin (RBD Palmolein)	945	961	-16
	Delhi	925	935	-10
	Rajkot	898	903	-5
	Hyderabad	930	950	-20
	PFAD (Kandla)	578	578	Unch
	Refined Palm Stearin (Kandla)	830	866	-37
	Superolien (Kandla)	924	982	-58
	Superolien (Mumbai)	945	987	-42
* inclusive of GST				
Refined Sunflower Oil	Chennai	940	940	Unch
	Mumbai	920	960	-40
	Mumbai(Expeller Oil)	880	880	Unch
	Kandla (Ref.)	925	940	-15
	Hyderabad (Ref)	938	938	Unch
	Latur (Expeller Oil)	880	880	Unch
	Chellakere (Expeller Oil)	885	885	Unch
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	1100	1140	-40
	Chennai	1130	1130	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1200	1200	Unch
	Mumbai	1140	1150	-10

	Gondal	1090	1100	-10
	Jamnagar	1090	1100	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	898	898	Unch
	Jaipur (Kacchi Ghani Oil)	915	915	Unch
	Kota (Expeller Oil)	910	900	10
	Kota (Kacchi Ghani Oil)	910	910	Unch
	Neewai (Expeller Oil)	885	885	Unch
	Neewai (Kacchi Ghani Oil)	900	900	Unch
	Bharatpur (Kacchi Ghani Oil)	885	900	-15
	Sri-Ganga Nagar(Exp Oil)	890	890	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	900	900	Unch
	Mumbai (Expeller Oil)	930	930	Unch
	Kolkata(Expeller Oil)	1040	1040	Unch
	New Delhi (Expeller Oil)	900	908	-8
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	925	925	Unch
	Agra (Kacchi Ghani Oil)	890	905	-15
Refined Cottonseed Oil	Rajkot	880	900	-20
	Hyderabad	880	895	-15
	Mumbai	900	910	-10
	New Delhi	845	850	-5
Coconut Oil	Kangayan (Crude)	Closed	Closed	-
	Cochin	1520	1510	10
Sesame Oil	New Delhi	1400	1400	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	695	702	-7
Rice Bran Oil (4%)	Punjab	750	750	Unch
Malaysia Palmolein USD/MT	FOB	768	768	Unch
	CNF India	800	798	2
Indonesia CPO USD/MT	FOB	795	793	2
	CNF India	810	820	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	765	765	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	765	765	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1010	1020	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	685	685	Unch

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	1040	-
Ukraine Origin CSFO USD/MT Kandla	CIF	878	873	5
Rapeseed Oil Rotterdam Euro/MT	FOB	830	838	-8
Argentina FOB (\$/MT)		16-Jan-20	15-Jan-20	Change
Crude Soybean Oil Ship		800	810	-10
Refined Soy Oil (Bulk) Ship		828	838	-10
Sunflower Oil Ship		800	800	Unch
Cottonseed Oil Ship		780	790	-10
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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