



#### Domestic Fundamentals:

- Edible oil prices witnessed mixed tone at various markets centers on Friday.
- 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/ql from 3,050/ql, groundnut in shell to 4,890/ql from 4,450/ql and sunflower to 5,388/ql from 4,100/ql.
- 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.
- According to Agriwatch sources import of CPO from Kandla in June was reported at 55,000 tons compared to 64,568 tons in May, RBD palmolein was reported at 36,000 tons compared to 43,985 tons, soy oil import was reported at 179,000 tons compared to 144,429 tons, sunflower oil imports were reported at 21,000 tons compared to 40,500 tons and rapeseed (canola) oil imports were reported at 10,600 tons compared to 22,030 tons. Total imports of edible oils from Kandla was reported at 302,000 tons in June compared to 315,512 tons in May.
- CPO and RBD palmolein imports were lower while soy oil imports were higher which may prompt government to raise import duty on soy oil. CBO and RBD imports by India will again show weak imports in June after weak May.
- Palm oil- Palm oil domestic prices are expected fall on weak demand, decrease in disparity in imports  
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.  
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	-1.40	753.80	755.95	753.05	753.40
Aug-18	-2.45	756.40	761.00	756.40	756.95

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	7,380	-3450	31180	-3500
Aug-18	7,350	-5940	33670	170

Vol-OI are taken at 5:05

Spread	July-18	Aug-18
Basis	1.60	
July-18		3.55
Aug-18		

#### MCX CPO:

Contract	+/-	Open	High	Low	Close
July-18	-3.30	631.90	633.50	628.40	629.00
Aug-18	-3.30	627.00	629.10	623.00	623.70

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	591	-110	5254	-118
Aug-18	381	-186	2304	142

Vol-OI are taken at 5:05 PM

Spread	July-18	Aug-18
Basis	8.0	
July-18		-5.3
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-Aug	-0.02	28.57	28.66	28.42	28.55
15-Sep	-0.01	28.62	28.76	28.54	28.66
15-Oct	-0.03	28.74	28.86	28.65	28.76
15-Dec	-0.03	28.98	29.11	28.89	29
15-Jan	-0.02	29.25	29.37	29.17	29.28

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-July	-20	2270	2270	2250	2255
15-Aug	-17	2274	2291	2262	2264
15-Sep	-20	2279	2297	2264	2266
15-Oct	-21	2284	2299	2268	2270

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
6/07/2018	6.65	14387	4.042	28.07	68.73	3.93	94.26	72.38

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Jul-18	5-Jul-18	
Refined Soybean Oil	Indore	755	755	Unch
	Indore (Soy Solvent Crude)	720	720	Unch
	Mumbai	765	760	5
	Mumbai (Soy Degum)	717	715	2
	Kandla/Mundra	745	735	10
	Kandla/Mundra (Soy Degum)	710	708	2
	Kolkata	730	732	-2
	Delhi	786	786	Unch
	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)	701	704	-2
	Kandla RBD Pamolein	735	735	Unch
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	735	740	-5

	Haldia Pamolein	735	737	-2
	Chennai RBD Pamolein	737	740	-3
	Chennai RBD Pamolein (Vitamin A&D Fortified)	824	824	Unch
	KPT (krishna patnam) Pamolein	730	735	-5
	Mumbai RBD Pamolein	751	756	-5
	Mangalore RBD Pamolein	740	746	-5
	Tuticorin (RBD Palmolein)	740	746	-5
	Delhi	770	770	Unch
	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	805	795	10
	Mumbai	820	810	10
	Mumbai(Expeller Oil)	760	755	5
	Kandla (Ref.)	780	780	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	810	800	10
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	755	755	Unch
	Erode (Expeller Oil)	830	825	5
Groundnut Oil	Rajkot	815	810	5
	Chennai	830	830	Unch
	Delhi	825	825	Unch
	Hyderabad *	855	855	Unch
	Mumbai	830	840	-10
	Gondal	810	810	Unch
	Jamnagar	810	800	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	820	5
	Jaipur (Kacchi Ghani Oil)	849	841	8
	Kota (Expeller Oil)	810	800	10
	Kota (Kacchi Ghani Oil)	825	820	5
	Neewai (Expeller Oil)	820	820	Unch
	Neewai (Kacchi Ghani Oil)	832	830	2
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Expeller Oil)	NR	NR	-
	Alwar (Kacchi Ghani Oil)	NR	NR	-



	Sri-Ganga Nagar(Exp Oil)	820	815	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	830	825	5
	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	770	755	15
	Hyderabad	NR	NR	-
	Mumbai	770	777	-7
	New Delhi	730	730	Unch
Coconut Oil	Kangayan (Crude)	1730	1720	10
	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	588	590	-2
	CNF India	613	615	-2
Indonesia CPO USD/MT	FOB	580	580	Unch
	CNF India	605	608	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	585	588	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	588	593	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	975	985	-10
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	745	750	-5
Argentina FOB (\$/MT)		5-Jul-18	4-Jul-18	Change
Crude Soybean Oil Ship		673	673	Unch
Refined Soy Oil (Bulk) Ship		697	697	Unch
Sunflower Oil Ship		712	712	Unch

Cottonseed Oil Ship	653	653	Unch
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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