



Domestic Fundamentals:

- Edible oils noticed mostly weak tone at various market centers on Wednesday.
- Palm oil- Palm oil prices are expected to weaken on weak exports of palm oil from Malaysia. Exports fell 16-22 percent in first 10 days of December indicating weak demand from top importing destinations. Exports weakened from India and China due to winters and seasonal downtrend of demand.
Palm oil end stocks of Malaysia rose sharply in November to 25.57 lakh tons from 22.03 lakh tons in October. Production fell less than exports which led to rise in end stocks. Rise in end stocks was above trade estimates. Production fell on seasonal downtrend of production while exports fell on weak demand from India and China. India is purchasing less on hike in import duties on edible oils and on lower margins in refining compared to ready to use palmolein.
Appreciation of ringgit, rise in end stocks of palm oil in Malaysia in November, fall in exports in first 10 days of December from Malaysia, and fall in competitive oil like CBOT soy oil and DALIAN RBD palmolein will underpin prices in near term.
Ringgit is at critical support and if it breaks 4.06 then more further appreciation is in cards.
- Soy oil- USDA kept soy oil end stocks of US unchanged on rise in biodiesel demand fully set off by lower consumption. USDA increased soybean end stocks of US on lower exports.
With improved condition of soybean crop in Brazil has led to expectation of rise in crop size on Brazil equaling last year record. Forecast of rains in South America by mid December in Argentina and Brazil is expected to underpin soybean complex prices in near term.
EPA kept soy oil based biodiesel production target unchanged for 2018 at 2.1 billion gallons which is unchanged compared to 2017 has led to weak movement of soy oil prices in near term. This comes after US imposed 72 percent anti dumping duty on imports of soy oil based biodiesel from Argentina which out-priced them from US market. USDA increased US soybean area forecast in 2018/19 to 91 million acres which is at record levels and above 2017/18. Rise in crude oil prices will support soy oil prices in near term. Prices are in a range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's December 1-10 palm oil exports fell 22.9 percent to 339,289 compared to 439,879 in corresponding period last month. Top buyers are European Union at 81,327 tons (61,369 tons), India at 45,380 tons (59,950 tons), China at 38,888 tons (48,376 tons), Pakistan at 19,000 tons (35,450 tons) and United States at 7,500 tons (11,250 tons). Values in brackets are of corresponding period last month.
- According to United States Department of Agriculture (USDA) in its December review, India's 2017/18 imports of palm oil is hiked 0.4 MMT to 9.9 MMT from 9.5 MMT in its earlier review. Consumption of palm oil in India in 2017/18 is increased to 10.1 MMT from 9.8 MMT in its earlier review. End stocks of palm oil in India in 2017/18 is increased 0.1 MMT to 0.449 MMT from 0.349 MMT.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Jan-17	-0.45	729.50	731.50	728.00	729.20
Feb-18	0.15	736.40	737.50	734.35	735.85

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-17	9,910	-6410	46250	-200
Feb-18	2,860	-1430	34190	290

Vol-OI are taken at 5:05 PM

Spread	Jan-17	Feb-18
Basis	-14.20	
Jan-17		6.65
Feb-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-17	-0.90	561.50	562.80	559.80	560.50
Jan-18	-0.20	561.80	563.90	560.00	561.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-17	337	-292	3739	-60
Jan-18	613	-753	3786	-90

Vol-OI are taken at 5:05 PM

Spread	Dec-17	Jan-18
Basis	8.5	
Dec-17		0.8
Jan-18		

* CPO Kandla prices taken for spread calculated as at 6:30 PM

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.06	33.41	33.5	33.33	33.39
15-Mar	-0.07	33.55	33.64	33.47	33.53
15-May	-0.06	33.69	33.77	33.6	33.66
15-July	-0.07	33.83	33.92	33.75	33.8
15-Aug	0.03	33.72	33.84	33.72	33.84

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Dec	-35	2350	2356	2330	2349
15-Jan	-14	2428	2445	2406	2415
15-Feb	-11	2470	2486	2449	2458
15-Mar	-12	2508	2523	2490	2499

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
13/12/2017	6.62	13548	4.082	17.28	64.43	3.30	94.01	57.52

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-Dec-17	12-Dec-17	
Refined Soybean Oil	Indore	715	715	Unch
	Indore (Soy Solvent Crude)	680	680	Unch
	Mumbai	730	730	Unch
	Mumbai (Soy Degum)	680	685	-5
	Kandla/Mundra	720	720	Unch
	Kandla/Mundra (Soy Degum)	685	685	Unch
	Kolkata	728	728	Unch
	Delhi	755	755	Unch
	Nagpur	743	744	-1
	Rajkot	710	710	Unch
	Kota	720	720	Unch
	Hyderabad	710	710	Unch
	Akola	739	739	Unch
	Amrawati	737	738	-1
	Bundi	730	720	10
	Jalna	744	748	-4
	Alwar	NA	NA	-
	Solapur	743	745	-2
	Dhule	738	739	-1
Palm Oil*	Kandla (Crude Palm Oil)	597	597	Unch
	Kandla (RBD Palm oil)	630	630	Unch
	Kandla RBD Pamolein	656	656	Unch
	Kakinada (Crude Palm Oil)	604	609	-5
	Kakinada RBD Pamolein	662	662	Unch

	Haldia Pamolein	656	659	-3
	Chennai RBD Pamolein	667	667	Unch
	KPT (krishna patnam) Pamolein	656	656	Unch
	Mumbai RBD Pamolein	683	672	11
	Delhi	690	690	Unch
	Rajkot	648	651	-3
	Hyderabad	680	680	Unch
	Mangalore RBD Pamolein	667	667	Unch
	PFAD (Kandla)	462	462	Unch
	Refined Palm Stearin (Kandla)	515	515	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	710	710	Unch
	Mumbai	760	760	Unch
	Mumbai(Expeller Oil)	660	660	Unch
	Kandla (Ref.)	730	730	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	689	689	Unch
	Latur (Expeller Oil)	737	737	Unch
	Chellakere (Expeller Oil)	655	655	Unch
	Erode (Expeller Oil)	740	740	Unch
Groundnut Oil	Rajkot	900	900	Unch
	Chennai	850	850	Unch
	Delhi	850	850	Unch
	Hyderabad *	870	870	Unch
	Mumbai	930	930	Unch
	Gondal	900	900	Unch
	Jamnagar	900	900	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	790	790	Unch
	Jaipur (Kacchi Ghani Oil)	812	809	3
	Kota (Expeller Oil)	775	775	Unch
	Kota (Kacchi Ghani Oil)	800	805	-5
	Neewai (Expeller Oil)	780	771	9
	Neewai (Kacchi Ghani Oil)	800	794	6
	Bharatpur (Kacchi Ghani Oil)	820	820	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	770	775	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	800	10
	Mumbai (Expeller Oil)	780	800	-20
	Kolkata(Expeller Oil)	900	900	Unch



	New Delhi (Expeller Oil)	810	810	Unch
	Hapur (Expeller Oil)	850	850	Unch
	Hapur (Kacchi Ghani Oil)	900	900	Unch
	Agra (Kacchi Ghani Oil)	825	825	Unch
Refined Cottonseed Oil	Rajkot	675	675	Unch
	Hyderabad	675	665	10
	Mumbai	692	692	Unch
	New Delhi	675	675	Unch
Coconut Oil	Kangayan (Crude)	1780	1780	Unch
	Cochin	1720	1720	Unch
	Trissur	NA	NA	-
Sesame Oil	New Delhi	900	900	Unch
	Mumbai	NA	NA	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	510	515	-5
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	625	628	-3
	CNF India	660	660	Unch
Indonesia CPO USD/MT	FOB	630	635	-5
	CNF India	660	665	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	620	622	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	630	635	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1420	1430	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	602	605	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	660	660	Unch
Ukraine Origin CSFO USD/MT Kandla	CIF	798	798	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		12-Dec-17	11-Dec-17	Change
Crude Soybean Oil Ship		NA	NA	-
Refined Soy Oil (Bulk) Ship		NA	NA	-
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		NA	NA	-
Refined Linseed Oil (Bulk) Ship		NA	NA	-
* Excluding 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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