

Domestic Fundamentals:

- Edible oils featured mixed tone in various market centers on Friday.
- Domestic soy oil and palm oil prices futures rose on demand prospects. BMD CPO futures fell on profit booking while CBOT soy oil rose on demand prospects. Crude oil prices were trading higher on Friday.
- According to cargo surveyor Intertek Testing Services (ITS), Malaysia's Jan 1-25 palm oil exports rose 18.5 percent to 1,203,512 tons compared to 1,015,601 tons in corresponding period last month. Top buyers were European Union 302,101 tons (113,097 tons), India & subcontinent 240,625 tons (280,710 tons) and China at 223,350 tons (248,810 tons) and. Values in brackets are figures of corresponding period last month.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia kept February export duty unchanged at zero. The reference price crude palm oil (CPO) is set at USD 565.4 per ton below threshold price of USD 750 per ton. Export levy on CPO will be triggered at USD 570 per ton. Indonesia has kept crude palm oil export duty at zero since May 2017.
- Soy oil- Soy oil prices in India is supported by rise in international benchmarks, firm demand, high import and refining margins and low stocks of soy oil at India ports.
Soy oil international prices are expected to rise on US-China trade optimism, adverse soybean weather in South America and rise in crude oil prices.
US and China is expected to start trade talks next week while US is not ready to concede on any of it terms. This has set the tone of US diplomats. US turned down interim talks requested by China. Traders are eagerly awaiting trade talks result as US is sitting on record soybean inventory.
Soybean crop condition in Brazil is adverse in South and Central Brazil especially in Parana and Mato Grosso province. This has led to fall in yields and led to lower crop estimates in the country. Some crop losses were reported in southern states due to excessive rains. Various agencies like CONAB, AgRural, Agroconsult etc. have cut soybean crop forecast and USDA is expected to follow suit. Crop cut will be in range of 5-10 MMT.
Argentina soybean crop condition has worsened due to heavy rains in soybean growing areas. This will lead to lower yields. This has led to rise in basis over CBOT leading to rise in FOB soy oil prices.
Rise in crude oil prices will support soy oil prices.
- Palm oil- Palm oil prices are supported by expectation of fall in stocks of palm oil in Malaysia, fall in production of palm oil in Malaysia, firm exports of palm oil from Malaysia, weak ringgit and firm crude oil prices.
Palm oil end stocks in Malaysia are expected to fall in January in Malaysia due to fall in production and firm exports.
Palm oil stocks rose to record in history in December on back of firm production and slow rise in exports.
Production is expected to fall on seasonal downtrend of production. Production fell in December indicating that peak production is over and production will fall until Mar-Apr.
Exports of palm oil are expected to stay firm in Malaysia in Jan due to firm demand from China and India.
China will buy more palm oil to setoff lower production of soy oil in the country due to lower crush on swine flu and lower imports of soybean by China. Chinese New Year is approaching and demand of edible oils will firm paving way for more palm oil due to low supply of soy oil.
India is expected to buy more palmolein as Malaysia has been given 5% lower import duty compared to alternate destinations. Further, India is expected to buy more at current prices and port stocks of palmolein are low at Indian ports.

Outlook: Edible oil basket is expected to feature range –bound to firm sentiment in near term.

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Feb-19	5.15	762.25	768.50	763.05	767.40	8,170	-5780	39590	-1100
Mar-19	6.45	754.35	762.50	752.30	760.80	6,910	-300	38230	5570

Prices & Vol-OI are at 5:30 PM

Spread	Feb-18	Mar-18
Spot	12.60	19.20
Feb-19		-6.60
Mar-19		

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-18	2.10	556.90	558.80	555.30	558.10	304	-473	2149	-72
Feb-19	2.00	567.00	569.00	565.80	568.00	575	-441	5905	-10

Spread	Jan-18	Feb-19
Spot	-3.1	-13
Jan-19		9.9
Feb-19		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.09	29.55	29.66	29.47	29.6
15-May	0.09	29.84	29.95	29.77	29.89
15-Jul	0.02	30.21	30.25	30.06	30.13
15-Aug	0.05	30.22	30.37	30.22	30.28
15-Sep	0.05	30.42	30.48	30.39	30.41

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Feb-19	-10	2186	2202	2186	2190
Mar-19	-1	2265	2278	2255	2265
Apr-19	-5	2298	2307	2288	2294
May-19	-4	2317	2326	2308	2313

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/01/2019	6.76	14099	4.127	37.37	71.44	3.77	96.38	53.19

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		25-Jan-19	24-Jan-19	
Refined Soybean Oil	Indore	780	780	Unch
	Indore (Soy Solvent Crude)	740	740	Unch
	Mumbai	770	770	Unch
	Mumbai (Soy Degum)	735	735	Unch
	Kandla/Mundra	770	770	Unch
	Kandla/Mundra (Soy Degum)	738	740	-2
	Kolkata	820	820	Unch
	Delhi	815	810	5
	Nagpur	773	773	Unch
	Rajkot	763	763	Unch
Kota	775	775	Unch	

	Hyderabad	760	760	Unch
	Akola	777	777	Unch
	Amrawati	776	776	Unch
	Bundi	788	788	Unch
	Jalna	775	775	Unch
	Solapur	762	762	Unch
	Dhule	775	775	Unch
	Kandla (Crude Palm Oil)	583	583	Unch
	Kandla (RBD Palm oil)	625	625	Unch
	Kandla RBD Pamolein	672	672	Unch
	Kakinada (Crude Palm Oil)	580	580	Unch
	Kakinada RBD Pamolein	672	667	5
	Haldia Pamolein	667	667	Unch
	Chennai RBD Pamolein	677	672	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	728	725	3
	KPT (krishna patnam) Pamolein	667	664	3
	Mumbai RBD Pamolein	677	677	Unch
	Mangalore RBD Pamolein	677	672	5
	Tuticorin (RBD Palmolein)	677	677	Unch
	Delhi	700	695	5
	Rajkot	656	656	Unch
	Hyderabad	651	651	Unch
	PFAD (Kandla)	347	347	Unch
	Refined Palm Stearin (Kandla)	580	580	Unch
	Superolien (Kandla)	693	693	Unch
	Superolien (Mumbai)	704	704	Unch
* inclusive of GST				
	Chennai	780	780	Unch
	Mumbai	815	815	Unch
	Mumbai(Expeller Oil)	720	720	Unch
	Kandla (Ref.)	790	790	Unch
	Hyderabad (Ref)	805	800	5
	Latur (Expeller Oil)	765	765	Unch
	Chellakere (Expeller Oil)	720	720	Unch
	Erode (Expeller Oil)	830	810	20
	Rajkot	965	965	Unch
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	970	970	Unch
	Mumbai	975	975	Unch

	Gondal	950	950	Unch
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil				
	Jaipur (Expeller Oil)	810	810	Unch
	Jaipur (Kacchi Ghani Oil)	830	827	3
	Kota (Expeller Oil)	790	790	Unch
	Kota (Kacchi Ghani Oil)	810	810	Unch
	Neewai (Expeller Oil)	805	805	Unch
	Neewai (Kacchi Ghani Oil)	814	814	Unch
	Bharatpur (Kacchi Ghani Oil)	820	820	Unch
	Sri-Ganga Nagar(Exp Oil)	810	810	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	820	820	Unch
	Mumbai (Expeller Oil)	805	805	Unch
	Kolkata(Expeller Oil)	940	940	Unch
	New Delhi (Expeller Oil)	845	847	-2
	Hapur (Expeller Oil)	875	885	-10
	Hapur (Kacchi Ghani Oil)	915	925	-10
	Agra (Kacchi Ghani Oil)	825	825	Unch
Refined Cottonseed Oil				
	Rajkot	730	730	Unch
	Hyderabad	735	735	Unch
	Mumbai	750	750	Unch
	New Delhi	724	720	4
Coconut Oil				
	Kangayan (Crude)	1730	1740	-10
	Cochin	1530	1520	10
Sesame Oil				
	New Delhi	1560	1560	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	633	635	-2
Rice Bran Oil (4%)	Punjab	605	605	Unch
Malaysia Palmolein USD/MT				
	FOB	555	553	2
	CNF India	595	593	2
Indonesia CPO USD/MT				
	FOB	525	525	Unch
	CNF India	553	553	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	550	548	2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	548	548	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	870	875	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	405	405	Unch

Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	820	-
Ukraine Origin CSFO USD/MT Kandla	CIF	733	725	8
Rapeseed Oil Rotterdam Euro/MT	FOB	760	735	25
Argentina FOB (\$/MT)		24-Jan-19	23-Jan-19	Change
Crude Soybean Oil Ship		678	670	8
Refined Soy Oil (Bulk) Ship		702	693	9
Sunflower Oil Ship		630	620	10
Cottonseed Oil Ship		658	650	8
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
<i>* indicates including GST</i>				

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> 2019 Indian Agribusiness Systems Ltd.