

Domestic Fundamentals:

- Edible oil complex featured mixed tone in various markets centers on Monday.
- Soy oil domestic futures fell on demand worries and fall in international benchmarks. BMD CPO fell on weak global demand prospects while CBOT soy oil prices fell on firm global supply prospects.
- 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, weak Indian demand and fall in competing oils.
Palm oil end stocks in Malaysia are expected to rise after steep fall noted in Jan. Stocks of palm oil in Malaysia are expected to rise on improvement in prosecution of palm oil and slowdown of exports from Malaysia.
Palm oil production in Malaysia is expected to rise on seasonal uptrend of production and exit from weak production cycle.
Palm oil showed surprise rise in Feb from Malaysia on demand from EU other destinations. Demand from India has collapsed and Chinese demand has slowed due to outbreak of coronavirus. However, palm oil exports from Malaysia is going to slow due to weak demand from China.
However, higher use of palm oil in biodiesel in Malaysia and Indonesia is expected to limit losses.
Imports from India is expected to remain benign due India placing RBD palmolein imports to restricted list. Higher export duty on CPO by Malaysia will slow CPO demand from India. Further, Indian government advisory to importers to slow purchase from Malaysia will slow exports of CPO from Malaysia.
However, exports of palm oil from Malaysia and Indonesia may rise on steep fall in prices if palm oil in last one month. Stocks of palm oil is expected to fall in Indonesia in coming months due to seasonally weak production and surge in use of biodiesel.
Further, higher use of biodiesel in Malaysia is expected to stimulate demand in coming months.
Ringgit has depreciated below 4.15 USD thereby making palm oil competitive compared to competing oils. Further, palm oil prices may be supported by rise in prices of crude oil.
- Soy oil international prices are expected to stay weak due to spread of coronavirus globally, weak demand of soybean from China, rise in stocks of soy oil in US and higher production of soybean in Brazil and Argentina.
Soybean demand from China is uncertain in coming days given the condition of coronavirus. Demand of meat products has collapsed due that slowing demand of soy products and due to lower swine count caused by swine flu in 2109.
Soy oil stocks rose in US in Jan on rise in crush of soybean and lower domestic disappearance. Lower domestic disappearance is due to weak biodiesel demand in the country despite higher Food, Feed and Industrial use.
Bumper soybean crop in Brazil due to record planted area and yields due to good growing conditions.
Soybean crop in Argentina is in good condition and yields are expected to be higher.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Feb 1-20 palm oil exports fell 2.8 percent to 744,230 tons compared to 765,801 tons in corresponding period last month. Top buyers were European Union 174,221 tons (209,381 tons), China at 138,000 tons (102,560 tons), United States at 72,595 tons (58,485 tons), Pakistan at 30,820 tons (74,000 tons) and India at 19,600 tons (30,500 tons). Values in brackets are figures of corresponding period last month.

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
Mar-20	-2.20	811.40	816.60	805.40	806.80	18,345	-9990	47485	-955
Apr-20	3.00	808.80	815.00	805.40	809.40	5,525	-2075	15000	1410

Prices & Vol-OI are at 5:30 PM

Spread	Mar-20	Apr-20
Spot	23.20	
Mar-20		2.60
Apr-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-20	-10.60	709.80	709.80	697.40	700.00	1004	-1405	2362	-628
Mar-20	-11.50	699.00	702.80	686.40	689.50	2038	-1828	5333	323

Spread
Feb-20
Mar-20
Spot

6.0

Feb-20

-10.5

Mar-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.40	30.32	30.37	30.07	30.24
15-May	-0.41	30.72	30.74	30.43	30.6
15-Jul	-0.40	31.1	31.11	30.8	30.98
15-Aug	-0.40	31.35	31.35	30.95	31.13
15-Sep	-0.43	31.5	31.5	31.21	31.25

-0.22

Forex:
BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar	-83	2666	2669	2590	2669
Apr	-85	2630	2645	2565	2626
May	-78	2605	2616	2542	2585
Jun	-70	2580	2591	2526	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/2/2020	7.03	13884	4.127	61.77	71.99	4.39	99.58	51.32

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-Feb-20	22-Feb-20	
Refined Soybean Oil	Indore	830	825	5
	Indore (Soy Solvent Crude)	780	770	10
	Mumbai	835	825	10
	Mumbai (Soy Degum)	800	792	8
	Kandla/Mundra	805	795	10
	Kandla/Mundra (Soy Degum)	775	765	10
	Kolkata	830	830	Unch
	Delhi	843	843	Unch
	Nagpur	845	845	Unch
	Rajkot	810	800	10
	Kota	820	820	Unch
	Hyderabad	Unq	Unq	-



	Akola	840	846	-6
	Amrawati	842	850	-8
	Bundi	825	825	Unch
	Jalna	855	855	Unch
	Solapur	836	836	Unch
	Dhule	856	856	Unch
Palm Oil*	Kandla (Crude Palm Oil)	741	732	9
	Kandla (RBD Palm oil)	782	777	5
	Kandla RBD Pamolein	809	798	11
	Kakinada (Crude Palm Oil)	714	709	5
	Kakinada RBD Pamolein	814	803	11
	Haldia Pamolein	824	824	Unch
	Chennai RBD Pamolein	819	819	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	882	880	2
	KPT (krishna patnam) Pamolein	809	798	11
	Mumbai RBD Pamolein	830	814	16
	Mangalore RBD Pamolein	824	819	5
	Tuticorin (RBD Palmolein)	824	819	5
	Delhi	840	840	Unch
	Rajkot	814	819	-5
	Hyderabad	835	825	10
	PFAD (Kandla)	536	525	11
	Refined Palm Stearin (Kandla)	714	709	5
	Superolien (Kandla)	851	851	Unch
	Superolien (Mumbai)	866	861	5
* inclusive of GST				
Refined Sunflower Oil	Chennai	840	840	Unch
	Mumbai	875	870	5
	Mumbai (Expeller Oil)	800	800	Unch
	Kandla (Ref.)	850	850	Unch
	Hyderabad (Ref)	825	825	Unch
	Latur (Expeller Oil)	765	765	Unch
	Chellakere (Expeller Oil)	775	775	Unch
	Erode (Expeller Oil)	880	880	Unch
Groundnut Oil	Rajkot	1150	1100	50
	Chennai	1120	1120	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	1100	1100	Unch
	Mumbai	1150	1135	15
	Gondal	1150	1100	50

	Jamnagar	1150	1100	50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	805	805	Unch
	Jaipur (Kacchi Ghani Oil)	848	837	11
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	810	810	Unch
	Neewai (Expeller Oil)	820	805	15
	Neewai (Kacchi Ghani Oil)	830	815	15
	Bharatpur (Kacchi Ghani Oil)	830	835	-5
	Sri-Ganga Nagar(Exp Oil)	805	805	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	820	820	Unch
	Mumbai (Expeller Oil)	820	830	-10
	Kolkata(Expeller Oil)	970	980	-10
	New Delhi (Expeller Oil)	822	822	Unch
	Hapur (Expeller Oil)	915	905	10
	Hapur (Kacchi Ghani Oil)	945	935	10
	Agra (Kacchi Ghani Oil)	835	840	-5
Refined Cottonseed Oil	Rajkot	815	800	15
	Hyderabad	810	795	15
	Mumbai	825	815	10
	New Delhi	778	778	Unch
Coconut Oil	Kangayan (Crude)	1435	1435	Unch
	Cochin	1500	1510	-10
Sesame Oil	New Delhi	1360	1360	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	612	612	Unch
Rice Bran Oil (4%)	Punjab	810	810	Unch
Malaysia Palmolein USD/MT	FOB	663	668	-5
	CNF India	693	698	-5
Indonesia CPO USD/MT	FOB	670	670	Unch
	CNF India	695	690	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	660	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	675	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	830	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	645	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-



Ukraine Origin CSFO USD/MT Kandla	CIF	775	780	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	830	Closed	-
Argentina FOB (\$/MT)		22-Feb-20	20-Feb-20	Change
Crude Soybean Oil Ship		Closed	720	-
Refined Soy Oil (Bulk) Ship		Closed	745	-
Sunflower Oil Ship		Closed	735	-
Cottonseed Oil Ship		Closed	700	-
Refined Linseed Oil (Bulk) Ship		Closed	0	-
* 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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