

Domestic Fundamentals:

- Edible oil complex featured mixed trends in various markets centers on Tuesday.
- Soy oil domestic futures rose on improved buying activities at lower side. BMD CPO & CBOT rose on technical buying activities in expectation of improved condition from the coronavirus impact.
- 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 firm tone in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-20	+2.98	762	780.40	758.60	780.4	24160	3,585	31200	-2335
Apr-20	+2.72	755	772.00	751.60	771	28795	16,980	29700	6580
Prices & Vol-OI are at 5:30 PM									

Spread	Mar-20	Apr-20
Spot	19.6	
Mar-20		29
Apr-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-20	+4.00	635.10	660.70	632.90	660.7	4451	-7,364	5978	-17142
Apr-20	+3.33	633.90	653.20	625.60	651.00	1276	1,106	3146	1946

Spread
Mar-20
Apr-20
Spot
32
Mar-20
42
Apr-20
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.26	28.36	28.74	28.36	28.57
15-May	0.23	28.69	29.2	28.59	28.91
15-Jul	0.22	29.1	29.56	28.97	29.26
15-Aug	0.21	29.23	29.72	29.14	29.41
15-Sep	0.19	29.4	29.88	29.38	29.58

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low
Mar	18	2,350	-	-
Apr	45	2,350	-	2,525
May	57	2,336	2,361	2,380
Jun	71	2,340	2,315	3,100

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/03/2020	6.96	14228.80	4.20	62.29	73.15	4.48	97.21	45.24

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Mar-20	2-Mar-20	
Refined Soybean Oil	Indore	800	795	5
	Indore (Soy Solvent Crude)	755	750	5
	Mumbai	800	805	-5
	Mumbai (Soy Degum)	765	760	5
	Kandla/Mundra	780	775	5
	Kandla/Mundra (Soy Degum)	755	747	8
	Kolkata	805	805	Unch
	Delhi	817	830	-13
	Nagpur	840	845	-5
	Rajkot	772	780	-8
	Kota	790	790	Unch

	Hyderabad	Unq	Unq	-
	Akola	810	810	Unch
	Amrawati	810	815	-5
	Bundi	795	795	Unch
	Jalna	850	855	-5
	Solapur	831	836	-5
	Dhule	851	856	-5
Palm Oil*	Kandla (Crude Palm Oil)	693	693	Unch
	Kandla (RBD Palm oil)	746	746	Unch
	Kandla RBD Pamolein	772	772	Unch
	Kakinada (Crude Palm Oil)	672	683	-11
	Kakinada RBD Pamolein	772	767	5
	Haldia Pamolein	777	782	-5
	Chennai RBD Pamolein	777	777	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	838	838	Unch
	KPT (krishna patnam) Pamolein	767	769	-2
	Mumbai RBD Pamolein	793	793	Unch
	Mangalore RBD Pamolein	782	782	Unch
	Tuticorin (RBD Palmolein)	777	782	-5
	Delhi	795	805	-10
	Rajkot	761	767	-5
	Hyderabad	790	800	-10
	PFAD (Kandla)	499	499	Unch
	Refined Palm Stearin (Kandla)	672	683	-11
	Superolien (Kandla)	788	788	Unch
	Superolien (Mumbai)	819	819	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	810	830	-20
	Mumbai	835	835	Unch
	Mumbai(Expeller Oil)	775	770	5
	Kandla (Ref.)	820	820	Unch
	Hyderabad (Ref)	800	805	-5
	Latur (Expeller Oil)	760	760	Unch
	Chellakere (Expeller Oil)	770	770	Unch
	Erode (Expeller Oil)	855	855	Unch
Groundnut Oil	Rajkot	1175	1150	25
	Chennai	1150	1150	Unch
	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)	820	825	-5
	Jaipur (Kacchi Ghani Oil)	830	835	-5
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	820	825	-5
	Neewai (Expeller Oil)	800	810	-10
	Neewai (Kacchi Ghani Oil)	815	820	-5
	Bharatpur (Kacchi Ghani Oil)	825	830	-5
	Sri-Ganga Nagar(Exp Oil)	815	820	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	820	825	-5
	Mumbai (Expeller Oil)	830	830	Unch
	Kolkata(Expeller Oil)	950	980	-30
	New Delhi (Expeller Oil)	825	825	Unch
	Hapur (Expeller Oil)	905	905	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	830	835	-5
Refined Cottonseed Oil	Rajkot	775	785	-10
	Hyderabad	785	790	-5
	Mumbai	790	800	-10
	New Delhi	735	745	-10
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	605	Unch
Rice Bran Oil (4%)	Punjab	790	795	-5
Malaysia Palmolein USD/MT	FOB	603	615	-12
	CNF India	620	633	-13
Indonesia CPO USD/MT	FOB	598	613	-15
	CNF India	620	633	-13
RBD Palm oil (Malaysia Origin USD/MT)	FOB	600	610	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	613	625	-12
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	760	780	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	603	615	-12



Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	765	-
Ukraine Origin CSFO USD/MT Kandla	CIF	748	750	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	765	-
Argentina FOB (\$/MT)		2-Mar-20	29-Feb-20	Change
Crude Soybean Oil Ship		662	Closed	-
Refined Soy Oil (Bulk) Ship		685	Closed	-
Sunflower Oil Ship		705	Closed	-
Cottonseed Oil Ship		642	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
* 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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