



Domestic Fundamentals:

- Edible oil prices witnessed mostly sideways tone at various markets centers on Thursday.
- Government raised MSP of soybean, groundnut and sunflower in desperate effort to speed up sowing of oilseed which has collapsed in current Kharif season. Soybean MSP to 3,399/qrtl from 3,050/qrtl, groundnut in shell to 4,890/qrtl from 4,450/qrtl and sunflower to 5,388/qrtl from 4,100/qrtl.
- Oilseeds sowing in current Kharif season are reported lower by 44 percent compared to corresponding period last year until last reports. Soybean sowing is down 44 percent, groundnut is down 48.6 percent. Sowing of soybean down due to lower realization of farmers. Higher sowing of soybean was expected. Lower rains in Gujarat and lower remuneration of farmers in Gujarat is primarily responsible for the fall. This report may prompt trade and industry to prepare for higher imports if sowing fails to pickup.
- Palm oil- Palm oil domestic prices are expected rise on depreciation of Rupee, weak demand, increase in disparity in imports and weak import demand.
Rupee is expected to hit all time low in coming weeks which will increase disparity in imports of palm oil which in turn will decrease import demand. Higher disparity will not let domestic prices fall despite fall in international prices of palm. On the international front, palm oil stocks are expected to fall to 9 month low in June in Malaysia, according to trade estimates. This fall in stocks is due to 11 percent fall in production of palm oil and 7.8 percent fall in exports of palm oil from Malaysia.
However, fall in end stocks of palm oil in Malaysia will show slower than expected fall on lower than expected fall in production and higher than expected fall in exports from Malaysia.
Production of palm oil is expected to fall in June due to man days lost due to Ramadan. Production is expected to rise from July.
Exports of palm oil fell 10-12 percent in June, according to cargo surveyors. Fall in exports is due to lower rate of purchases by EU and Pakistan. Many locations purchased less as Ramadan is over and they are adequately stocked. India and China purchased less in expectation of lower prices of palm oil.
China imported less due to higher supply of soybean in the country in June due to record imports and dilution of soybean state reserves by China. However, due to trade war with US, it is expected import more palm oil.
Competitive oils like CBOT soy oil is expected to fall on fears of trade war with China.
- Soy oil- Soy oil prices are supported by increase in import duty on sunflower oil by India which has resulted in increase in sun oil premium over soy oil resulting in renewed demand. Further, lower duty difference between soy oil and palm oil has led to fresh demand. Depreciation of Rupee has supported domestic soy oil prices. However, depreciation of Argentina Peso has brought down CNF prices of soy oil.
Trade war concerns between US and China is expected to underpin soybean complex prices.
Better than expected soybean crop condition in US is expected to underpin soy oil prices.

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
July-18	3.95	752.00	755.00	749.70	754.50
Aug-18	3.85	755.10	760.30	752.25	759.20

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	10,830	2130	34680	-2100
Aug-18	13,290	4580	33500	2000

Vol-OI are taken at 5:05

Spread	July-18	Aug-18
Basis	0.50	
July-18		4.70
Aug-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
July-18	2.40	628.50	632.30	627.10	630.60
Aug-18	1.00	624.90	627.30	623.40	626.20

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	701	248	5372	200
Aug-18	567	492	2162	76

Vol-OI are taken at 5:05 PM

Spread	July-18	Aug-18
Basis	6.4	
July-18		-4.4
Aug-18		

* CPO Kandla prices taken for spread calculated as at 5:30 PM

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-July	-0.07	28.81	28.85	28.58	28.7
15-Aug	-0.08	28.85	29.03	28.68	28.8
15-Sep	-0.12	29	29.14	28.8	28.88
15-Oct	-0.10	29.09	29.25	28.91	29.02
15-Dec	-0.11	29.34	29.52	29.15	29.28

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-July	-9	2280	2280	2260	2270
15-Aug	-21	2301	2309	2275	2279
15-Sep	-18	2304	2310	2278	2284
15-Oct	-19	2304	2312	2282	2289

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
5/07/2018	6.64	14387	4.042	28.07	68.73	3.91	94.32	74.48

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Jul-18	4-Jul-18	
Refined Soybean Oil	Indore	755	755	Unch
	Indore (Soy Solvent Crude)	720	720	Unch
	Mumbai	760	760	Unch
	Mumbai (Soy Degum)	715	715	Unch
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	708	708	Unch
	Kolkata	732	732	Unch
	Delhi	786	785	1
	Nagpur	768	768	Unch
	Rajkot	735	735	Unch
	Kota	750	750	Unch
	Hyderabad	NR	NR	-
	Akola	766	766	Unch
	Amrawati	766	766	Unch
	Bundi	742	742	Unch
	Jalna	767	767	Unch
	Alwar	NA	NA	-
	Solapur	771	771	Unch
	Dhule	767	767	Unch
Palm Oil*	Kandla (Crude Palm Oil)	669	669	Unch
	Kandla (RBD Palm oil)	704	704	Unch
	Kandla RBD Pamolein	735	735	Unch
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	740	740	Unch

	Haldia Pamolein	737	740	-3
	Chennai RBD Pamolein	740	740	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	824	824	Unch
	KPT (krishna patnam) Pamolein	735	735	Unch
	Mumbai RBD Pamolein	756	756	Unch
	Mangalore RBD Pamolein	746	743	2
	Tuticorin (RBD Palmolein)	746	746	Unch
	Delhi	770	775	-5
	Rajkot	730	730	Unch
	Hyderabad	NR	NR	-
	PFAD (Kandla)	404	404	Unch
	Refined Palm Stearin (Kandla)	557	557	Unch
	Superolien (Kandla)	761	761	Unch
	Superolien (Mumbai)	788	788	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	795	795	Unch
	Mumbai	810	810	Unch
	Mumbai(Expeller Oil)	755	755	Unch
	Kandla (Ref.)	780	780	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	800	800	Unch
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	755	755	Unch
	Erode (Expeller Oil)	825	825	Unch
Groundnut Oil	Rajkot	810	810	Unch
	Chennai	830	830	Unch
	Delhi	825	825	Unch
	Hyderabad *	855	855	Unch
	Mumbai	840	840	Unch
	Gondal	810	810	Unch
	Jamnagar	800	800	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	820	820	Unch
	Jaipur (Kacchi Ghani Oil)	841	839	2
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	820	820	Unch
	Neewai (Expeller Oil)	820	820	Unch
	Neewai (Kacchi Ghani Oil)	830	830	Unch
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Expeller Oil)	NR	NR	-
	Alwar (Kacchi Ghani Oil)	NR	NR	-

	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	825	825	Unch
	Mumbai (Expeller Oil)	825	825	Unch
	Kolkata(Expeller Oil)	920	920	Unch
	New Delhi (Expeller Oil)	835	835	Unch
	Hapur (Expeller Oil)	NR	NR	-
	Hapur (Kacchi Ghani Oil)	NR	NR	-
	Agra (Kacchi Ghani Oil)	845	845	Unch
Refined Cottonseed Oil	Rajkot	755	755	Unch
	Hyderabad	NR	NR	-
	Mumbai	777	770	7
	New Delhi	730	725	5
Coconut Oil	Kangayan (Crude)	1720	1720	Unch
	Cochin	1780	1780	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1000	1000	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	Unq	Unq	-
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	590	593	-3
	CNF India	615	615	Unch
Indonesia CPO USD/MT	FOB	580	583	-3
	CNF India	608	610	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	588	590	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	593	593	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	985	985	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	493	493	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	930	-
Ukraine Origin CSFO USD/MT Kandla	CIF	805	805	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	750	725	25
Argentina FOB (\$/MT)		4-Jul-18	3-Jul-18	Change
Crude Soybean Oil Ship		673	672	1
Refined Soy Oil (Bulk) Ship		697	696	1
Sunflower Oil Ship		712	715	-3

Cottonseed Oil Ship	653	652	1
Refined Linseed Oil (Bulk) Ship	Unq	Unq	-
<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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