



Domestic Fundamentals:

- Edible oils witnessed mixed tone at various market centers on Wednesday.
- Palm oil- Rise in exports of palm oil from Malaysia in December, expectation of fall in end stocks of palm oil, expectation of fall in production of palm oil in Malaysia and expectation of rise in competitive oils are expected to support palm oil prices in near term.
Exports of palm oil rose in Malaysia in December by 6-10 percent indication firm demand from top importing destinations.
India remained the swing factor in Malaysia's exports in last 5 days of December when the demand revived from the country. India tends to buy more when the prices are low as it is price sensitive country while stocks at ports and pipelines are low.
Palm oil production is expected to fall in Malaysia in December on seasonal downtrend of production.
Palm oil end stocks in Malaysia are expected to fall on rise in exports and fall in production of palm oil in the country.
Export demand will rise from Malaysia in January from China on stocking ahead of Chinese New Year when Chinese buyers will be back in market on stocking ahead of Chinese New Year.
Ringgit is appreciating and is expected to hit psychological mark of 4.00 per USD which will underpin prices.
Rise in crude oil prices will support palm oil prices. Palm oil prices are in a range.
- Soy oil- Dry conditions in soybean growing regions of Argentina is expected to slow planting of soy oil and reduce yields. Planting reached 82 percent at the end of last week. Small window remains for soybean planting. If dry conditions prevail then area expected will reduce and standing crops will be affected which will support soybean complex prices.
Argentina started cutting soy oil export taxes and reduced 1 percent to 26 percent from 27 percent earlier.
Private forecasters have increased soybean crop forecast in Brazil in 2017/18 due to conducive weather. More rains are forecast 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. Prices are in a range
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's December palm oil exports rose 9.8 percent to 1,439,477 tons compared to 1,311,012 tons last month. Top buyers are European Union at 340,262 tons (246,561 tons), China at 198,728 tons (236,606 tons), India at 87,260 tons (112,960 tons), United States at 97,705 tons (69,225 tons), and Pakistan at 42,000 tons (69,450 tons). Values in brackets are figures of last month.
- According to the agriculture ministry, Argentina has cut its soybean export tax to 29.5 per cent from 30 per cent previously. This is the first step towards gradually reducing the levy to 18 per cent in the next two years. According to the plan, there will be tax cut of one half percentage point per month in the next twenty four months.

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

NCDEX Soy Refined Oil:

| Contract | +/- | Open | High | Low | Close |
|----------|-------|--------|--------|--------|--------|
| Jan-17 | 0.45 | 735.80 | 738.90 | 734.70 | 735.60 |
| Feb-18 | -0.55 | 743.00 | 746.20 | 741.50 | 742.10 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Jan-17 | 13,380 | -3180 | 25220 | -4460 |
| Feb-18 | 20,970 | -5400 | 31620 | 1220 |

Vol-OI are taken at 5:05 PM

| Spread | Jan-17 | Feb-18 |
|--------|--------|--------|
| Basis | -3.60 | |
| Jan-17 | | 6.50 |
| Feb-18 | | |

MCX CPO:

| Contract | +/- | Open | High | Low | Close |
|----------|-------|--------|--------|--------|--------|
| Jan-17 | -1.10 | 563.90 | 565.20 | 562.30 | 563.00 |
| Feb-18 | -1.40 | 567.10 | 570.00 | 566.90 | 567.50 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Jan-17 | 914 | -1272 | 5054 | -328 |
| Feb-18 | 507 | -1686 | 4150 | 18 |

Vol-OI are taken at 5:05 PM

| Spread | Jan-17 | Feb-18 |
|--------|--------|--------|
| Basis | -1.0 | |
| Jan-17 | | 4.5 |
| Feb-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 | 33.7 | 33.7 | 33.7 | 33.7 |
| 15-Mar | -0.04 | 33.82 | 33.98 | 33.82 | 33.86 |
| 15-May | -0.05 | 33.98 | 34.14 | 33.98 | 34.01 |
| 15-July | -0.06 | 34.16 | 34.3 | 34.15 | 34.17 |
| 15-Aug | -0.02 | 34.14 | 34.26 | 34.12 | 34.17 |

BMD CPO Futures:
 (Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| 15-Jan | -5 | 2538 | 2551 | 2533 | 2542 |
| 15-Feb | -15 | 2595 | 2596 | 2569 | 2577 |
| 15-Mar | -23 | 2607 | 2611 | 2581 | 2585 |
| 15-Apr | -21 | 2610 | 2614 | 2586 | 2590 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 4/1/2018 | 6.49 | 13419 | 4.009 | 18.45 | 63.40 | 3.23 | 91.94 | 61.81 |

Edible Oil Prices at Key Market

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|----------|--------|
| | | 4-Jan-18 | 3-Jan-18 | |
| Refined Soybean Oil | Indore | 732 | 728 | 4 |
| | Indore (Soy Solvent Crude) | 695 | 690 | 5 |
| | Mumbai | 725 | 720 | 5 |
| | Mumbai (Soy Degum) | 687 | 685 | 2 |
| | Kandla/Mundra | 725 | 721 | 4 |
| | Kandla/Mundra (Soy Degum) | 695 | 690 | 5 |
| | Kolkata | 728 | 720 | 8 |
| | Delhi | 765 | 760 | 5 |
| | Nagpur | 758 | 758 | Unch |
| | Rajkot | 720 | 715 | 5 |
| | Kota | 730 | 725 | 5 |
| | Hyderabad | NA | NA | - |
| | Akola | 755 | 751 | 4 |
| | Amrawati | 755 | 750 | 5 |
| | Bundi | Closed | Closed | - |
| | Jalna | 757 | 757 | Unch |
| | Alwar | NA | NA | - |
| | Solapur | 758 | 758 | Unch |
| | Dhule | 759 | 757 | 2 |
| Palm Oil* | Kandla (Crude Palm Oil) | 590 | 587 | 3 |
| | Kandla (RBD Palm oil) | 625 | 621 | 4 |
| | Kandla RBD Pamolein | 662 | 651 | 11 |
| | Kakinada (Crude Palm Oil) | NA | NA | - |
| | Kakinada RBD Pamolein | 662 | 651 | 11 |

| | | | | |
|--------------------------|-------------------------------|-----|-----|------|
| | Haldia Pamolein | 659 | 651 | 8 |
| | Chennai RBD Pamolein | 664 | 656 | 7 |
| | KPT (krishna patnam) Pamolein | 656 | 646 | 11 |
| | Mumbai RBD Pamolein | 672 | 672 | Unch |
| | Delhi | 685 | 680 | 5 |
| | Rajkot | 651 | 646 | 5 |
| | Hyderabad | NA | NA | - |
| | Mangalore RBD Pamolein | 664 | 657 | 6 |
| | PFAD (Kandla) | 441 | 441 | Unch |
| | Refined Palm Stearin (Kandla) | 483 | 483 | Unch |
| | Tuticorin (RBD Palmolein) | 653 | 653 | Unch |
| | Superolien (Kandla) | 672 | 672 | Unch |
| | Superolien (Mumbai) | 704 | 698 | Unch |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 705 | 720 | -15 |
| | Mumbai | 745 | 745 | Unch |
| | Mumbai(Expeller Oil) | 660 | 658 | 2 |
| | Kandla (Ref.) | 798 | 798 | Unch |
| | Kandla/Mundra (Crude) | NA | NA | - |
| | Hyderabad (Ref) | NA | NA | - |
| | Latur (Expeller Oil) | 730 | 730 | Unch |
| | Chellakere (Expeller Oil) | 655 | 655 | Unch |
| | Erode (Expeller Oil) | 735 | 740 | -5 |
| Groundnut Oil | Rajkot | 925 | 940 | -15 |
| | Chennai | 840 | 850 | -10 |
| | Delhi | 850 | 850 | Unch |
| | Hyderabad * | 870 | 870 | Unch |
| | Mumbai | 970 | 970 | Unch |
| | Gondal | 920 | 925 | -5 |
| | Jamnagar | 925 | 935 | -10 |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 775 | 770 | 5 |
| | Jaipur (Kacchi Ghani Oil) | 795 | 793 | 2 |
| | Kota (Expeller Oil) | 760 | 760 | Unch |
| | Kota (Kacchi Ghani Oil) | 790 | 785 | 5 |
| | Neewai (Expeller Oil) | 765 | 760 | 5 |
| | Neewai (Kacchi Ghani Oil) | 780 | 770 | 10 |
| | Bharatpur (Kacchi Ghani Oil) | 805 | 805 | Unch |
| | Alwar (Expeller Oil) | NA | NA | - |
| | Alwar (Kacchi Ghani Oil) | NA | NA | - |
| | Sri-Ganga Nagar(Exp Oil) | 775 | 770 | 5 |
| | Sri-Ganga Nagar (Kacchi Ghani | 795 | 790 | 5 |

| | | | | |
|--|--------------------------|-----------------|-----------------|---------------|
| | Oil) | | | |
| | Mumbai (Expeller Oil) | 770 | 780 | -10 |
| | Kolkata(Expeller Oil) | 865 | 865 | Unch |
| | New Delhi (Expeller Oil) | 795 | 795 | Unch |
| | Hapur (Expeller Oil) | Closed | Closed | - |
| | Hapur (Kacchi Ghani Oil) | Closed | Closed | - |
| | Agra (Kacchi Ghani Oil) | 810 | 810 | Unch |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 677 | 675 | 2 |
| | Hyderabad | NA | NA | - |
| | Mumbai | 695 | 695 | Unch |
| | New Delhi | 680 | 665 | 15 |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1900 | 1900 | Unch |
| | Cochin | 1730 | 1730 | Unch |
| | Trissur | NA | NA | - |
| | | | | |
| Sesame Oil | New Delhi | 900 | 900 | Unch |
| | Mumbai | NA | NA | - |
| Kardi | Mumbai | 780 | 780 | Unch |
| Rice Bran Oil (40%) | New Delhi | 530 | 530 | Unch |
| Rice Bran Oil (4%) | Punjab | 585 | 585 | Unch |
| Rice Bran Oil (4%) | Uttar Pradesh | NA | NA | - |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 653 | 648 | 5 |
| | CNF India | 673 | 665 | 8 |
| Indonesia CPO USD/MT | FOB | 643 | 640 | 3 |
| | CNF India | 673 | 665 | 8 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 650 | 642 | 8 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 657 | 650 | 7 |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 1430 | 1390 | 40 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 625 | 620 | 5 |
| Crude palm Kernel Oil India (USD/MT) | CNF India | NA | NA | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 798 | 798 | Unch |
| Rapeseed Oil Rotterdam Euro/MT | FOB | NA | NA | - |
| | | | | |
| Argentina FOB (\$/MT) | | 3-Jan-18 | 2-Jan-18 | 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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