

**Domestic Fundamentals:**

- Most of the markets are closed ahead of Holi festival. Edible oil complex showed weak tone amid weak sentiments on Monday.
- Soy oil and palm oil domestic futures fell on demand concerns and fall in international benchmarks. BMD CPO & CBOT fell on oversupply concerns and worries over coronavirus.
- Palm oil prices are expected to be underpinned by expectation of slow fall 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 fall slowly in Feb 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 in coming months.

Palm oil production in Malaysia is expected to rise on seasonal uptrend of production and exit from weak production cycle.

Demand from India has collapsed while Chinese demand is firm due to firm demand on low demand of soy oil on coronavirus.

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. However, resignation of Malaysian premier and appointment of new government in Malaysia which has vowed to reverse last government policy vis-a-vis India will support imports from India. Indian government may remove advisory to importers to slow purchase from Malaysia in coming days.

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 appreciated above 4.20 USD thereby making palm oil uncompetitive compared to competing oils.

- According to Argentina agriculture ministry, Argentina raised export tax on soybean products including soy oil to 33 percent from 30 percent. This comes after Argentina suspended agriculture exports registrations indicating prospect of more restrictions. This came due to government deciding to bridge deficit by increasing taxes. This step will slow exports and lead to lower planting of soybean from next year.
- 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 and fall in crude oil prices.

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	-2.04	791.60	791.60	761.60	777	11255	-770	21150	-950
Apr-20	-2.50	764.20	764.20	746.20	757.8	17965	6,555	31605	1090

Prices & Vol-OI are at 5:30 PM

Spread	Mar-20	Apr-20
Spot	13	
Mar-20		32
Apr-20		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Mar-20	-2.99	649.00	649.00	642.30	649	2539	639	4605	-175
Apr-20	-3.08	653.80	653.80	635.00	641	1391	610	2960	170

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

Spot

44

Mar-20

52

Apr-20

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.62	29.08	29.08	28.3	28.48
15-May	-0.64	29.39	29.49	28.53	28.75
15-Jul	-0.65	29.74	29.84	28.89	29.1
15-Aug	-0.64	29.87	29.96	29.03	29.23
15-Sep	-0.64	30.02	30.08	29.19	29.38

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low
Mar	-104	2,328	-	-
Apr	-113	2,294	-	2,613
May	-123	2,299	2,280	2,361
Jun	-121	2,311	2,300	2,365

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
09/03/2020	6.94	14395.56	4.22	62.52	74.28	4.74	94.86	41.28

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		9-Mar-20	7-Mar-20	
Refined Soybean Oil	Indore	790	810	-20
	Indore (Soy Solvent Crude)	750	765	-15
	Mumbai	790	810	-20
	Mumbai (Soy Degum)	750	762	-12
	Kandla/Mundra	775	790	-15
	Kandla/Mundra (Soy Degum)	745	760	-15
	Kolkata	795	805	-10
	Delhi	835	830	5
	Nagpur	850	844	6
	Rajkot	750	780	-30
Kota	800	815	-15	

	Hyderabad	Unq	Unq	-
	Akola	807	807	Unch
	Amrawati	815	815	Unch
	Bundi	805	820	-15
	Jalna	860	854	6
	Solapur	840	834	6
	Dhule	860	854	6
	Kandla (Crude Palm Oil)	693	714	-21
	Kandla (RBD Palm oil)	714	746	-32
	Kandla RBD Pamolein	761	777	-16
	Kakinada (Crude Palm Oil)	672	693	-21
	Kakinada RBD Pamolein	761	790	-28
	Haldia Pamolein	772	782	-11
	Chennai RBD Pamolein	772	798	-26
	Chennai RBD Pamolein (Vitamin A&D Fortified)	826	855	-28
	KPT (krishna patnam) Pamolein	761	788	-26
	Mumbai RBD Pamolein	777	809	-32
	Mangalore RBD Pamolein	777	800	-23
	Tuticorin (RBD Palmolein)	#VALU E!	#VALU E!	-
	Delhi	815	820	-5
	Rajkot	756	767	-11
	Hyderabad	790	810	-20
	PFAD (Kandla)	488	499	-11
	Refined Palm Stearin (Kandla)	672	693	-21
	Superolien (Kandla)	782	819	-37
	Superolien (Mumbai)	798	830	-32
	<b>* inclusive of GST</b>			
	Chennai	810	810	Unch
	Mumbai	835	850	-15
	Mumbai(Expeller Oil)	760	765	-5
	Kandla (Ref.)	810	820	-10
	Hyderabad (Ref)	820	820	Unch
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	775	775	Unch
	Erode (Expeller Oil)	860	860	Unch
	Rajkot	1200	1225	-25
	Chennai	1270	1220	50
	Delhi	Unq	Unq	-
	Hyderabad *	1220	1220	Unch
	Mumbai	1240	1260	-20

	Gondal	1200	1225	<b>-25</b>
	Jamnagar	1225	1225	<b>Unch</b>
<b>Rapeseed Oil/Mustard Oil</b>	Jaipur (Expeller Oil)	805	815	<b>-10</b>
	Jaipur (Kacchi Ghani Oil)	820	835	<b>-15</b>
	Kota (Expeller Oil)	800	810	<b>-10</b>
	Kota (Kacchi Ghani Oil)	800	810	<b>-10</b>
	Neewai (Expeller Oil)	790	800	<b>-10</b>
	Neewai (Kacchi Ghani Oil)	800	810	<b>-10</b>
	Bharatpur (Kacchi Ghani Oil)	830	840	<b>-10</b>
	Sri-Ganga Nagar(Exp Oil)	810	815	<b>-5</b>
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	820	<b>-5</b>
	Mumbai (Expeller Oil)	820	830	<b>-10</b>
	Kolkata(Expeller Oil)	950	950	<b>Unch</b>
	New Delhi (Expeller Oil)	833	833	<b>Unch</b>
	Hapur (Expeller Oil)	900	900	<b>Unch</b>
	Hapur (Kacchi Ghani Oil)	930	930	<b>Unch</b>
Agra (Kacchi Ghani Oil)	835	845	<b>-10</b>	
<b>Refined Cottonseed Oil</b>	Rajkot	750	770	<b>-20</b>
	Hyderabad	780	800	<b>-20</b>
	Mumbai	790	805	<b>-15</b>
	New Delhi	748	750	<b>-2</b>
<b>Coconut Oil</b>	Kangayan (Crude)	1450	1450	<b>Unch</b>
	Cochin	1520	1520	<b>Unch</b>
<b>Sesame Oil</b>	New Delhi	1350	1350	<b>Unch</b>
	Mumbai	Unq	Unq	<b>-</b>
<b>Kardi</b>	Mumbai	Unq	Unq	<b>-</b>
<b>Rice Bran Oil (40%)</b>	New Delhi	605	605	<b>Unch</b>
<b>Rice Bran Oil (4%)</b>	Punjab	785	795	<b>-10</b>
<b>Malaysia Palmolein USD/MT</b>	FOB	570	615	<b>-45</b>
	CNF India	595	623	<b>-28</b>
<b>Indonesia CPO USD/MT</b>	FOB	575	623	<b>-48</b>
	CNF India	595	605	<b>-10</b>
<b>RBD Palm oil (Malaysia Origin USD/MT)</b>	FOB	563	Closed	<b>-</b>
<b>RBD Palm Stearin (Malaysia Origin USD/MT)</b>	FOB	580	Closed	<b>-</b>
<b>RBD Palm Kernel Oil (Malaysia Origin USD/MT)</b>	FOB	700	Closed	<b>-</b>
<b>Palm Fatty Acid Distillate (Malaysia Origin USD/MT)</b>	FOB	575	Closed	<b>-</b>

<b>Crude palm Kernel Oil India (USD/MT)</b>	CNF India	Unq	Closed	-
<b>Ukraine Origin CSFO USD/MT Kandla</b>	CIF	740	745	<b>-5</b>
<b>Rapeseed Oil Rotterdam Euro/MT</b>	FOB	770	Closed	-
<b>Argentina FOB (\$/MT)</b>				
		<b>7-Mar-20</b>	<b>6-Mar-20</b>	<b>Change</b>
<b>Crude Soybean Oil Ship</b>		Closed	648	-
<b>Refined Soy Oil (Bulk) Ship</b>		Closed	671	-
<b>Sunflower Oil Ship</b>		Closed	695	-
<b>Cottonseed Oil Ship</b>		Closed	628	-
<b>Refined Linseed Oil (Bulk) Ship</b>		Closed	Unq	-
<b>* indicates including GST</b>				

**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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