

Domestic Fundamentals:

- Edible oil complex featured steady to weak tone at various market centers on Saturday.
- Soy oil and palm oil futures fell on demand concerns and fall in prices in international markets. BMD CPO and CBOT soy oil fell on outbreak of coronavirus and firm supply prospects.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Jan palm oil exports fell 7.9 percent to 1,220,484 tons compared to 1,325,201 tons last month. Top buyers were European Union 356,086 tons (285,463 tons), China at 152,860 tons (220,236 tons), Pakistan at 141,500 tons (61,000 tons), United States at 66,535 tons (56,798 tons) and India at 40,400 tons (89,600 tons). Values in brackets are figures of last month.
- 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 4.10/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, outbreak of coronavirus in 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	-5.40	849.80	854.60	846.60	847.00	9,835	-10820	38850	-5135
Mar-20	-0.60	833.20	836.20	830.60	832.00	7,170	-5600	45475	3075

Prices & Vol-OI are at 5:30 PM

Spread	Feb-20	Mar-20
Spot	33.00	
Feb-20		-15.00
Mar-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-20	-2.70	774.70	774.70	771.40	772.00	242	-127	1308	-329
Mar-20	-4.70	741.70	748.00	740.10	742.80	1374	-765	5025	-212

Spread
Feb-20
Mar-20
Spot

-10.0

Feb-20

-29.2

Mar-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.11	30.78	30.96	30.51	30.52
15-May	-0.11	31.15	31.33	30.88	30.89
15-Jul	-0.10	31.5	31.69	31.25	31.26
15-Aug	-0.10	31.63	31.8	31.37	31.37
15-Sep	-0.01	31.75	31.8	31.49	31.54

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-27	2640	2661	2629	2657
15-Mar	-45	2635	2655	2615	2630
15-Apr	-53	2603	2634	2584	2599
15-Jun	-52	2576	2599	2550	2569

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
31/1/2020	6.94	13673	4.10	60.16	71.35	4.24	97.90	52.41

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Jan-20	30-Jan-20	
Refined Soybean Oil	Indore	875	880	-5
	Indore (Soy Solvent Crude)	830	840	-10
	Mumbai	880	890	-10
	Mumbai (Soy Degum)	835	845	-10
	Kandla/Mundra	865	865	Unch
	Kandla/Mundra (Soy Degum)	825	832	-7
	Kolkata	870	835	35
	Delhi	912	912	Unch
	Nagpur	879	879	Unch
	Rajkot	860	850	10
	Kota	875	875	Unch

	Hyderabad	Unq	Unq	-
	Akola	885	885	Unch
	Amrawati	885	885	Unch
	Bundi	880	880	Unch
	Jalna	875	875	Unch
	Solapur	848	848	Unch
	Dhule	878	878	Unch
Palm Oil*	Kandla (Crude Palm Oil)	800	800	Unch
	Kandla (RBD Palm oil)	851	851	Unch
	Kandla RBD Pamolein	872	877	-5
	Kakinada (Crude Palm Oil)	767	767	Unch
	Kakinada RBD Pamolein	866	872	-5
	Haldia Pamolein	861	872	-11
	Chennai RBD Pamolein	872	877	-5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	935	938	-3
	KPT (krishna patnam) Pamolein	861	866	-5
	Mumbai RBD Pamolein	898	903	-5
	Mangalore RBD Pamolein	872	877	-5
	Tuticorin (RBD Palmolein)	889	889	Unch
	Delhi	900	900	Unch
	Rajkot	872	856	16
	Hyderabad	870	870	Unch
	PFAD (Kandla)	536	536	Unch
	Refined Palm Stearin (Kandla)	767	767	Unch
	Superolien (Kandla)	914	914	Unch
	Superolien (Mumbai)	919	919	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	895	895	Unch
	Mumbai	900	900	Unch
	Mumbai(Expeller Oil)	845	845	Unch
	Kandla (Ref.)	880	880	Unch
	Hyderabad (Ref)	870	870	Unch
	Latur (Expeller Oil)	835	835	Unch
	Chellakere (Expeller Oil)	845	845	Unch
	Erode (Expeller Oil)	955	955	Unch
Groundnut Oil	Rajkot	1050	1120	-70
	Chennai	1120	1120	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1110	1110	Unch
	Mumbai	1100	1140	-40



	Gondal	1100	1100	Unch
	Jamnagar	1100	1100	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	865	865	Unch
	Jaipur (Kacchi Ghani Oil)	882	873	9
	Kota (Expeller Oil)	845	845	Unch
	Kota (Kacchi Ghani Oil)	875	875	Unch
	Neewai (Expeller Oil)	825	825	Unch
	Neewai (Kacchi Ghani Oil)	835	835	Unch
	Bharatpur (Kacchi Ghani Oil)	850	850	Unch
	Sri-Ganga Nagar(Exp Oil)	855	855	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	870	870	Unch
	Mumbai (Expeller Oil)	880	900	-20
	Kolkata(Expeller Oil)	1030	1030	Unch
	New Delhi (Expeller Oil)	870	870	Unch
	Hapur (Expeller Oil)	915	920	-5
	Hapur (Kacchi Ghani Oil)	945	950	-5
	Agra (Kacchi Ghani Oil)	855	855	Unch
Refined Cottonseed Oil	Rajkot	840	830	10
	Hyderabad	810	810	Unch
	Mumbai	835	848	-13
	New Delhi	785	785	Unch
Coconut Oil	Kangayan (Crude)	1460	1460	Unch
	Cochin	1510	1510	Unch
Sesame Oil	New Delhi	1350	1350	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	685	690	-5
	CNF India	715	720	-5
Indonesia CPO USD/MT	FOB	710	715	-5
	CNF India	725	730	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	688	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	690	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	915	-



Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	685	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	910	-
Ukraine Origin CSFO USD/MT Kandla	CIF	810	815	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	Unq	-
Argentina FOB (\$/MT)		31-Jan-20	30-Jan-20	Change
Crude Soybean Oil Ship		725	741	-16
Refined Soy Oil (Bulk) Ship		750	767	-17
Sunflower Oil Ship		770	775	-5
Cottonseed Oil Ship		705	721	-16
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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