

**Domestic Fundamentals:**

- Physical market across India continued its weakening streak being guided by heavy pressure in crude oil prices. CBOT remained closed whereas BMD CPO made a gap down at market opening taking cues from continued slide in crude oil prices.
- With the bulls taking center stage in the weak foregone riding on the waves of crude oil coming week market is expected to be for bears. Crude oil is showing short term weakness as well as Malaysian ringgit is strengthening opening the gate for BMD CPO to correct towards MYR 2300 per ton. However, some last minute buying ahead of the Aidilfitri holiday from Middle Eastern countries, China, Pakistan and India would lend support to the price.
- The core fundamentals are also indicating towards medium term weakness. However crude oil will be the key driver for further price action as the current fundamentals have already discounted in the market.
- Malaysia, the second largest producer of CPO, clocked in a higher production of 6.06 million tonnes in the first four months of 2018, a nine per cent hike, year-on year (YoY), while palm oil inventories jumped 35 per cent, YoY, to 2.17 million tonnes, as at end-April 2018.
- As per market expectations the May exports of palm oil is down as per reported by cargo surveyors. According to Am,spec, Exports of Malaysian palm oil products during May 1 to 25 came in at 983,656 tonnes, down 16.6 percent from 1,147,020 tonnes during April 1-25. Similarly SGS another cargo surveyor is reporting fall in exports, Exports of Malaysian palm oil products for May. 1-25 fell 13.5 percent to 1,003,696 tonnes from 1,160,994 tonnes shipped during Apr. 1-25.
- Indonesia Jan-April biodiesel consumption for transport and power at 970,000 kilolitres (KL) vs 2018 quota of 3.22 mln kl.
- Looking at the long term policy driven change in the dynamic of demand Indonesia is looking for completely stop exporting palm oil to EU in order to manage the policy risk before any decisions come from EU senate. There's an study about stopping exports to the European Union altogether. When it's done, Indonesia can see that palm oil trade with them is risky. The study is to eradicate that risk once and for all. Further Indonesia is also planning for retaliatory action by imposing ban on fish imported from EU countries.
- Earlier, In January, members of the European Parliament voted in favor to phase out the use of biofuels made from palm oil by 2021 to fulfill the EU's Renewable Energy Directive, which aims to reach a renewable energy target of 27 percent by 2030, including in transport fuels. A decision on whether the ban will be legally imposed in all EU country members will be made in 2019
- On the other hand, China — facing a threat of declining edible oil supply in trade wars with the United States — has promised to increase palm oil imports from Indonesia by up to 500,000 tons per year. China bought 3.73 million tons of Indonesian CPO last year, from 3.23 million tons in 2016.

Outlook: Edible oil basket is expected to feature sideways to weak movement in upcoming trading session/day.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
June-18	-6.45	772.0	772	765.35	767.45
July-18	-7.35	778.3	784.0	775.8	777.0

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
June-18	14280	-280	59540	-350
July-18	13990	6850	27430	-780

Vol-OI are taken at 5:05

Spread	June-18	July-18
Basis		
June-18		
July-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-18	-10.10	663.2	663.2	655	665.4
June-18	-9.7	660.9	660.9	655	655.5

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
May-18	695	183	1565	-480
June-18	1663	421	4767	345

Vol-OI are taken at 5:05 PM

Spread	Apr-18	May-18
Basis		
May-18		
June-18		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-July	Closed				
15-Aug					
15-Sep					
15-Oct					
15-Dec					
	-0.04	30.65	30.85	30.6	30.81

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-39	2425	2417	2408	2414
15-July	-43	2428	2429	2402	2409
15-Aug	-36	2431	2432	2408	2419
15-Sep	-38	2435	2436	2414	2421
		2693	2714	2690	2697

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/05/201	6.398	14125	3.9880	24.5838	67.3425	3.7086	94.34	66.45

Edible Oil Prices at Key Market:
Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-May-18	26-May-18	
Refined Soybean Oil	Indore	770	767	3
	Indore (Soy Solvent Crude)	735	720	15
	Mumbai	775	760	15
	Mumbai (Soy Degum)	715	708	7
	Kandla/Mundra	745	745	Unch
	Kandla/Mundra (Soy Degum)	715	710	5
	Kolkata	768	765	3
	Delhi	790	800	-10
	Nagpur	754	757	-3
	Rajkot	740	740	Unch
	Kota	750	760	-10
	Hyderabad	NR	NR	-
	Akola	759	761	-2
	Amrawati	759	761	-2
	Bundi	760	760	Unch
	Jalna	759	762	-3
	Alwar	NA	NA	-
	Solapur	750	749	1
	Dhule	761	763	-2
Palm Oil*	Kandla (Crude Palm Oil)	700	692	8
	Kandla (RBD Palm oil)	735	735	Unch

	Kandla RBD Pamolein	772	772	Unch
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	767	772	-5
	Haldia Pamolein	774	772	2
	Chennai RBD Pamolein	772	772	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	835	835	Unch
	KPT (krishna patnam) Pamolein	763	764	-1
	Mumbai RBD Pamolein	777	767	11
	Mangalore RBD Pamolein	777	785	-8
	Tuticorin (RBD Palmolein)	772	772	Unch
	Delhi	800	802	-2
	Rajkot	767	767	Unch
	Hyderabad	NR	NR	-
	PFAD (Kandla)	441	431	11
	Refined Palm Stearin (Kandla)	525	525	Unch
	Superolien (Kandla)	798	798	Unch
	Superolien (Mumbai)	814	814	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	775	775	Unch
	Mumbai	790	780	10
	Mumbai(Expeller Oil)	710	705	5
	Kandla (Ref.)	760	760	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	NR	NR	-
	Latur (Expeller Oil)	750	750	Unch
	Chellakere (Expeller Oil)	730	730	Unch
	Erode (Expeller Oil)	795	795	Unch
Groundnut Oil	Rajkot	800	800	Unch
	Chennai	840	840	Unch
	Delhi	850	850	Unch
	Hyderabad *	870	890	-20
	Mumbai	840	845	-5
	Gondal	790	790	Unch
	Jamnagar	800	790	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	775	775	Unch
	Jaipur (Kacchi Ghani Oil)	788	793	-5
	Kota (Expeller Oil)	760	770	-10

	Kota (Kacchi Ghani Oil)	785	785	Unch
	Neewai (Expeller Oil)	750	760	-10
	Neewai (Kacchi Ghani Oil)	775	780	-5
	Bharatpur (Kacchi Ghani Oil)	800	790	10
	Alwar (Expeller Oil)	NR	NR	-
	Alwar (Kacchi Ghani Oil)	NR	NR	-
	Sri-Ganga Nagar(Exp Oil)	770	770	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	785	5
	Mumbai (Expeller Oil)	785	780	5
	Kolkata(Expeller Oil)	705	Closed	-
	New Delhi (Expeller Oil)	795	800	-5
	Hapur (Expeller Oil)	NR	Closed	-
	Hapur (Kacchi Ghani Oil)	NR	Closed	-
	Agra (Kacchi Ghani Oil)	805	795	10
Refined Cottonseed Oil	Rajkot	750	750	Unch
	Hyderabad	NR	NR	-
	Mumbai	765	765	Unch
	New Delhi	730	735	-5
Coconut Oil	Kangayan (Crude)	1780	1780	Unch
	Cochin	1860	1870	-10
	Trissur	NA	NA	-
Sesame Oil	New Delhi	1000	1000	Unch
	Mumbai	NA	NA	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	NR	NR	-
Rice Bran Oil (4%)	Punjab	630	620	10
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	635	640	-5
	CNF India	658	660	-2
Indonesia CPO USD/MT	FOB	620	625	-5
	CNF India	648	650	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	633	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	623	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1020	Closed	-
Palm Fatty Acid Distillate (Malaysia)	FOB	503	Closed	-

Origin USD/MT)				
Crude palm Kernel Oil India (USD/MT)	CNF India	NR	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	795	795	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	860	880	-20
Argentina FOB (\$/MT)		26-May-18	25-May-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	-
<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).

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