



Domestic Fundamentals:

- Edible oil prices witnessed mostly firm tone at various markets centers on Monday.
- In a first sign of success of imposition of higher import duty on imports of edible oils, India's imports of edible oils in June fell 22 percent. India has been raising import duty aggressively since mid 2017 and started getting success since May 2018. Imports fell in May driven mainly by fall in imports of palm oil. However, soy oil and sunflower oil imports surged in May prompting another hike in import duty on soy oil, sunflower oil and rapeseed (canola) oil, bringing import duty on all soft oils at one effective rate of 38.5 percent.
Palm oil imports fell 40 percent in June compared to June 2017 and fell marginally compared to May 2018.
Soy oil imports fell in June compared to June 2017 while it fell 27 percent m-o-m.
However, sunflower oil imports in June rose 31 percent y-o-y while it fell 33 percent compared to May 2018.
Fall in imports of soy oil, sunflower oil and rapeseed oil has showed weakness after hike in import duty by government. However, imports of edible oils may increase if oilseed sowing does not pick up for rest of Kharif season as it is lagging behind by 8 percent until last week. Most of the fall is in groundnut sowing. Lower sowing of groundnut is expected to increase imports of edible oils as groundnut has higher oil content prompting higher shortage in production of edible oils in current Kharif season. Policy makers have to step up vigil as any slippage in policy will be counterproductive.
- According to Solvent Extractors Association (SEA), India's June edible oil imports fell 22.12 percent y-o-y to 10.08 lakh tons from 12.94 lakh tons in June 2017. Palm oil imports in June fell 40.49 percent y-o-y to 4.88 lakh tons from 8.20 lakh tons in June 2017. CPO Imports fell 46.68 percent y-o-y to 3.05 lakh tons from 5.72 lakh tons in June 2017. RBD palmolein imports fell 26.56 percent y-o-y to 1.77 lakh tons from 2.41 lakh tons in June 2017. Soy oil imports fell marginally in June y-o-y to 2.89 lakh tons from 2.91 lakh tons in June 2017. Sunflower oil imports rose 30.77 percent y-o-y in June to 2.21 lakh tons from 1.69 lakh tons in June 2017. Rapeseed (canola) oil import fell to 15.38 percent 0.11 lakh tons compared 0.13 imports in June 2017.
- According to Solvent Extractors Association (SEA), India's June edible oil stocks at ports and pipelines fell 5.41 percent m-o-m to 25.18 lakh tons from 26.62 lakh tons in May 2018. Stocks of edible oil at ports fell to 948,000 tons (CPO 250,000 tons, RBD Palmolein 190,000 tons, Degummed Soybean Oil 240,000 tons, Crude Sunflower Oil 260,000 tons and 8,000 tons of Rapeseed (Canola) Oil and about 1,570,000 tons in pipelines. (Stocks at ports were 1,002,000 tons in May 2018). India is presently holding 40 days of edible oil requirement on 1st July, 2018 at 25.18 lakh tons compared to 42 days of requirements last month at 26.62 lakh tons. India's monthly edible oil requirement is 19.0 lakh tons.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's July 1-15 palm oil exports fell 8.8 percent to 454,524 tons compared to 498,272 tons in corresponding period last month. Top buyers are European Union at 122,719 tons (109,340 tons), China at 51,125 tons (52,500 tons), India at 38,800 tons (40,670 tons), United States at 10,748 tons (36,540 tons) and Pakistan at 0 tons (52,600 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
Aug-18	-5.10	744.00	745.00	736.15	738.20
Sep-18	-5.95	739.60	739.60	734.10	735.00

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
Aug-18	23,740	-8510	51680	-670
Sep-18	3,540	-850	18380	1500

Vol-OI are taken at 5:05

Spread	Aug-18	Sep-18
Basis	21.80	
Aug-18		-3.20
Sep-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
July-18	-3.90	616.00	616.40	609.40	611.20
Aug-18	-2.70	608.00	608.00	601.00	603.50

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	666	-460	3645	-501
Aug-18	856	-651	4596	737

Vol-OI are taken at 5:05 PM

Spread	July-18	Aug-18
Basis	13.8	
July-18		-7.7
Aug-18		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Aug-18	-0.30	27.95	27.97	27.6	27.67
Sep-18	-0.31	28	28.07	27.7	27.77
Oct-18	-0.33	28.12	28.17	27.79	27.84
Dec-18	-0.31	28.35	28.41	28.02	28.08
Jan-19	-0.26	28.59	28.64	28.29	28.4

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Aug-18	29	2143	2155	2138	2143
Sep-18	16	2145	2179	2145	2166
Oct-18	12	2157	2188	2156	2173
Nov-18	9	2173	2197	2170	2181

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
16/07/2018	6.68	14473	4.04	27.25	68.56	3.85	94.46	68.72

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-Jul-18	14-Jul-18	
Refined Soybean Oil	Indore	760	748	12
	Indore (Soy Solvent Crude)	720	708	12
	Mumbai	760	755	15
	Mumbai (Soy Degum)	705	704	1
	Kandla/Mundra	730	725	5
	Kandla/Mundra (Soy Degum)	700	698	2
	Kolkata	730	732	2
	Delhi	775	780	-5
	Nagpur	765	774	-9
	Rajkot	725	725	Unch
	Kota	740	740	Unch
	Hyderabad	NR	NR	-
	Akola	765	768	-3
	Amrawati	766	768	-2
	Bundi	745	745	Unch
	Jalna	766	774	-8
	Alwar	Unq	Unq	-
	Solapur	768	776	-8
	Dhule	762	771	-9
Palm Oil*	Kandla (Crude Palm Oil)	656	658	-2
	Kandla (RBD Palm oil)	683	683	Unch
	Kandla RBD Pamolein	714	709	5
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	725	725	Unch
	Haldia Pamolein	725	725	Unch

	Chennai RBD Pamolein	730	725	5
	Chennai RBD Pamolein (Vitamin A&D Fortified)	814	809	5
	KPT (krishna patnam) Pamolein	714	712	2
	Mumbai RBD Pamolein	735	725	11
	Mangalore RBD Pamolein	740	740	Unch
	Tuticorin (RBD Palmolein)	717	727	-9
	Delhi	750	760	-10
	Rajkot	709	709	Unch
	Hyderabad	685	685	Unch
	PFAD (Kandla)	410	410	Unch
	Refined Palm Stearin (Kandla)	562	562	Unch
	Superolien (Kandla)	777	777	Unch
	Superolien (Mumbai)	809	809	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	805	800	5
	Mumbai	820	810	10
	Mumbai(Expeller Oil)	755	752	3
	Kandla (Ref.)	790	790	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	815	815	Unch
	Latur (Expeller Oil)	800	800	Unch
	Chellakere (Expeller Oil)	775	760	15
	Erode (Expeller Oil)	840	840	Unch
Groundnut Oil	Rajkot	820	810	10
	Chennai	830	820	10
	Delhi	825	825	Unch
	Hyderabad *	850	850	Unch
	Mumbai	845	830	15
	Gondal	820	820	Unch
	Jamnagar	830	820	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	840	840	Unch
	Jaipur (Kacchi Ghani Oil)	861	855	6
	Kota (Expeller Oil)	810	810	Unch
	Kota (Kacchi Ghani Oil)	855	855	Unch
	Neewai (Expeller Oil)	835	830	5
	Neewai (Kacchi Ghani Oil)	845	840	5
	Bharatpur (Kacchi Ghani Oil)	875	870	5
	Alwar (Expeller Oil)	840	840	Unch
	Alwar (Kacchi Ghani Oil)	860	860	Unch



	Sri-Ganga Nagar(Exp Oil)	845	835	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	855	850	5
	Mumbai (Expeller Oil)	840	835	5
	Kolkata(Expeller Oil)	890	892	-2
	New Delhi (Expeller Oil)	850	850	Unch
	Hapur (Expeller Oil)	NR	NR	-
	Hapur (Kacchi Ghani Oil)	NR	NR	-
	Agra (Kacchi Ghani Oil)	885	875	10
Refined Cottonseed Oil	Rajkot	760	760	Unch
	Hyderabad	762	762	Unch
	Mumbai	775	780	-5
	New Delhi	740	740	Unch
Coconut Oil	Kangayan (Crude)	1660	1660	Unch
	Cochin	1740	1740	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	563	558	5
	CNF India	583	580	3
Indonesia CPO USD/MT	FOB	555	548	7
	CNF India	580	573	7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	560	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	565	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	990	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	485	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	715	715	Unch
Ukraine Origin CSFO USD/MT Kandla	CIF	795	795	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	920	920	Unch
Argentina FOB (\$/MT)		14-Jul-18	13-Jul-18	Change
Crude Soybean Oil Ship		Closed	658	-
Refined Soy Oil (Bulk) Ship		Closed	681	-
Sunflower Oil Ship		Closed	718	-

Cottonseed Oil Ship	Closed	638	-
Refined Linseed Oil (Bulk) Ship	Closed	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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