

Domestic Fundamentals:

- MCX CPO and NCDEX Soy oil gained on Friday closing making up some losses. CME Soy oil gained on support from soybean prices whereas BMD weekend under the impression of bearish sentiments evolving out of expectation of rising palm oil stocks in Indonesia and Malaysia.
- The key factor that is evolving around the soy complex is the upcoming production expectations of the ongoing crop and with the crop conditions are well above the years average a bumper harvest is on cards and thus the CME soy oil may again dive to 27.73 cents per pound. The monthly soybean crush has already been recording their months high thus the soy oil supplies is expected to remain oversupplied.
- Higher exports demand of of soymeal and rising domestic consumption has resulted in y-o-y higher crush this marketing year.
- According to USDA the 2017-18 meal consumption is at 32.03 million tons as compared to 30.31 million tons last year. Exports too are high with estimates at 12.24 million tons against 10.5 million tons last year.
- The soy oil stocks at the end of 2017-18 is estimated at 105 million tons against .776 million tons recording highest stocks since 2011-12 The highest stocks ever recorded soy oil was in 2009-10 with 1.545 million tons.
- The domestic disappearance is estimated to post a modest growth of 380 thd tons y-o-y and thus the stocks have ballooned up.
- With such bearishness in CME soy oil Argentina has an advantage of selling their soy oil at premium, Since US is not a large exporter of soy oil due to limited crushing capacity Argentina is enjoying a monopolistic situation and US –China trade war has further helped to keep selling soy oil at premium though the Argentinean crush is estimated at slightly down as compared to last year. Higher beginning stock and imports has let the bean supplies sufficient enough to meet crush demand. Argentina is offering soy oil at a premium of 1.65 cents over CME soy oil for near month delivery.
- At sun oil front, sun crop look very promising and thus the new crop sun oil offered cheapest in 5 years for OND month at \$715 ton. Sun has lost its advantage over soya over the aggressive falls in CME soy oil.
- At domestic front, as soy oil prices has crashed sellers at Kandla and JNPT are finding it difficult to depose the heavy imports done on the back of sun at discount over soya. Kandla doesn't serve to the key sun oil consuming areas and thus the stocks have stuck. Whereas Chennai the importers are finding it difficult to source the sun oil as Ukraine has sold its stock and it is costlier to transport from Kandla to Chennai. Thus kamdla refined sun oi is cheaper by 15 rupees per 10 kg.
- Refined sun oil is at a premium of INR 15-25 against cost of refined soy oil on daily landed cost basis.

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	0.70	743.20	743.60	740.40	743.05
Sep-18	3.60	740.00	740.90	735.55	741.25

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
Aug-18	15,880	5500	35740	-1820
Sep-18	14,050	1780	32410	60

Vol-OI are taken at 5:05

Spread	Aug-18	Sep-18
Basis	2.80	
Aug-18		-4.00
Sep-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
July-18	1.00	604.70	606.50	601.00	605.40
Aug-18	1.20	598.00	600.00	593.70	598.10

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	1174	1034	5811	3703
Aug-18	357	-196	3586	-2355

Vol-OI are taken at 5:05 PM

Spread	July-18	Aug-18
Basis	9.6	
July-18		-16.2
Aug-18		

* Indore spot market 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
Aug-18	0.34	28.15	28.58	28.11	28.49
Sep-18	0.34	28.27	28.70	28.22	28.61
Oct-18	0.34	28.37	28.81	28.35	28.71
Dec-18	0.37	28.57	29.05	28.53	28.95
Jan-19	0.42	28.79	29.31	28.79	29.26

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Aug-18	-11	2138	2145	2130	2122
Sep-18	-20	2172	2188	2162	2164
Oct-18	-17	2189	2210	2183	2186
Nov-18	-11	2208	2233	2206	2213

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
28/07/2018	6.813	14377	4.061	27.32	68.625	3.7117	94.47	69.02

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Jul-18	27-Jul-18	
Refined Soybean Oil	Indore	740	745	-5
	Indore (Soy Solvent Crude)	700	705	-5
	Mumbai	750	760	-10
	Mumbai (Soy Degum)	700	702	-2
	Kandla/Mundra	723	725	-2
	Kandla/Mundra (Soy Degum)	692	695	-3
	Kolkata	730	725	5
	Delhi	780	780	Unch
	Nagpur	761	765	-4
	Rajkot	725	723	2
	Kota	745	745	Unch
	Hyderabad	780	785	-5
	Akola	761	766	-5
	Amrawati	761	765	-4
	Bundi	750	745	5
	Jalna	762	762	Unch
Alwar	Unq	Unq	-	
Solapur	753	753	Unch	
Dhule	762	762	Unch	
Palm Oil*	Kandla (Crude Palm Oil)	658	660	-2
	Kandla (RBD Palm oil)	672	672	Unch
	Kandla RBD Pamolein	704	709	-5
	Kakinada (Crude Palm Oil)	641	644	-3
	Kakinada RBD Pamolein	706	704	2
	Haldia Pamolein	711	712	-1

	Chennai RBD Pamolein	709	709	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	798	798	Unch
	KPT (krishna patnam) Pamolein	698	698	Unch
	Mumbai RBD Pamolein	712	725	-13
	Mangalore RBD Pamolein	709	709	Unch
	Tuticorin (RBD Palmolein)	709	709	Unch
	Delhi	755	750	5
	Rajkot	709	709	Unch
	Hyderabad	710	700	10
	PFAD (Kandla)	410	410	Unch
	Refined Palm Stearin (Kandla)	562	557	5
	Superolien (Kandla)	767	767	Unch
	Superolien (Mumbai)	798	798	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	805	805	Unch
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	755	760	-5
	Kandla (Ref.)	790	790	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	820	825	-5
	Latur (Expeller Oil)	805	810	-5
	Chellakere (Expeller Oil)	775	775	Unch
	Erode (Expeller Oil)	845	845	Unch
Groundnut Oil	Rajkot	840	830	10
	Chennai	840	840	Unch
	Delhi	850	850	Unch
	Hyderabad *	855	855	Unch
	Mumbai	870	870	Unch
	Gondal	840	840	Unch
	Jamnagar	840	830	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	855	855	Unch
	Jaipur (Kacchi Ghani Oil)	875	873	2
	Kota (Expeller Oil)	830	830	Unch
	Kota (Kacchi Ghani Oil)	865	870	-5
	Neewai (Expeller Oil)	850	842	8
	Neewai (Kacchi Ghani Oil)	865	862	3
	Bharatpur (Kacchi Ghani Oil)	870	870	Unch
	Alwar (Expeller Oil)	860	860	Unch
	Alwar (Kacchi Ghani Oil)	880	880	Unch

	Sri-Ganga Nagar(Exp Oil)	845	850	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	865	870	-5
	Mumbai (Expeller Oil)	840	840	Unch
	Kolkata(Expeller Oil)	950	950	Unch
	New Delhi (Expeller Oil)	885	880	5
	Hapur (Expeller Oil)	870	870	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	875	875	Unch
Refined Cottonseed Oil				
	Rajkot	795	790	5
	Hyderabad	785	782	3
	Mumbai	795	795	Unch
	New Delhi	765	765	Unch
Coconut Oil				
	Kangayan (Crude)	1670	1660	10
	Cochin	1700	1710	-10
	Trissur	Unq	Unq	-
Sesame Oil				
	New Delhi	1000	1000	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	870	870	Unch
Rice Bran Oil (40%)	New Delhi	680	680	Unch
Rice Bran Oil (4%)	Punjab	635	660	-25
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT				
	FOB	553	553	Unch
	CNF India	573	575	-2
Indonesia CPO USD/MT				
	FOB	535	540	-5
	CNF India	565	568	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	555	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	560	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1015	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	490	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	940	-
Ukraine Origin CSFO USD/MT Kandla	CIF	797	797	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	720	-
Argentina FOB (\$/MT)				
		27-Jul-18	26-Jul-18	Change
Crude Soybean Oil Ship		643	643	Unch
Refined Soy Oil (Bulk) Ship		676	666	10
Sunflower Oil Ship		720	720	Unch

Cottonseed Oil Ship	633	623	10
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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