

Domestic Fundamentals:

- Edible oils noticed weak tone at various market centers on Friday.
- Palm oil- Weak competitive oils, weak exports of palm oil from Malaysia in first 20 days of December to India and China, expectation of rise in palm oil end stocks in Malaysia in December and appreciation of ringgit is expected to underpin palm oil period in near term.
Weak RBD palmolein DALIAN and CBOT soy oil is expected to underpin palm oil prices in near term. BMD CPO market is in oversold zone and some technical rebound is expected. However, CPO trend is weak as stocks of palm oil builds in Malaysia and Indonesia on weak buying by India and China.
Exports of palm oil fell 2.0 percent in first 20 days of December on slow purchases from India and China.
India is buying less due to hike in import duty on palm oil, seasonal downtrend of demand and lower margins in ready to use palmolein compared to refined CPO.
Chinese buyers will only be back in market in January before Chinese New Year.
Production will fall in December in Malaysia on seasonal downtrend of production and higher rate of fall of exports will increase palm oil end stocks in the country which will underpin palm oil in medium term.
Appreciation of ringgit will underpin palm oil prices in near term. Palm oil prices are in a range with downward bias.
- Soy oil- Soy oil prices will be adversely affected by rise in stocks of soy oil in US in November as reported by NOPA. Rise in end stocks was due to weak demand of soy oil in US and stocks rebounded after many months of fall in stocks. Soybean crop condition in Argentina is expected to improve and planting of soybean will pickup pace after rains in soybean belt in the country. Soybean planting was delayed in the country due to earlier dry conditions. USDA kept soybean crop condition unchanged at 57 MMT in its December review.
USDA and Informa have increased soybean area forecast in US for 2018/19 to record in history.
Private forecasters have increased soybean crop forecast in Brazil in 2017/18 due to conducive weather. More rains is forecast in next 5 days which will support the crop. USDA kept its estimate of soybean crop in Brazil in 2017/18 unchanged at 108 MMT.
Rise in crude oil prices will support soy oil prices in near term. Prices of soy oil are in a range with downward bias.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's December 1-20 palm oil exports fell 2.0 percent to 865,309 tons compared to 882,943 tons in corresponding period last month. Top buyers are European Union at 237,497 tons (159,679 tons), China at 125,228 tons (138,376 tons), United States at 65,005 tons (48,050 tons), India at 49,880 tons (71,960 tons) and Pakistan at 25,000 tons (35,450 tons). Values in brackets are figures of corresponding period last month.
- Informa increased soybean acreage to a record 91.387 million acres in 2018 compared to previous month's estimates of 89.627 million acres. Soybean yield has been estimated at 49.7 bushels per acre compared to USDA's figure of 49.5 bushels per acre. Soybean production has been estimated at 4.450 billion bushels.

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	1.20	715.00	719.40	712.50	717.75
Feb-18	0.85	719.90	724.25	717.40	722.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-17	23,930	3230	42110	-4450
Feb-18	9,100	10	39690	1880

Vol-OI are taken at 5:05 PM

Spread	Jan-17	Feb-18
Basis	-5.75	
Jan-17		5.05
Feb-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-17	0.20	547.00	550.50	543.70	549.00
Jan-18	1.50	549.90	555.30	546.30	553.40

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-17	572	-108	2815	-282
Jan-18	2324	490	3803	-274

Vol-OI are taken at 5:05 PM

Spread	Dec-17	Jan-18
Basis	-2.0	
Dec-17		4.4
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	0.01	32.65	32.78	32.52	32.68
15-Mar	0.01	32.79	32.95	32.68	32.84
15-May	-0.01	32.95	33.1	32.83	32.98
15-July	-0.01	33.11	33.26	33	33.15
15-Aug	-0.01	33.12	33.24	32.99	33.13

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-1	2403	2410	2382	2407
15-Feb	-4	2420	2435	2393	2430
15-Mar	9	2441	2459	2417	2451
15-Apr	9	2464	2474	2438	2467

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/12/2017	6.57	13559	4.078	17.93	64.04	3.31	93.37	58.11

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-Dec-17	21-Dec-17	
Refined Soybean Oil	Indore	712	718	-6
	Indore (Soy Solvent Crude)	680	682	-2
	Mumbai	705	720	-15
	Mumbai (Soy Degum)	675	675	Unch
	Kandla/Mundra	700	710	-10
	Kandla/Mundra (Soy Degum)	675	680	-5
	Kolkata	710	720	-10
	Delhi	740	745	-5
	Nagpur	732	736	-4
	Rajkot	700	702	-2
	Kota	720	720	Unch
	Hyderabad	710	710	Unch
	Akola	730	735	-5
	Amrawati	730	730	Unch
	Bundi	715	720	-5
	Jalna	734	738	-4
	Alwar	NA	NA	-
	Solapur	734	736	-2
	Dhule	733	735	-2
Palm Oil*	Kandla (Crude Palm Oil)	574	581	-6
	Kandla (RBD Palm oil)	604	609	-5
	Kandla RBD Pamolein	641	648	-7
	Kakinada (Crude Palm Oil)	588	588	Unch
	Kakinada RBD Pamolein	641	648	-7

	Haldia Pamolein	643	649	-6
	Chennai RBD Pamolein	646	651	-5
	KPT (krishna patnam) Pamolein	635	646	-11
	Mumbai RBD Pamolein	646	656	-11
	Delhi	675	680	-5
	Rajkot	633	636	-3
	Hyderabad	675	685	-10
	Mangalore RBD Pamolein	648	649	-1
	PFAD (Kandla)	452	457	-5
	Refined Palm Stearin (Kandla)	494	499	-5
	Tuticorin (RBD Palmolein)	654	654	0
* inclusive of GST				
Refined Sunflower Oil	Chennai	700	705	-5
	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla (Ref.)	800	800	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	717	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	650	650	Unch
	Erode (Expeller Oil)	735	745	-10
Groundnut Oil	Rajkot	910	910	Unch
	Chennai	860	870	-10
	Delhi	850	850	Unch
	Hyderabad *	870	870	Unch
	Mumbai	940	950	-10
	Gondal	900	925	-25
	Jamnagar	910	930	-20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	780	780	Unch
	Jaipur (Kacchi Ghani Oil)	805	806	-1
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	800	800	Unch
	Neewai (Expeller Oil)	770	765	5
	Neewai (Kacchi Ghani Oil)	776	776	Unch
	Bharatpur (Kacchi Ghani Oil)	815	815	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	770	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	790	Unch
	Mumbai (Expeller Oil)	770	775	-5



	Kolkata(Expeller Oil)	1020	1020	Unch
	New Delhi (Expeller Oil)	800	805	-5
	Hapur (Expeller Oil)	860	860	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	825	820	5
Refined Cottonseed Oil	Rajkot	670	670	Unch
	Hyderabad	675	675	Unch
	Mumbai	690	690	Unch
	New Delhi	660	665	-5
Coconut Oil	Kangayan (Crude)	1860	1860	Unch
	Cochin	1720	1720	Unch
	Trissur	NA	NA	-
Sesame Oil	New Delhi	875	890	-15
	Mumbai	NA	NA	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	520	520	Unch
Rice Bran Oil (4%)	Punjab	585	585	Unch
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	610	620	-10
	CNF India	640	650	-10
Indonesia CPO USD/MT	FOB	615	625	-10
	CNF India	640	650	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	605	615	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	613	620	-7
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1290	1330	-40
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	595	600	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		21-Dec-17	20-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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