

Domestic Fundamentals:

- Edible oil complex featured mostly firm tone in various markets centers on Monday.
- Soy oil domestic futures fell on fall in weak demand worries. BMD CPO fell on technical selling while CBOT soy oil fell on coronavirus concerns and weak China demand concerns.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Feb palm oil exports fell 11.8 percent to 1,075,954 tons compared to 1,220,484 tons last month. Top buyers were European Union 244,536 tons (356,086 tons), China at 197,850 tons (152,860 tons), United States at 103,345 tons (66,535 tons), Pakistan at 30,820 tons (141,500 tons) and India at 29,269 tons (40,400 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, rise in production of palm oil in Malaysia, weak Indian demand, fall in competing oils and fall in crude oil prices.

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 production of palm oil and fall 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 and Indonesia is expected to stimulate demand in coming months.

Ringgit has depreciated below 4.20 USD thereby making palm oil competitive compared to competing oils. However, palm oil prices may be underpinned by fall in prices of crude oil prices.

- 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.

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	-4.80	773.00	779.20	761.00	762.80	20,575	2955	33535	-4830
Apr-20	-8.80	771.40	775.00	754.20	755.40	11,815	6530	23120	4910
Prices & Vol-OI are at 5:30 PM									

Spread	Mar-20	Apr-20
Spot	37.20	
Mar-20		-7.40
Apr-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-20	-8.80	771.40	775.00	754.20	755.40	11815	9742	23120	16897
Apr-20	-11.60	772.00	774.00	753.80	754.20	170	23	1200	158

Spread	Mar-20	Apr-20
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Spot -98.4

Mar-20 -1.2

Apr-20

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.29	28.36	28.74	28.36	28.6
15-May	0.19	28.69	29.2	28.59	28.87
15-Jul	0.16	29.1	29.56	28.97	29.2
15-Aug	0.18	29.23	29.72	29.14	29.38
15-Sep	0.19	29.4	29.88	29.38	29.58

-0.22

Forex:

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar	-7	2415	2415	2350	2669
Apr	4	2354	2400	2331	2626
May	3	2343	2380	2317	2585
Jun	2	2345	2378	2321	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/03/2020	6.98	14264	4.20	62.12	72.72	4.48	97.68	45.24

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		2-Mar-20	29-Feb-20	
Refined Soybean Oil	Indore	795	790	5
	Indore (Soy Solvent Crude)	750	735	15
	Mumbai	805	800	5
	Mumbai (Soy Degum)	760	760	Unch
	Kandla/Mundra	775	770	5
	Kandla/Mundra (Soy Degum)	747	745	2
	Kolkata	805	800	5
	Delhi	830	820	10
	Nagpur	845	845	Unch
	Rajkot	780	760	20
	Kota	790	780	10
	Hyderabad	Unq	Unq	-

	Akola	810	800	10
	Amrawati	815	800	15
	Bundi	795	785	10
	Jalna	855	855	Unch
	Solapur	836	836	Unch
	Dhule	856	856	Unch
Palm Oil*	Kandla (Crude Palm Oil)	693	683	11
	Kandla (RBD Palm oil)	746	746	Unch
	Kandla RBD Pamolein	772	767	5
	Kakinada (Crude Palm Oil)	683	667	16
	Kakinada RBD Pamolein	767	772	-5
	Haldia Pamolein	782	777	5
	Chennai RBD Pamolein	777	777	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	838	838	Unch
	KPT (krishna patnam) Pamolein	769	767	2
	Mumbai RBD Pamolein	793	788	5
	Mangalore RBD Pamolein	782	782	Unch
	Tuticorin (RBD Palmolein)	782	782	Unch
	Delhi	805	800	5
	Rajkot	767	767	Unch
	Hyderabad	800	800	Unch
	PFAD (Kandla)	499	499	Unch
	Refined Palm Stearin (Kandla)	683	667	16
	Superolien (Kandla)	788	788	Unch
	Superolien (Mumbai)	819	819	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	830	840	-10
	Mumbai	835	835	Unch
	Mumbai(Expeller Oil)	770	770	Unch
	Kandla (Ref.)	820	820	Unch
	Hyderabad (Ref)	805	800	5
	Latur (Expeller Oil)	760	760	Unch
	Chellakere (Expeller Oil)	770	770	Unch
	Erode (Expeller Oil)	855	855	Unch
Groundnut Oil	Rajkot	1150	1200	-50
	Chennai	1150	1130	20
	Delhi	Unq	Unq	-
	Hyderabad *	1220	1220	Unch
	Mumbai	1200	1200	Unch
	Gondal	1160	1160	Unch

	Jamnagar	1175	1175	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	825	Unch
	Jaipur (Kacchi Ghani Oil)	835	835	Unch
	Kota (Expeller Oil)	800	780	20
	Kota (Kacchi Ghani Oil)	825	825	Unch
	Neewai (Expeller Oil)	810	805	5
	Neewai (Kacchi Ghani Oil)	820	815	5
	Bharatpur (Kacchi Ghani Oil)	830	830	Unch
	Sri-Ganga Nagar(Exp Oil)	820	820	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	825	825	Unch
	Mumbai (Expeller Oil)	830	830	Unch
	Kolkata(Expeller Oil)	980	980	Unch
	New Delhi (Expeller Oil)	825	825	Unch
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	835	835	Unch
Refined Cottonseed Oil	Rajkot	785	760	25
	Hyderabad	790	770	20
	Mumbai	800	800	Unch
	New Delhi	745	740	5
Coconut Oil	Kangayan (Crude)	1450	1450	Unch
	Cochin	1500	1500	Unch
Sesame Oil	New Delhi	1300	1300	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	605	600	5
Rice Bran Oil (4%)	Punjab	795	795	Unch
Malaysia Palmolein USD/MT	FOB	615	605	10
	CNF India	633	615	18
Indonesia CPO USD/MT	FOB	613	600	13
	CNF India	633	615	18
RBD Palm oil (Malaysia Origin USD/MT)	FOB	610	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	625	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	780	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	615	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	Closed	-

Ukraine Origin CSFO USD/MT Kandla	CIF	750	750	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	765	Closed	-
Argentina FOB (\$/MT)		29-Feb-20	28-Feb-20	Change
Crude Soybean Oil Ship		Closed	669	-
Refined Soy Oil (Bulk) Ship		Closed	692	-
Sunflower Oil Ship		Closed	710	-
Cottonseed Oil Ship		Closed	649	-
Refined Linseed Oil (Bulk) Ship		Closed	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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