

Domestic Fundamentals:

- Edible oils complex featured mixed tone in various markets centers on Tuesday.
- International soy oil fell while and palm oil rose. Soy oil and palm oil futures were trading higher in India on firm demand prospects.
- Palm Oil- Palm oil prices are underpinned by 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. Palm oil end stocks are expected to rise in both Malaysia and Indonesia on higher rate of growth of production compared to rate of growth of exports. Palm oil end stocks are expected to rise to 3 MMT in Malaysia and above 5 MMT in Indonesia. Palm oil exports from both countries are expected to remain firm in October due to firm demand from India ahead of festivals and stocking by all major destinations before winter. However, palm oil exports will falter after October leading stocks higher in both countries. 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. EU is buying to take advantage of lower prices and lower duties and stock before onset of winters. Competitive oils like CBOT soy oil and RBD palmolein is expected to fall due to oversupply concerns.
- 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 and slowdown of harvest of soybean in US Midwest due to rains. However, expectation of record soybean harvest in US, expectation of record soybean planting in Brazil, weak Chinese demand will cap gains. 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 will 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. Demand of soy oil in top importer India will remain weak on depreciation of Rupee which has led to higher disparity in imports and negative refining margins. However, demand ahead festive season will keep prices elevated in domestic market.

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	4.05	755.80	755.80	751.00	754.60	4,960	2210	23310	-1750
Nov-18	3.40	758.00	760.90	755.60	759.60	8,510	460	33070	550

Prices & Vol-OI are at 5:05 PM

Spread are taken at 5:05

Spread	Oct-18	Nov-18
Spot	-4.60	-9.60
Oct-18		5.00
Nov-18		

MCX CPO Futures

Prices are at 5:05 PM

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Oct-18	2.40	592.80	594.80	591.80	594.10	293	-64	5904	46
Nov-18	2.80	594.50	596.70	593.40	596.20	115	-109	4486	52

Spread are taken at 5:05

Spread	Oct-18	Nov-18
Spot	-1.1	-3.2
Oct-18		2.1
Nov-18		

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.07	29.64	29.64	29.53	29.57
15-Jan	-0.06	29.85	29.85	29.76	29.79
15-Mar	-0.04	30.12	30.12	30.01	30.07
15-May	-0.04	30.38	30.38	30.26	30.34
15-Jul	-0.06	30.67	30.67	30.55	30.61

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Oct-18	5	2107	2121	2107	2125
Nov-18	21	2153	2161	2141	2159
Dec-18	18	2199	2209	2189	2205
Jan-19	17	2257	2270	2249	2265

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
09/10/2018	6.92	15245	4.157	37.50	74.06	3.78	96.06	74.80

Edible Oil Prices at Key Market:

Commodity	Centre	Prices(Per 10 Kg)		Change
		9-Oct-18	8-Oct-18	
Refined Soybean Oil	Indore	750	750	Unch
	Indore (Soy Solvent Crude)	710	710	Unch
	Mumbai	760	760	Unch
	Mumbai (Soy Degum)	708	702	6
	Kandla/Mundra	740	740	Unch
	Kandla/Mundra (Soy Degum)	718	715	3
	Kolkata	765	765	Unch
	Delhi	792	790	2
	Nagpur	754	757	-3

	Rajkot	740	735	5
	Kota	745	745	Unch
	Hyderabad	765	765	Unch
	Akola	755	754	1
	Amrawati	756	755	1
	Bundi	755	755	Unch
	Jalna	747	751	-4
	Alwar	Unq	Unq	-
	Solapur	745	745	Unch
	Dhule	745	748	-3
Palm Oil*	Kandla (Crude Palm Oil)	625	625	Unch
	Kandla (RBD Palm oil)	658	658	Unch
	Kandla RBD Pamolein	693	693	Unch
	Kakinada (Crude Palm Oil)	630	629	1
	Kakinada RBD Pamolein	709	709	Unch
	Haldia Pamolein	722	722	Unch
	Chennai RBD Pamolein	719	719	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	795	795	Unch
	KPT (krishna patnam) Pamolein	709	709	Unch
	Mumbai RBD Pamolein	730	730	Unch
	Mangalore RBD Pamolein	725	725	Unch
	Tuticorin (RBD Palmolein)	730	Closed	-
	Delhi	732	730	2
	Rajkot	693	693	Unch
	Hyderabad	725	725	Unch
	PFAD (Kandla)	389	389	Unch
	Refined Palm Stearin (Kandla)	536	536	Unch
	Superolien (Kandla)	735	735	Unch
	Superolien (Mumbai)	789	789	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	830	830	Unch
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	775	775	Unch
	Kandla (Ref.)	815	815	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	825	825	Unch
	Latur (Expeller Oil)	780	790	-10
	Chellakere (Expeller Oil)	780	800	-20
	Erode (Expeller Oil)	880	875	5
Groundnut Oil	Rajkot	870	860	10

	Chennai	920	900	20
	Delhi	850	900	-50
	Hyderabad *	930	930	Unch
	Mumbai	910	890	20
	Gondal	870	865	5
	Jamnagar	870	860	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	830	830	Unch
	Jaipur (Kacchi Ghani Oil)	845	849	-4
	Kota (Expeller Oil)	795	800	-5
	Kota (Kacchi Ghani Oil)	835	835	Unch
	Neewai (Expeller Oil)	810	815	-5
	Neewai (Kacchi Ghani Oil)	830	835	-5
	Bharatpur (Kacchi Ghani Oil)	850	850	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	840	Unch
	Kolkata(Expeller Oil)	980	980	Unch
	New Delhi (Expeller Oil)	855	855	Unch
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	855	855	Unch
Refined Cottonseed Oil	Rajkot	760	770	-10
	Hyderabad	775	775	Unch
	Mumbai	785	785	Unch
	New Delhi	740	740	Unch
Coconut Oil	Kangayan (Crude)	1440	1440	Unch
	Cochin	1660	1670	-10
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1400	1400	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	700	700	Unch
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	550	553	-3

	CNF India	575	573	2
Indonesia CPO USD/MT	FOB	505	510	-5
	CNF India	535	533	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	548	548	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	523	525	-2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	905	925	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	455	458	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	840	-
Ukraine Origin CSFO USD/MT Kandla	CIF	720	720	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	765	765	Unch
Argentina FOB (\$/MT)		8-Oct-18	6-Oct-18	Change
Crude Soybean Oil Ship		675	Closed	-
Refined Soy Oil (Bulk) Ship		699	Closed	-
Sunflower Oil Ship		680	Closed	-
Cottonseed Oil Ship		655	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	Closed	-
<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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