

Domestic Fundamentals:

- Edible oils complex featured mixed tone in various markets centers on Friday.
- International soy oil and palm oil fell on oversupply concerns. Soy oil was trading lower while and palm oil futures were trading higher.
- Palm Oil- Palm oil prices are supported by depreciation of Ringgit and Indonesia Rupiah, buying at lower quotes, rise in competitive oil and rise in crude oil prices.

However, expectation of rise in end stocks of palm oil in Malaysia and Indonesia in coming months, expectation of rise in production of palm oil in both countries in coming months and lower rate of growth of exports of palm oil from both countries due to upcoming winters will be drag on prices in longer term

Ringgit and Rupiah has depreciating due to rise in dollar Index. Depreciation of both currencies makes palm oil more competitive compared to other competing oils. Indonesia Rupiah is under pressure due to higher current account deficit due to rise in crude oil prices and fall in prices of other exportable products ranging from palm oil, coal, rubber, cocoa etc. It has depreciated more than Ringgit in 2018. This has led to higher prices of palm oil from Malaysia compared to Indonesia. RBD palmolein over CPO is running over USD 45 per ton. This will make exports of palm oil from Malaysia uncompetitive. However, despite higher premium of Malaysian palm oil exports have shot up in September indicating strong underlying demand in near term.

Due to fall in palm oil prices in last 3-4 months has led to renewed buying of palm oil by major destinations. This buying is also due to zero export duties. More buying could be seen as India is buying before festive season. EU is buying to take advantage of lower prices and lower duties and stocks before onset of winters. China is expected to import higher palm oil in near term due to lower supply of soy oil in its market due to lower crush of soybean. Crush is lowered due to weak demand of soy meal due to outbreak of swine flu and record stock of soy meal.

Competitive oils like CBOT soy oil and RBD palmolein is expected to rise due to higher expected demand.

Crude oil prices have risen to 3 year highs due to sanction on Iran and fall in output of crude oil by Saudi Arabia. Both this factors have led to lower to surplus oil from markets supporting prices.

- Soy oil- International soy oil prices are supported by expectation of demand of soy oil at lower quotes, fall in stocks of soy oil in US due to strong domestic demand, slowdown of harvest of soybean in US Midwest due to rains, rise in competitive oils and rise in crude oil prices.

However, expectation of record soybean harvest in US, expectation of record soybean planting in Brazil, weak Chinese demand.

Soybean harvest has been delayed due to rains in US Midwest and more rainfall is forecast in Midwest in next 10 days. Crop damage is expected in rains and slow harvest. This happens at a time when record harvest is taking place.

Planting of soybean has started in Brazil and is progressing at higher rate compared to last year and 5-year average. Weather is conducive for fast progress of planting. Brazil is expected to plant record area and crop of soybean is expected to be bigger than last year. Exports are expected to touch record highs and may cross 80 MMT in 2018/19.

Soybean crop in Argentina is expected to rise to 53 MMT according to Buenos Aires grains Exchange.

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

NCDEX Soy Refined Oil Futures

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-18	-0.50	753.50	755.70	749.10	752.90	8,840	-1650	26170	-930
Nov-18	-0.45	758.10	762.70	755.40	758.65	15,000	-1960	33380	-590

Prices & Vol-OI are at 5:05 PM

Spread are taken at 5:05

Spread	Oct-18	Nov-18
Spot	-2.90	-8.65
Oct-18		5.75
Nov-18		

MCX CPO Futures

Prices are at 5:05 PM

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-18	2.10	591.20	596.50	589.60	593.80	852	81	5817	-219
Nov-18	1.30	595.00	599.50	594.00	597.20	473	276	4334	125

Spread are taken at 5:05

Spread	Oct-18	Nov-18
Spot	-2.8	-6.2
Oct-18		3.4
Nov-18		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.16	29.58	29.67	29.44	29.45
15-Jan	-0.17	29.82	29.89	29.68	29.68
15-Mar	-0.17	30.08	30.16	29.93	29.94
15-May	-0.17	30.32	30.39	30.2	30.21
15-Jul	-0.11	30.6	30.65	30.54	30.54

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Oct-18	-7	2164	2181	2163	2166
Nov-18	-7	2218	2235	2215	2221
Dec-18	-1	2275	2293	2275	2284
Jan-19	Unch	2335	2350	2334	2346

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/10/2018	6.87	15181	4.149	36.80	73.65	3.88	95.75	74.64

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Oct-18	4-Oct-18	
Refined Soybean Oil	Indore	750	742	8
	Indore (Soy Solvent Crude)	710	720	-10
	Mumbai	760	750	10
	Mumbai (Soy Degum)	702	702	Unch
	Kandla/Mundra	740	740	Unch
	Kandla/Mundra (Soy Degum)	715	710	5
	Kolkata	755	755	Unch
	Delhi	790	780	10
	Nagpur	757	755	2

	Rajkot	755	740	15
	Kota	745	745	Unch
	Hyderabad	765	775	-10
	Akola	754	753	1
	Amrawati	755	753	2
	Bundi	755	755	Unch
	Jalna	751	754	-3
	Alwar	Unq	Unq	-
	Solapur	745	748	-3
	Dhule	748	748	Unch
Palm Oil*	Kandla (Crude Palm Oil)	621	617	3
	Kandla (RBD Palm oil)	662	658	3
	Kandla RBD Pamolein	693	690	3
	Kakinada (Crude Palm Oil)	625	617	7
	Kakinada RBD Pamolein	698	693	5
	Haldia Pamolein	714	714	Unch
	Chennai RBD Pamolein	714	704	11
	Chennai RBD Pamolein (Vitamin A&D Fortified)	785	779	6
	KPT (krishna patnam) Pamolein	698	693	5
	Mumbai RBD Pamolein	725	725	Unch
	Mangalore RBD Pamolein	725	725	Unch
	Tuticorin (RBD Palmolein)	730	Closed	-
	Delhi	732	730	2
	Rajkot	691	693	-2
	Hyderabad	725	720	5
	PFAD (Kandla)	389	389	Unch
	Refined Palm Stearin (Kandla)	536	536	Unch
	Superolien (Kandla)	735	735	Unch
	Superolien (Mumbai)	785	779	6
* inclusive of GST				
Refined Sunflower Oil	Chennai	835	830	5
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	775	775	Unch
	Kandla (Ref.)	810	810	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	825	820	5
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	800	800	Unch
	Erode (Expeller Oil)	880	870	10
Groundnut Oil	Rajkot	840	850	-10



	Chennai	900	890	10
	Delhi	925	925	Unch
	Hyderabad *	930	930	Unch
	Mumbai	875	870	5
	Gondal	840	835	5
	Jamnagar	840	840	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	830	830	Unch
	Jaipur (Kacchi Ghani Oil)	848	850	-2
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	835	835	Unch
	Neewai (Expeller Oil)	815	815	Unch
	Neewai (Kacchi Ghani Oil)	835	835	Unch
	Bharatpur (Kacchi Ghani Oil)	862	862	Unch
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	810	810	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	830	830	Unch
	Mumbai (Expeller Oil)	840	835	5
	Kolkata(Expeller Oil)	980	980	Unch
	New Delhi (Expeller Oil)	850	850	Unch
	Hapur (Expeller Oil)	895	900	-5
	Hapur (Kacchi Ghani Oil)	935	940	-5
	Agra (Kacchi Ghani Oil)	867	867	Unch
Refined Cottonseed Oil	Rajkot	770	775	-5
	Hyderabad	775	775	Unch
	Mumbai	785	800	-15
	New Delhi	745	745	Unch
Coconut Oil	Kangayan (Crude)	1425	1425	Unch
	Cochin	1670	1670	Unch
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1350	1350	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	680	680	Unch
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	555	555	Unch

	CNF India	580	575	5
Indonesia CPO USD/MT	FOB	513	510	3
	CNF India	540	535	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	553	553	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	528	528	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	925	925	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	460	460	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	850	-
Ukraine Origin CSFO USD/MT Kandla	CIF	720	725	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	768	760	8
Argentina FOB (\$/MT)		4-Oct-18	3-Oct-18	Change
Crude Soybean Oil Ship		672	677	-5
Refined Soy Oil (Bulk) Ship		696	701	-5
Sunflower Oil Ship		680	680	Unch
Cottonseed Oil Ship		652	657	-5
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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