

Domestic Fundamentals:

- Edible oils featured mostly weak tone at various centers on Friday.
- MCX CPO and NCDEX soy traded lower on weak cues from international markets. CBOT soy oil rose on faltering trade concerns while and BMD CPO market traded lower on oversupply concerns.
- Palm oil- Palm oil prices are expected to be underpinned by expected of higher than expected palm oil end stocks in Malaysia in August, higher than expected palm oil production in Malaysia in August, fall in exports of palm oil in Malaysia in August and fall in competitive oils. In India palm oil prices are underpinned by weak demand and low disparity.
Depreciation of Ringgit and rise in crude oil prices will limit losses of palm oil.
Palm oil end stocks are expected to rise in Malaysia in August on higher palm oil production and weak exports.
Palm oil production is expected to rise in August after strong July on seasonal uptrend of production.
Palm oil exports are down 9-11 percent in first 20 days of August but demand from India and China has firmed in last 5 days indicating that demand will pickup from these two locations. Both the location have taken advantage of lower prices of palm oil as both are price sensitive countries. But overall the month of August will end in red.
Demand from India has firmed after low exports in last two months especially from Malaysia. Demand has firmed on bargain buying and restocking ahead of festivals season in India from September.
Competitive oils like CBOT soy oil is expected to fall on US and China trade dispute which has gripped soybean complex markets adversely.
Indian palm oil prices are underpinned by weak demand as disparity in palm oil imports are low which are letting palm oil prices fall. If disparity increased then it will not let domestic prices fall. Rupee depreciation led to disparity.
Ringgit has depreciated to 4.11 per USD levels after breaching 4.00 per USD levels in 2018 which are expected to limit losses in palm oil prices as it make palm oil competitive compared to competing oil.
Crude oil prices have risen from below 65/barrel to around 70/barrel and more rise in crude oil is in sight on decreasing in US crude oil inventories and cut in production of crude oil by OPEC.
- Soy oil- Soy oil prices are underpinned by expectation trade dispute between US and China will not be resolved in near term, better than expected soybean crop condition in various states of US as reported by ProFarmer survey. However, low stocks of soy oil in US in July as reported by NOPA and depreciation of Rupee will not let prices fall.
Trade talks between US and China failed to resolve trade tensions between both countries. However, there is market expectation that China will purchase US soybean as it will fall short of soybean given supply scenario in South America. China is evaluating other possibilities to reduce dependency of US soybean and is liquidating state reserves in an effort to control prices in its market.
Rupee depreciation has translated into higher prices of soy oil in domestic markets. Imports could return to disparity and weaken demand in coming days if Rupee do not appreciate.
- China is looking is enquiring for rape meal, cottonseed meal and sunflower seed meal from Canada, India and Ukraine respectively in an effort to use them for soy meal substitute to lower soybean imports from the country. Peanut and palm kernel meals could be additional option for feed.

Outlook: Edible oil basket is expected to feature range –bound to weak sentiment in near term.

NCDEX Soy Refined Oil Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Sep-18	-2.50	733.70	734.85	731.60	731.90	5,710	-6210	44110	-160
Oct-18	-1.60	732.00	732.00	730.00	730.50	1,230	-890	11300	610

Prices & Vol-OI are at 5:05 PM

Spread	Sep-18	Oct-18
Spot	8.10	9.50
Sep-18		-1.40
Oct-18		

Spread are taken at 5:05

MCX CPO Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-18	-3.20	599.00	599.50	594.10	596.60	675	-6	3835	-2988
Sep-18	-3.00	596.60	597.70	592.50	595.10	661	274	6581	797

Prices are at 5:05 PM

Spread	Aug-18	Sep-18
Spot	-1.6	-0.1
Aug-18		-1.5
Sep-18		

Spread are taken at 5:05

CBOT Soy Oil Futures (Projections):
 (Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	0.13	28.03	28.2	28.01	28.16
15-Oct	0.09	28.17	28.3	28.15	28.26
15-Dec	0.12	28.37	28.55	28.34	28.49
15-Jan	0.13	28.64	28.78	28.6	28.73
15-Mar	0.10	28.88	29.05	28.86	29

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Sep-18	-5	2186	2197	2178	2178
Oct-18	-2	2204	2215	2197	2198
Nov-18	-	2223	2235	2218	2219
Dec-18	1	2253	2265	2248	2250

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/08/2018	6.85	14618	4.105	30.45	69.90	4.115	95.39	68.66

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-Aug-18	23-Aug-18	
Refined Soybean Oil	Indore	740	745	-5
	Indore (Soy Solvent Crude)	700	705	-5
	Mumbai	750	750	Unch
	Mumbai (Soy Degum)	695	700	-5
	Kandla/Mundra	720	718	2
	Kandla/Mundra (Soy Degum)	690	692	-2
	Kolkata	722	725	-3
	Delhi	770	770	Unch
	Nagpur	752	752	Unch
	Rajkot	715	716	-1

	Kota	735	735	Unch
	Hyderabad	770	775	-5
	Akola	756	756	Unch
	Amrawati	755	755	Unch
	Bundi	745	745	Unch
	Jalna	754	754	Unch
	Alwar	Unq	Unq	-
	Solapur	743	743	Unch
	Dhule	752	752	Unch
Palm Oil*	Kandla (Crude Palm Oil)	625	631	-6
	Kandla (RBD Palm oil)	662	659	2
	Kandla RBD Pamolein	701	701	Unch
	Kakinada (Crude Palm Oil)	609	611	-2
	Kakinada RBD Pamolein	693	698	-5
	Haldia Pamolein	714	714	Unch
	Chennai RBD Pamolein	698	698	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	777	788	-11
	KPT (krishna patnam) Pamolein	688	691	-3
	Mumbai RBD Pamolein	709	709	Unch
	Mangalore RBD Pamolein	698	698	Unch
	Tuticorin (RBD Palmolein)	706	Closed	-
	Delhi	738	740	-2
	Rajkot	698	698	Unch
	Hyderabad	705	708	-3
	PFAD (Kandla)	399	399	Unch
	Refined Palm Stearin (Kandla)	541	541	Unch
	Superolien (Kandla)	746	756	-11
	Superolien (Mumbai)	777	788	-11
* inclusive of GST				
Refined Sunflower Oil	Chennai	810	810	Unch
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	760	760	Unch
	Kandla (Ref.)	790	790	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	813	815	-2
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	770	775	-5
	Erode (Expeller Oil)	845	845	Unch
Groundnut Oil	Rajkot	850	870	-20
	Chennai	960	960	Unch

	Delhi	925	925	Unch
	Hyderabad *	965	975	-10
	Mumbai	930	930	Unch
	Gondal	860	875	-15
	Jamnagar	870	875	-5
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	860	860	Unch
	Jaipur (Kacchi Ghani Oil)	875	880	-5
	Kota (Expeller Oil)	835	835	Unch
	Kota (Kacchi Ghani Oil)	865	865	Unch
	Neewai (Expeller Oil)	850	856	-6
	Neewai (Kacchi Ghani Oil)	865	870	-5
	Bharatpur (Kacchi Ghani Oil)	865	870	-5
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	840	840	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	860	860	Unch
	Mumbai (Expeller Oil)	860	860	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	860	862	-2
	Hapur (Expeller Oil)	890	900	-10
	Hapur (Kacchi Ghani Oil)	930	940	-10
	Agra (Kacchi Ghani Oil)	870	875	-5
Refined Cottonseed Oil	Rajkot	810	810	Unch
	Hyderabad	800	790	10
	Mumbai	825	825	Unch
	New Delhi	785	785	Unch
Coconut Oil	Kangayan (Crude)	1580	1570	10
	Cochin	1680	1680	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1200	1200	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	860	860	Unch
Rice Bran Oil (40%)	New Delhi	670	670	Unch
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	560	560	Unch
	CNF India	580	578	2

Indonesia CPO USD/MT	FOB	538	535	3
	CNF India	560	563	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	558	560	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	555	558	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1040	1045	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	483	485	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	945	-
Ukraine Origin CSFO USD/MT Kandla	CIF	750	753	-3
Rapeseed Oil Rotterdam Euro/MT	FOB	740	736	4
Argentina FOB (\$/MT)		23-Aug-18	22-Aug-18	Change
Crude Soybean Oil Ship		637	640	-3
Refined Soy Oil (Bulk) Ship		659	662	-3
Sunflower Oil Ship		710	713	-3
Cottonseed Oil Ship		617	620	-3
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* 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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