

Domestic Fundamentals:

- Edible oils witnessed mostly weak tone at various market centers on Friday.
- Palm oil- Palm oil prices are underpinned by appreciation of ringgit, expectation of rise in end stocks of palm oil in Malaysia in January, fall in exports of palm oil to top importing destinations and weak competitive oil prices. Production of palm was highest in December in Malaysia since MPOB started processing production information. If production remains at record levels in January despite fall in production in January on seasonal downtrend of production will lead to higher stocks and weaken prices. Ringgit has reached 3.94 per USD after breaking 4.00 per USD. More appreciation is in cards which will underpin palm oil prices. CBOT soy oil and RBD palmolein DALIAN are expected to underpin palm oil prices in near term. Palm oil exports fell 2-7 percent from Malaysia in first 15 days of January indicating weak of tropical oil. However, demand from India and China has been firm in the month but the headline number was weak due to lower buying by EU. Stocks of palm oil in Malaysia is at 2 year highs and if exports fail to pick then more price fall could be seen due to expectation of higher inventory of palm oil in Malaysia. Prices are in a ranged with downward bias.
- Soy oil- Soy oil end stocks in US in December rose on higher production of soy oil due to higher crush of soybean. Crush of soybean was record in December. End stocks of soy oil increased 16 percent. Higher stocks of soy oil in US will underpin soy oil prices in near to medium term. However, USDA reduced soy oil end stocks of US in 2017/18 on higher use despite higher production. Prices of soy oil are underpinned by lower soybean exports from US as reported by USDA and higher soybean quarterly stocks in US as on December 1, 2017. However, demand of soybean from China and weak soybean condition in Argentina could support prices. USDA reduced Argentina soybean crop by 1 MMT to 56 MMT. Brazil is expected to harvest second higher soybean crop whose production was hiked by USDA. Rise in crude oil prices are expected to support soy oil prices. Prices are in a range.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's 2018 production is estimated to grow 3 percent to 20.5 MMT from 19.9 MMT in 2017. Malaysia's 2018 exports are estimated to rise 5.1 percent to 17.4 MMT. MPOB estimates palm oil stocks to fall 15.8 percent to 2.3 MMT.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's January 1-15 palm oil exports rose 2.8 percent to 564,968 tons compared to 581,254 tons in corresponding period last month. Top buyers are European Union at 91,215 tons (156,432 tons), India at 75,880 tons (49,880 tons), United States at 73,788 tons (33,255 tons), China at 39,050 tons (60,188 tons), and Pakistan at 33,500 tons (19,000 tons). Values in brackets are figures of corresponding period last month.

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
Feb-17	-2.55	735.30	735.90	732.60	734.05
Mar-18	-2.50	731.10	731.70	727.80	729.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-17	16,190	-15710	40010	1040
Mar-18	2,710	-4840	16660	280

Vol-OI are taken at 5:05 PM

Spread	Feb-17	Mar-18
Basis	3.95	
Feb-17		-4.55
Mar-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Jan-17	-2.60	552.00	552.30	550.70	551.00
Feb-18	-5.40	556.80	558.00	554.50	554.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-17	393	-285	4164	-65
Feb-18	1237	34	5451	-22

Vol-OI are taken at 5:05 PM

Spread	Jan-17	Feb-18
Basis	-1.0	
Jan-17		3.5
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-Mar	0.05	32.28	32.35	32.21	32.28
15-May	0.03	32.48	32.54	32.41	32.46
15-July	0.04	32.7	32.75	32.62	32.67
15-Aug	0.06	32.78	32.8	32.76	32.76
15-Sep	0.05	32.86	32.86	32.81	32.81

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-30	2446	2452	2428	2435
15-Mar	-32	2450	2462	2432	2444
15-Apr	-35	2455	2467	2433	2445
15-May	-34	2460	2470	2439	2448

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
19/1/2018	6.40	13320	3.937	18.87	63.84	3.20	90.36	63.62

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-Jan-18	18-Jan-18	
Refined Soybean Oil	Indore	738	740	-2
	Indore (Soy Solvent Crude)	710	710	Unch
	Mumbai	725	725	Unch
	Mumbai (Soy Degum)	685	685	Unch
	Kandla/Mundra	720	723	-3
	Kandla/Mundra (Soy Degum)	687	688	-1
	Kolkata	722	725	-3
	Delhi	765	765	Unch
	Nagpur	763	765	-2
	Rajkot	711	712	-1
	Kota	730	735	-5
	Hyderabad	NR	NR	-
	Akola	763	764	-1
	Amrawati	762	764	-2
	Bundi	730	735	-5
	Jalna	769	771	-2
	Alwar	NA	NA	-
	Solapur	760	762	-2
	Dhule	776	778	-2
Palm Oil*	Kandla (Crude Palm Oil)	578	576	1
	Kandla (RBD Palm oil)	609	611	-2
	Kandla RBD Pamolein	651	654	-3
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	646	646	Unch
	Haldia Pamolein	656	656	Unch



	Chennai RBD Pamolein	651	651	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	662	662	Unch
	KPT (krishna patnam) Pamolein	641	641	Unch
	Mumbai RBD Pamolein	662	667	-5
	Delhi	685	680	5
	Rajkot	637	641	-3
	Hyderabad	NR	NR	-
	Mangalore RBD Pamolein	656	659	-3
	PFAD (Kandla)	436	436	Unch
	Refined Palm Stearin (Kandla)	462	462	Unch
	Tuticorin (RBD Palmolein)	649	NR	-
	Superolien (Kandla)	683	683	Unch
	Superolien (Mumbai)	693	693	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	NR	NR	-
	Mumbai	735	745	-10
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla (Ref.)	725	725	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	NR	NR	-
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	650	650	Unch
	Erode (Expeller Oil)	735	735	Unch
Groundnut Oil	Rajkot	900	890	10
	Chennai	NR	NR	-
	Delhi	900	900	Unch
	Hyderabad *	NR	NR	-
	Mumbai	930	930	Unch
	Gondal	890	900	-10
	Jamnagar	880	900	-20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	770	770	Unch
	Jaipur (Kacchi Ghani Oil)	779	779	Unch
	Kota (Expeller Oil)	740	735	5
	Kota (Kacchi Ghani Oil)	770	770	Unch
	Neewai (Expeller Oil)	748	761	-13
	Neewai (Kacchi Ghani Oil)	761	774	-13
	Bharatpur (Kacchi Ghani Oil)	785	785	Unch
	Alwar (Expeller Oil)	NR	NR	-
	Alwar (Kacchi Ghani Oil)	NR	NR	-
	Sri-Ganga Nagar(Exp Oil)	760	760	Unch



	Sri-Ganga Nagar (Kacchi Ghani Oil)	785	785	Unch
	Mumbai (Expeller Oil)	760	760	Unch
	Kolkata(Expeller Oil)	840	840	Unch
	New Delhi (Expeller Oil)	748	761	-13
	Hapur (Expeller Oil)	NR	NR	-
	Hapur (Kacchi Ghani Oil)	NR	NR	-
	Agra (Kacchi Ghani Oil)	790	790	Unch
Refined Cottonseed Oil	Rajkot	672	670	2
	Hyderabad	NR	NR	-
	Mumbai	695	695	Unch
	New Delhi	685	680	5
Coconut Oil	Kangayan (Crude)	1870	1870	Unch
	Cochin	1730	1730	Unch
	Trissur	NA	NA	-
Sesame Oil	New Delhi	950	900	50
	Mumbai	NA	NA	-
Kardi	Mumbai	780	780	Unch
Rice Bran Oil (40%)	New Delhi	540	535	5
Rice Bran Oil (4%)	Punjab	580	580	Unch
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	645	650	-5
	CNF India	653	660	-7
Indonesia CPO USD/MT	FOB	630	635	-5
	CNF India	648	658	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	640	645	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	660	663	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1385	1380	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	618	620	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NR	1325	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		18-Jan-18	17-Jan-18	Change
Crude Soybean Oil Ship		Unq	Unq	-
Refined Soy Oil (Bulk) Ship		Unq	Unq	-
Sunflower Oil Ship		Unq	Unq	-

Cottonseed Oil Ship	Unq	Unq	-
Refined Linseed Oil (Bulk) Ship	Unq	Unq	-
* 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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