

Domestic Fundamentals:

- Edible oil complex featured mixed tone at various market centers on Thursday.
- Soy oil and palm oil futures declined on technical selling. BMD CPO declined on weak supply worries however CBOT soy oil rose on technical buying after fall for last some days.
- According to Indonesia trade ministry, Indonesia will charge export duty on crude palm oil for the first time after May 2017. The export tax will be USD 18 per ton for crude palm oil with reference prices at USD 839.7 per ton, up 15.07 percent from Jan at USD 729.7 per ton. Due to reference prices above USD 750 per ton, it has to be taxed at USD 18 per ton. Over and above export tax, export levy of USD 50 per ton is charged on exports of crude palm oil if prices are above USD 619 per ton.
- 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 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 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 4.08/USD thereby making palm oil uncompetitive compared to competing oils. Further, palm oil prices may be underpinned by fall in prices of crude oil.
- 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.

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	-0.35	857.80	859.00	848.40	857	19235	-1,420	40100	-3885
Mar-20	-0.71	843.00	843.80	833.60	840.8	14790	2,020	45820	3420

Prices & Vol-OI are at 5:30 PM

Spread	Feb-20	Mar-20
Spot	23	
Feb-20		39
Mar-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-20	-1.48	757.60	759.50	745.30	751	2494	2,125	5046	3409
Mar-20	-1.74	751.10	754.00	738.00	743.9	860	-1,279	1895	-3342

Spread
Feb-20
Mar-20
Spot

61

Feb-20

68

Mar-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.06	31.47	32.11	31.32	31.52
15-May	0.05	31.84	32.47	31.69	31.88
15-Jul	0.04	32.22	32.84	32.06	32.25
15-Aug	0.06	32.31	32.93	32.16	32.36
15-Sep	0.04	32.38	33	32.29	32.41

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-94	2,730	2,622	3,250	2,685
15-Mar	-75	2,715	2,649	2,922	2,680
15-Apr	-65	2,685	2,616	2,680	2,658
15-Jun	-56	2,645	2,511	2,975	2,627

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
29/1/2020	6.93	13656.55	4.08	60.22	71.56	4.26	97.86	52.24

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		30-Jan-20	29-Jan-20	
Refined Soybean Oil	Indore	880	885	-5
	Indore (Soy Solvent Crude)	840	840	Unch
	Mumbai	900	900	Unch
	Mumbai (Soy Degum)	845	850	-5
	Kandla/Mundra	870	870	Unch
	Kandla/Mundra (Soy Degum)	835	850	-15
	Kolkata	840	875	-35
	Delhi	912	917	-5
	Nagpur	881	885	-4
	Rajkot	850	860	-10
	Kota	875	875	Unch

	Hyderabad	Unq	Unq	-
	Akola	888	890	-2
	Amrawati	890	890	Unch
	Bundi	880	880	Unch
	Jalna	877	882	-5
	Solapur	850	850	Unch
	Dhule	884	887	-3
Palm Oil*	Kandla (Crude Palm Oil)	812	822	-11
	Kandla (RBD Palm oil)	851	856	-5
	Kandla RBD Pamolein	882	887	-5
	Kakinada (Crude Palm Oil)	777	767	11
	Kakinada RBD Pamolein	877	898	-21
	Haldia Pamolein	872	877	-5
	Chennai RBD Pamolein	882	903	-21
	Chennai RBD Pamolein (Vitamin A&D Fortified)	941	956	-15
	KPT (krishna patnam) Pamolein	874	893	-19
	Mumbai RBD Pamolein	908	908	Unch
	Mangalore RBD Pamolein	887	903	-16
	Tuticorin (RBD Palmolein)	893	898	-5
	Delhi	915	933	-18
	Rajkot	861	882	-21
	Hyderabad	875	890	-15
	PFAD (Kandla)	536	536	Unch
	Refined Palm Stearin (Kandla)	777	767	11
	Superolien (Kandla)	914	914	Unch
	Superolien (Mumbai)	919	924	-5
* inclusive of GST				
Refined Sunflower Oil	Chennai	900	900	Unch
	Mumbai	910	910	Unch
	Mumbai(Expeller Oil)	850	855	-5
	Kandla (Ref.)	890	890	Unch
	Hyderabad (Ref)	880	880	Unch
	Latur (Expeller Oil)	835	835	Unch
	Chellakere (Expeller Oil)	845	845	Unch
	Erode (Expeller Oil)	955	955	Unch
Groundnut Oil	Rajkot	1100	1075	25
	Chennai	1120	1130	-10
	Delhi	1100	1100	Unch
	Hyderabad *	1100	1150	-50
	Mumbai	1140	1140	Unch

	Gondal	1100	1100	Unch
	Jamnagar	1100	1100	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	865	865	Unch
	Jaipur (Kacchi Ghani Oil)	883	885	-2
	Kota (Expeller Oil)	845	850	-5
	Kota (Kacchi Ghani Oil)	875	875	Unch
	Neewai (Expeller Oil)	840	850	-10
	Neewai (Kacchi Ghani Oil)	850	860	-10
	Bharatpur (Kacchi Ghani Oil)	855	875	-20
	Sri-Ganga Nagar(Exp Oil)	860	860	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	870	870	Unch
	Mumbai (Expeller Oil)	900	900	Unch
	Kolkata(Expeller Oil)	1030	1030	Unch
	New Delhi (Expeller Oil)	870	875	-5
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	860	880	-20
Refined Cottonseed Oil	Rajkot	830	850	-20
	Hyderabad	825	840	-15
	Mumbai	855	860	-5
	New Delhi	790	880	-90
Coconut Oil	Kangayan (Crude)	1460	1430	30
	Cochin	1510	1510	Unch
Sesame Oil	New Delhi	1380	1380	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	675	675	Unch
Rice Bran Oil (4%)	Punjab	750	750	Unch
Malaysia Palmolein USD/MT	FOB	700	720	-20
	CNF India	730	750	-20
Indonesia CPO USD/MT	FOB	730	760	-30
	CNF India	750	780	-30
RBD Palm oil (Malaysia Origin USD/MT)	FOB	700	718	-18
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	708	713	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	930	950	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	688	693	-5



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	940	-
Ukraine Origin CSFO USD/MT Kandla	CIF	818	820	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	855	-
Argentina FOB (\$/MT)		29-Jan-20	28-Jan-20	Change
Crude Soybean Oil Ship		760	765	-5
Refined Soy Oil (Bulk) Ship		787	792	-5
Sunflower Oil Ship		785	785	Unch
Cottonseed Oil Ship		740	745	-5
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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