



Domestic Fundamentals:

- Edible oils featured mostly weak tone at various centers on Friday.
- MCX CPO and NCDEX soy traded mixed on limited fundamental cues. CBOT soy oil rose
- 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	-0.8	733.7	734.85	731.1	733.6	10,660	4,950	42720	-1390
Oct-18	-0.4	732	732	729.3	731.7	2,170	940	11850	550

Prices & Vol-OI are at 5:05 PM

Spread are taken at 5:05

Spread	Aug-18	Sep-18
Spot	-1	-2.2
Sep-18		-1.9

MCX CPO Futures									
Prices are at 5:05 PM									
Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Aug-18	0.2	595.3	596.7	593.8	595.5	942	513	3560	-2323
Sep-18	1	594.7	595.4	592.1	594.7	520	98	6601	-148
Spread are taken at 5:05									
Spread	Aug-18				Sep-18				
Spot	-5.4				-3.5				
Aug-18					-1.9				

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)
25/08/2018	6.80	14582	4.09	30.84	69.90	4.10	95.08	69.77

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		25-Aug-18	24-Aug-18	
Refined Soybean Oil	Indore	738	740	-2
	Indore (Soy Solvent Crude)	700	700	Unch
	Mumbai	750	750	Unch
	Mumbai (Soy Degum)	693	695	-2
	Kandla/Mundra	715	720	-5
	Kandla/Mundra (Soy Degum)	686	690	-4
	Kolkata	725	722	3
	Delhi	770	770	Unch
	Nagpur	752	752	Unch
	Rajkot	715	715	Unch

	Kota	735	735	Unch
	Hyderabad	775	770	5
	Akola	752	756	-4
	Amrawati	752	755	-3
	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)	627	625	2
	Kandla (RBD Palm oil)	656	662	-5
	Kandla RBD Pamolein	698	701	-3
	Kakinada (Crude Palm Oil)	609	609	Unch
	Kakinada RBD Pamolein	693	693	Unch
	Haldia Pamolein	709	714	-5
	Chennai RBD Pamolein	695	698	-3
	Chennai RBD Pamolein (Vitamin A&D Fortified)	782	777	5
	KPT (krishna patnam) Pamolein	688	688	Unch
	Mumbai RBD Pamolein	709	709	Unch
	Mangalore RBD Pamolein	695	698	-3
	Tuticorin (RBD Palmolein)	706	706	Unch
	Delhi	735	738	-3
	Rajkot	698	698	Unch
	Hyderabad	701	705	-4
	PFAD (Kandla)	399	399	Unch
	Refined Palm Stearin (Kandla)	541	541	Unch
	Superolien (Kandla)	751	746	5
	Superolien (Mumbai)	782	777	5
* 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	813	Unch
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	770	770	Unch
	Erode (Expeller Oil)	840	845	-5
Groundnut Oil	Rajkot	850	850	Unch
	Chennai	960	960	Unch

	Delhi	925	925	Unch
	Hyderabad *	950	965	-15
	Mumbai	930	930	Unch
	Gondal	860	860	Unch
	Jamnagar	870	870	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	855	860	-5
	Jaipur (Kacchi Ghani Oil)	875	875	Unch
	Kota (Expeller Oil)	825	835	-10
	Kota (Kacchi Ghani Oil)	855	865	-10
	Neewai (Expeller Oil)	850	850	Unch
	Neewai (Kacchi Ghani Oil)	865	865	Unch
	Bharatpur (Kacchi Ghani Oil)	865	865	Unch
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	835	840	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	855	860	-5
	Mumbai (Expeller Oil)	860	860	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	850	860	-10
	Hapur (Expeller Oil)	885	890	-5
	Hapur (Kacchi Ghani Oil)	925	930	-5
	Agra (Kacchi Ghani Oil)	870	870	Unch
Refined Cottonseed Oil	Rajkot	800	810	-10
	Hyderabad	800	800	Unch
	Mumbai	830	825	5
	New Delhi	780	785	-5
Coconut Oil	Kangayan (Crude)	1600	1580	20
	Cochin	1690	1680	10
	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	635	660	-25
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	555	560	-5
	CNF India	573	580	-7



Indonesia CPO USD/MT	FOB	535	538	-3
	CNF India	555	560	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	558	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	555	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1040	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	483	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	945	-
Ukraine Origin CSFO USD/MT Kandla	CIF	745	750	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	740	-
Argentina FOB (\$/MT)		24-Aug-18	22-Aug-18	Change
Crude Soybean Oil Ship		635	640	-5
Refined Soy Oil (Bulk) Ship		657	662	-5
Sunflower Oil Ship		Unq	713	-
Cottonseed Oil Ship		615	620	-5
Refined Linseed Oil (Bulk) Ship		Unq	0	-
* 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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