

Domestic Fundamentals:

- Edible oils complex featured mixed tone in various markets centers on Saturday.
- 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
		6-Oct-18	5-Oct-18	
Refined Soybean Oil	Indore	750	750	Unch
	Indore (Soy Solvent Crude)	710	710	Unch
	Mumbai	760	760	Unch
	Mumbai (Soy Degum)	705	702	3
	Kandla/Mundra	740	740	Unch
	Kandla/Mundra (Soy Degum)	715	715	Unch
	Kolkata	760	755	5
	Delhi	792	790	2
	Nagpur	757	757	Unch

	Rajkot	735	745	-10
	Kota	745	745	Unch
	Hyderabad	765	765	Unch
	Akola	754	754	Unch
	Amrawati	755	755	Unch
	Bundi	755	755	Unch
	Jalna	751	751	Unch
	Alwar	Unq	Unq	-
	Solapur	745	745	Unch
	Dhule	748	748	Unch
Palm Oil*	Kandla (Crude Palm Oil)	623	621	2
	Kandla (RBD Palm oil)	658	662	-3
	Kandla RBD Pamolein	693	693	Unch
	Kakinada (Crude Palm Oil)	625	625	Unch
	Kakinada RBD Pamolein	698	698	Unch
	Haldia Pamolein	722	714	8
	Chennai RBD Pamolein	714	714	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	795	785	10
	KPT (krishna patnam) Pamolein	698	698	Unch
	Mumbai RBD Pamolein	725	725	Unch
	Mangalore RBD Pamolein	725	725	Unch
	Tuticorin (RBD Palmolein)	730	Closed	-
	Delhi	735	732	3
	Rajkot	693	691	2
	Hyderabad	725	725	Unch
	PFAD (Kandla)	389	389	Unch
	Refined Palm Stearin (Kandla)	536	536	Unch
	Superolien (Kandla)	735	735	Unch
	Superolien (Mumbai)	785	785	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	835	835	Unch
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	775	775	Unch
	Kandla (Ref.)	810	810	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	825	825	Unch
	Latur (Expeller Oil)	790	790	Unch
	Chellakere (Expeller Oil)	800	800	Unch
	Erode (Expeller Oil)	880	880	Unch
Groundnut Oil	Rajkot	840	840	Unch



	Chennai	900	900	Unch
	Delhi	925	925	Unch
	Hyderabad *	930	930	Unch
	Mumbai	880	875	5
	Gondal	850	840	10
	Jamnagar	840	840	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	830	830	Unch
	Jaipur (Kacchi Ghani Oil)	850	848	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)	850	862	-12
	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	840	Unch
	Kolkata(Expeller Oil)	980	980	Unch
	New Delhi (Expeller Oil)	850	850	Unch
	Hapur (Expeller Oil)	900	895	5
	Hapur (Kacchi Ghani Oil)	940	935	5
	Agra (Kacchi Ghani Oil)	855	867	-12
Refined Cottonseed Oil	Rajkot	775	770	5
	Hyderabad	775	775	Unch
	Mumbai	785	785	Unch
	New Delhi	740	745	-5
Coconut Oil	Kangayan (Crude)	1440	1425	15
	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	682	680	2
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	580	580	Unch
Indonesia CPO USD/MT	FOB	513	513	Unch
	CNF India	540	540	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	553	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	528	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	925	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	460	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	850	-
Ukraine Origin CSFO USD/MT Kandla	CIF	720	720	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	768	-
Argentina FOB (\$/MT)		5-Oct-18	4-Oct-18	Change
Crude Soybean Oil Ship		668	672	-4
Refined Soy Oil (Bulk) Ship		691	696	-5
Sunflower Oil Ship		680	680	Unch
Cottonseed Oil Ship		648	652	-4
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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