

Domestic Fundamentals:

- Edible oil complex featured mixed tone at various market centers on Saturday.
- Soy oil and palm oil futures fell on fall in international benchmarks. BMD CPO fell on weak global demand prospects and CBOT soy oil fell on fading US-China trade optimism and higher soybean crop in South America.
- Soy oil prices are expected to be underpinned by negative import parity and negative refining margins, lower demand of soy meal from India leading to lower soybean prices in India. Lower premium over palm oil will limit losses.
- Soy oil international prices are expected to be underpinned by fading US-China trade settlement optimism amid higher demand of soybean by China, fall in competing oils and fall in crude oil prices. Rise in stocks of soy oil in US and expectation of higher crop of soybean in South America will support losses.
Soybean crop of Argentina is in good condition and planting of soybean is almost complete. With rains in growing regions moisture is adequate for crop development and increase yield of soybean crop.
- US-China trade agreement has been signed where China has vowed to purchase major amount of soybean in next two years. This will lead to higher exports of soybean to China if China adheres to the trade agreement. China is expected to purchase incremental amount of soybean to increase swine count in the country. However, market is still waiting for major China soybean purchase from US. Further, soybean harvest is expected to start by the end of this month and prices of Brazil are quoted below US.
- Palm oil prices are expected to be underpinned by expectation of rise in end stocks of palm oil in Malaysia, fall in exports of palm oil from Malaysia, appreciation of Ringgit and fall in competing oils.
Fall in production of palm oil in Malaysia, higher use of palm oil in biodiesel in Malaysia and Indonesia and rise in crude oil prices is expected to limit losses.
Palm oil end stocks are expected to rise in Jan due to fall in exports amid rise in production of palm oil.
Palm oil exports are expected to fall from Malaysia due to weak demand from India and China.
Import demand of palm oil is expected to fall from China due to US-China trade settlement which will lead to higher imports of soybean will lead to higher supply of soy oil in the country leading to lower imports. Imports of palm oil will slow due to higher prices of palm oil as China is prices sensitive country and stocking of palm oil will be over after Chinese New Year.
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. Further imports will fall due to higher prices of palm oil and higher stocks of palm oil at Indian ports. This will lead to surge in imports of CPO from Indonesia.
Production is expected to fall in Malaysia and Indonesia due to seasonal downtrend of production, adverse effect of haze which occurred last year and lower use of fertilizers in first half of 2019 due to lower prices.
Stocks of palm oil is expected to fall in Indonesia in coming months due to seasonally weak production and surge in use of biodiesel.
Ringgit has appreciated above 4.15/USD thereby making palm oil uncompetitive compared to competing oils. Further, palm oil prices may be supported by rise in prices of crude oil.

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
Feb-20	-1.60	872.00	877.40	870.00	873.20	13,300	-4195	53980	835
Mar-20	-3.20	863.80	869.00	862.60	863.20	6,175	-1795	31485	1765

Prices & Vol-OI are at 5:30 PM

Spread	Feb-20	Mar-20
Spot	26.80	
Feb-20		-10.00
Mar-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-20	-9.80	793.00	793.00	786.00	786.10	1247	-49	2369	-753
Mar-20	-10.60	784.00	784.00	775.20	776.00	1355	-562	4593	26

Spread	Feb-20	Mar-20
Spot	6.9	
Feb-20		-10.1
Mar-20		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.23	32.54	32.54	32.24	32.25
15-May	-0.24	32.87	32.87	32.58	32.58
15-Jul	-0.22	33.24	33.24	32.94	32.96
15-Aug	-0.22	33.33	33.33	33.04	33.06
15-Sep	-0.23	33.41	33.41	33.12	33.12

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-54	2979	2979	2931	2931
15-Mar	-57	2949	2950	2905	2909
15-Apr	-63	2930	2936	2859	2862
15-Jun	-64	2897	2897	2809	2812

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/1/2020	6.94	13594	4.06	59.99	71.29	4.17	97.85	55.31

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		25-Jan-20	24-Jan-20	
Refined Soybean Oil	Indore	890	900	-10
	Indore (Soy Solvent Crude)	845	865	-20
	Mumbai	910	900	10
	Mumbai (Soy Degum)	857	860	-3
	Kandla/Mundra	890	890	Unch
	Kandla/Mundra (Soy Degum)	855	860	-5
	Kolkata	880	880	Unch
	Delhi	933	933	Unch
	Nagpur	900	900	Unch
	Rajkot	875	880	-5
	Kota	900	900	Unch

	Hyderabad	Unq	Unq	-
	Akola	908	910	-2
	Amrawati	904	904	Unch
	Bundi	905	905	Unch
	Jalna	898	898	Unch
	Solapur	868	868	Unch
	Dhule	898	898	Unch
Palm Oil*	Kandla (Crude Palm Oil)	830	833	-3
	Kandla (RBD Palm oil)	882	893	-11
	Kandla RBD Pamolein	908	919	-11
	Kakinada (Crude Palm Oil)	824	824	Unch
	Kakinada RBD Pamolein	914	908	5
	Haldia Pamolein	914	919	-5
	Chennai RBD Pamolein	919	919	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	973	969	4
	KPT (krishna patnam) Pamolein	914	914	Unch
	Mumbai RBD Pamolein	919	924	-5
	Mangalore RBD Pamolein	919	924	-5
	Tuticorin (RBD Palmolein)	924	924	Unch
	Delhi	922	922	Unch
	Rajkot	903	893	11
	Hyderabad	905	890	15
	PFAD (Kandla)	557	546	11
	Refined Palm Stearin (Kandla)	824	824	Unch
	Superolien (Kandla)	935	914	21
	Superolien (Mumbai)	945	935	11
* inclusive of GST				
Refined Sunflower Oil	Chennai	910	915	-5
	Mumbai	920	910	10
	Mumbai(Expeller Oil)	860	860	Unch
	Kandla (Ref.)	900	900	Unch
	Hyderabad (Ref)	900	910	-10
	Latur (Expeller Oil)	865	870	-5
	Chellakere (Expeller Oil)	875	880	-5
	Erode (Expeller Oil)	970	975	-5
Groundnut Oil	Rajkot	1125	1100	25
	Chennai	1120	1130	-10
	Delhi	1100	1100	Unch
	Hyderabad *	1130	1150	-20
	Mumbai	1140	1140	Unch



	Gondal	1100	1100	Unch
	Jamnagar	1100	1100	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	885	885	Unch
	Jaipur (Kacchi Ghani Oil)	905	905	Unch
	Kota (Expeller Oil)	875	875	Unch
	Kota (Kacchi Ghani Oil)	890	900	-10
	Neewai (Expeller Oil)	870	870	Unch
	Neewai (Kacchi Ghani Oil)	890	890	Unch
	Bharatpur (Kacchi Ghani Oil)	910	910	Unch
	Sri-Ganga Nagar(Exp Oil)	870	870	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	885	885	Unch
	Mumbai (Expeller Oil)	910	910	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch
	New Delhi (Expeller Oil)	895	895	Unch
	Hapur (Expeller Oil)	895	900	-5
	Hapur (Kacchi Ghani Oil)	925	930	-5
	Agra (Kacchi Ghani Oil)	915	915	Unch
Refined Cottonseed Oil	Rajkot	850	860	-10
	Hyderabad	845	860	-15
	Mumbai	875	875	Unch
	New Delhi	825	825	Unch
Coconut Oil	Kangayan (Crude)	1430	1460	-30
	Cochin	1510	1510	Unch
Sesame Oil	New Delhi	1390	1390	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	697	697	Unch
Rice Bran Oil (4%)	Punjab	750	750	Unch
Malaysia Palmolein USD/MT	FOB	758	763	-5
	CNF India	783	785	-2
Indonesia CPO USD/MT	FOB	773	778	-5
	CNF India	795	800	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	755	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	758	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1010	-



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	700	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	960	-
Ukraine Origin CSFO USD/MT Kandla	CIF	843	845	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	830	-
Argentina FOB (\$/MT)		24-Jan-20	23-Jan-20	Change
Crude Soybean Oil Ship		780	787	-7
Refined Soy Oil (Bulk) Ship		807	815	-8
Sunflower Oil Ship		790	790	Unch
Cottonseed Oil Ship		760	767	-7
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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