

Domestic Fundamentals:

- Edible oil complex featured firm trend in various markets centers on Thursday.
- Soy oil and palm 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 and cut in interest rates by US FED and other central banks vowing to cut interest rates to support market.
- 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.

- According to Indonesia trade ministry, Indonesia will charge export duty on crude palm oil for March at USD 3 per ton. Reference prices of March was set at USD 786.63 per ton. Export duty on CPO was brought down from USD 18 per ton in Feb due to fall in reference price at USD 839.69 per ton.

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	4.20	793.60	807.20	792.40	800.80	22,925	-1075	23395	-2680
Apr-20	2.80	782.40	798.20	780.40	788.00	30,875	9320	28975	-440
Prices & Vol-OI are at 5:30 PM									

Spread	Mar-20	Apr-20
Spot	-0.80	
Mar-20		-12.80
Apr-20		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-20	0.00	676.90	696.40	673.60	680.20	4567	-338	4990	-1011
Apr-20	1.10	666.60	689.00	665.50	672.40	1226	-465	2689	-63

Spread	Mar-20	Apr-20
--------	--------	--------

Spot 6.8

Mar-20 -7.8

Apr-20

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.29	29.72	29.73	29.71	29.73
15-May	-0.13	29.85	30.16	29.54	29.61
15-Jul	-0.13	30.15	30.47	29.87	29.92
15-Aug	-0.11	30.26	30.57	29.99	30.04
15-Sep	-0.07	30.39	30.67	30.13	30.21

-0.22

Forex:

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Mar	19	2530	2566	2480	2669
Apr	28	2489	2590	2472	2626
May	22	2482	2586	2469	2585
Jun	17	2490	2587	2478	2560

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/03/2020	6.94	14178	4.16	62.36	73.31	4.58	97.02	46.80

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Mar-20	4-Mar-20	
Refined Soybean Oil	Indore	815	800	15
	Indore (Soy Solvent Crude)	775	755	20
	Mumbai	820	800	20
	Mumbai (Soy Degum)	780	765	15
	Kandla/Mundra	800	780	20
	Kandla/Mundra (Soy Degum)	770	760	10
	Kolkata	810	800	10
	Delhi	850	840	10
	Nagpur	850	850	Unch
	Rajkot	800	790	10
	Kota	800	800	Unch

	Hyderabad	Unq	Unq	-
	Akola	810	810	Unch
	Amrawati	822	817	5
	Bundi	805	805	Unch
	Jalna	860	860	Unch
	Solapur	840	840	Unch
	Dhule	860	860	Unch
Palm Oil*	Kandla (Crude Palm Oil)	721	696	25
	Kandla (RBD Palm oil)	767	735	32
	Kandla RBD Pamolein	798	772	26
	Kakinada (Crude Palm Oil)	693	683	11
	Kakinada RBD Pamolein	793	767	26
	Haldia Pamolein	793	772	21
	Chennai RBD Pamolein	803	772	32
	Chennai RBD Pamolein (Vitamin A&D Fortified)	862	835	27
	KPT (krishna patnam) Pamolein	793	767	26
	Mumbai RBD Pamolein	814	793	21
	Mangalore RBD Pamolein	803	772	32
	Tuticorin (RBD Palmolein)	-	788	-
	Delhi	815	805	10
	Rajkot	798	777	21
	Hyderabad	820	800	20
	PFAD (Kandla)	504	499	5
	Refined Palm Stearin (Kandla)	693	683	11
	Superolien (Kandla)	830	788	42
	Superolien (Mumbai)	840	819	21
* inclusive of GST				
Refined Sunflower Oil	Chennai	820	805	15
	Mumbai	850	835	15
	Mumbai(Expeller Oil)	785	775	10
	Kandla (Ref.)	830	820	10
	Hyderabad (Ref)	835	810	25
	Latur (Expeller Oil)	765	760	5
	Chellakere (Expeller Oil)	775	770	5
	Erode (Expeller Oil)	855	855	Unch
Groundnut Oil	Rajkot	1200	1200	Unch
	Chennai	1210	1230	-20
	Delhi	Unq	Unq	-
	Hyderabad *	1220	1220	Unch
	Mumbai	1225	1200	25

	Gondal	1200	1200	Unch
	Jamnagar	1200	1200	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	820	5
	Jaipur (Kacchi Ghani Oil)	835	830	5
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	820	820	Unch
	Neewai (Expeller Oil)	790	790	Unch
	Neewai (Kacchi Ghani Oil)	810	810	Unch
	Bharatpur (Kacchi Ghani Oil)	825	825	Unch
	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	820	820	Unch
	Mumbai (Expeller Oil)	830	830	Unch
	Kolkata(Expeller Oil)	950	950	Unch
	New Delhi (Expeller Oil)	830	830	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	790	785	5
	Hyderabad	815	795	20
	Mumbai	810	800	10
	New Delhi	760	745	15
Coconut Oil	Kangayan (Crude)	1460	1450	10
	Cochin	1510	1500	10
Sesame Oil	New Delhi	1350	1350	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	Unq	Unq	-
Rice Bran Oil (40%)	New Delhi	610	605	5
Rice Bran Oil (4%)	Punjab	795	790	5
Malaysia Palmolein USD/MT	FOB	648	605	43
	CNF India	655	625	30
Indonesia CPO USD/MT	FOB	640	595	45
	CNF India	655	625	30
RBD Palm oil (Malaysia Origin USD/MT)	FOB	643	605	38
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	643	618	25
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	805	750	55
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	635	610	25

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	765	-
Ukraine Origin CSFO USD/MT Kandla	CIF	745	735	10
Rapeseed Oil Rotterdam Euro/MT	FOB	Unq	800	-
Argentina FOB (\$/MT)		4-Mar-20	3-Mar-20	Change
Crude Soybean Oil Ship		674	664	10
Refined Soy Oil (Bulk) Ship		698	687	11
Sunflower Oil Ship		705	705	Unch
Cottonseed Oil Ship		654	644	10
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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> 2020 Indian Agribusiness Systems Ltd.