

Domestic Fundamentals:

- Edible oil complex featured mixed tone in various market centers on Monday.
- MCX CPO fell while NCDEX soy oil gained on Tuesday after closing higher on Monday. CME soy oil gained on support from soybean prices whereas BMD remained flat under the impression of bearish sentiments evolving out of expectation of rising palm oil stocks in Indonesia and Malaysia.
- Palm oil prices are underpinned by expectation of rise in end stocks of palm oil in Malaysia on rise in production of palm oil in Malaysia and fall in exports of palm oil from Malaysia.
Further, palm oil is underpinned owing to weak demand in India and appreciation of Rupee since last week.
- Soy oil prices are underpinned by weak demand, appreciation of Rupee, better than expected soybean crop condition in US and weak demand of soybean from China.
- Sowing of oilseeds pickup up last week with most of the pickup seen in groundnut. Soybean sowing is higher by 6 percent compared to corresponding period last year, groundnut sowing was lagging by about 12 percent due to 30 percent lower sowing in Gujarat due to initial dry conditions in the state and lower prevailing prices of groundnut. Overall sowing of oilseed was lagging by 1.15 percent, pickup from last week fall of about 8 percent.
- However, since sowing of groundnut is lagging, oil production could fall higher due to higher oil content in groundnut compared to soybean.
- The key factor that is evolving around the US soy complex is the upcoming production expectations of the ongoing crop and with the crop conditions are well above the year's 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.
- 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 \$762.5 per 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 Kandla refined sun oil is cheaper by 15 rupees per 10 kg.

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	1.20	742.50	746.50	740.25	744.30
Sep-18	2.70	739.60	745.00	738.00	742.70

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
Aug-18	13,980	7620	36920	1750
Sep-18	7,880	3550	33730	940

Vol-OI are taken at 5:05

Spread	Aug-18	Sep-18
Basis	0.70	
Aug-18		-1.60
Sep-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
July-18	-0.90	618.00	618.00	617.00	617.20
Aug-18	-2.30	604.00	605.90	601.70	603.50

Prices are at 5:05 PM

Contract	Volume	Change	OI	Change
July-18	618	168	1491	-4417
Aug-18	1394	1239	6272	2666

Vol-OI are taken at 5:05 PM

Spread	July-18	Aug-18
Basis	7.8	
July-18		-13.7
Aug-18		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Aug-18	0.27	28.41	28.43	28.68	28.68
Sep-18	0.28	28.51	28.53	28.79	28.79
Oct-18	0.24	28.61	28.61	28.85	28.85
Dec-18	0.26	28.82	28.82	29.08	29.08
Jan-19	0.24	29.07	29.2	29.31	29.31

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Aug-18	1	2120	2131	2106	2132
Sep-18	2	2172	2180	2148	2174
Oct-18	3	2196	2204	2176	2194
Nov-18	-	2224	2232	2208	2221

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
31/07/2018	6.83	14420	4.056	27.25	68.55	3.73	94.22	69.78

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Jul-18	30-Jul-18	
Refined Soybean Oil	Indore	745	745	Unch
	Indore (Soy Solvent Crude)	700	705	-5
	Mumbai	755	755	Unch
	Mumbai (Soy Degum)	702	700	2
	Kandla/Mundra	725	725	Unch
	Kandla/Mundra (Soy Degum)	695	695	Unch
	Kolkata	720	725	-5
	Delhi	780	780	Unch
	Nagpur	764	761	3
	Rajkot	725	725	Unch
	Kota	745	745	Unch
	Hyderabad	780	780	Unch
	Akola	764	761	3
	Amrawati	761	761	Unch
	Bundi	750	750	Unch
	Jalna	765	762	3
	Alwar	Unq	Unq	-
	Solapur	754	753	1
	Dhule	764	762	2
Palm Oil*	Kandla (Crude Palm Oil)	656	660	-4
	Kandla (RBD Palm oil)	672	672	Unch
	Kandla RBD Pamolein	709	704	5
	Kakinada (Crude Palm Oil)	641	641	Unch
	Kakinada RBD Pamolein	704	704	Unch
	Haldia Pamolein	701	709	-7

	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	725	725	Unch
	Mangalore RBD Pamolein	716	716	Unch
	Tuticorin (RBD Palmolein)	709	709	Unch
	Delhi	750	760	-10
	Rajkot	709	709	Unch
	Hyderabad	710	710	Unch
	PFAD (Kandla)	410	410	Unch
	Refined Palm Stearin (Kandla)	557	557	Unch
	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)	750	760	-10
	Kandla (Ref.)	790	790	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	820	820	Unch
	Latur (Expeller Oil)	805	805	Unch
	Chellakere (Expeller Oil)	775	775	Unch
	Erode (Expeller Oil)	845	845	Unch
Groundnut Oil	Rajkot	840	840	Unch
	Chennai	840	840	Unch
	Delhi	850	850	Unch
	Hyderabad *	855	855	Unch
	Mumbai	900	870	30
	Gondal	850	850	Unch
	Jamnagar	840	840	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	860	850	10
	Jaipur (Kacchi Ghani Oil)	880	880	Unch
	Kota (Expeller Oil)	830	830	Unch
	Kota (Kacchi Ghani Oil)	870	865	5
	Neewai (Expeller Oil)	850	855	-5
	Neewai (Kacchi Ghani Oil)	865	870	-5
	Bharatpur (Kacchi Ghani Oil)	890	880	10
	Alwar (Expeller Oil)	860	860	Unch
	Alwar (Kacchi Ghani Oil)	880	880	Unch



	Sri-Ganga Nagar(Exp Oil)	850	845	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	870	865	5
	Mumbai (Expeller Oil)	865	865	Unch
	Kolkata(Expeller Oil)	950	950	Unch
	New Delhi (Expeller Oil)	878	880	-2
	Hapur (Expeller Oil)	870	870	Unch
	Hapur (Kacchi Ghani Oil)	910	910	Unch
	Agra (Kacchi Ghani Oil)	895	885	10
Refined Cottonseed Oil	Rajkot	795	795	Unch
	Hyderabad	785	785	Unch
	Mumbai	800	800	Unch
	New Delhi	770	770	Unch
Coconut Oil	Kangayan (Crude)	1670	1670	Unch
	Cochin	1710	1710	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1000	1000	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	870	870	Unch
Rice Bran Oil (40%)	New Delhi	675	675	Unch
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	553	555	-2
	CNF India	570	575	-5
Indonesia CPO USD/MT	FOB	540	543	-3
	CNF India	563	568	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	553	553	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	560	560	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1010	1020	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	490	490	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	945	-
Ukraine Origin CSFO USD/MT Kandla	CIF	793	793	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	719	718	1
Argentina FOB (\$/MT)		30-Jul-18	28-Jul-18	Change
Crude Soybean Oil Ship		649	Closed	-
Refined Soy Oil (Bulk) Ship		672	Closed	-
Sunflower Oil Ship		720	Closed	-

Cottonseed Oil Ship	629	Closed	-
Refined Linseed Oil (Bulk) Ship	Unq	Closed	-
* indicates including GST			

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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