

**Domestic Fundamentals:**

- Edible oils complex featured mostly weak trend at various centers in India on Friday.
- International soy oil and palm oil traded higher on expectation of US and China trade talks. In overnight development both premiers of state of US and China spoke on phone to start new round of talks to resolve various issues which impede trade between both countries. Soy oil and palm oil futures fell on weak demand.
- Palm oil-During the palm oil conference in Indonesia, various speakers spoke on demand and supply prospects. Production of palm oil is expected to rise to 40-42 MMT in 2018, rising almost 4 MMT in 2018 against expectation of rise of 2.5 MMT in its earlier estimate. Production will slow in 2019 and rise by only 2 MMT. Production of palm oil in Malaysia remained stagnant in 2018 to 19-20 MMT while it is expected to rise to 20.5 MMT in 2018. Stocks of palm oil in Indonesia are 5 MMT with expectation of further rise by November-December. Stocks of palm oil in Malaysia are expected to rise above 3 MMT by Nov-Dec 2018 and will fall thereafter by almost 7-8 lakh tons in 2019. Prices are almost at bottom and are competitive to draw stocks of palm oil from 2019 as production will slow. Slowdown of production of palm oil is linked to EL Nino impact in 2019. China will buy more palm oil in rest of 2018 and 2019 as it looks to diversify from soy oil. Imports of palm oil will remain weak due to hike in import duty on palm oil by India. Prices are either expected to average RM 2400 per ton in 2019 from RM 2300 in 2018 or it will rise USD 50-100 per ton in 2018 or average around USD 550 per ton FOB Indonesia.
- Soy oil- Soy oil domestic prices are supported by firm demand ahead of festivals. Depreciation of Rupee, higher disparity in exports will decrease import and support prices. India CNF prices fell due to fall in Argentina FOB as premium of Argentina FOB over CBOT fell due to fall in basis. Appreciation of Argentina Peso is the cause of fall in basis. Further, international soy oil prices are underpinned by pickup in soybean harvest in US Midwest which was delayed due to rains. There is some damage which will lead to quality issue. Planting of soybean is progressing at faster rate in Brazil and weather is conducive for advancement of planting which is expected to plant record crop. Import demand of soybean from China is expected to fall due to outbreak of swine flu in the country which has led to mass scale slaughter of swine. Further, China is liquidating soybean state reserves. China has mandated swine and poultry to use lower amount of protein to decrease use of soy meal in the country to cut dependence on soybean due to trade dispute with US, Due to lower crush of soybean in China has led to rise in import demand of palm oil. Fall in crude oil prices will underpin soy oil prices.

**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
Nov-18	-1.20	757.50	760.70	755.65	758.80	10,700	-160	27100	-3700
Dec-18	-1.60	757.00	760.00	754.40	757.75	11,580	2170	40570	4490

Spread	Nov-18	Dec-18
Spot	3.20	4.25
Nov-18		-1.05
Dec-18		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Nov-18	-3.40	570.00	570.00	563.40	567.90	865	388	5937	109
Dec-18	-3.60	569.80	571.10	566.00	569.30	305	137	3084	55

Spread	Nov18	Dec-18
Spot	2.1	0.7
Nov-18		1.4
Dec-18		

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

Contract	+/-	Open	High	Low	Close
15-Dec	0.16	28.34	28.56	28.1	28.48
15-Jan	0.16	28.56	28.78	28.32	28.71
15-Mar	0.15	28.84	29.06	28.6	28.99
15-May	0.18	29.12	29.34	28.9	29.31
15-Jul	0.15	29.3	29.65	29.2	29.57

**BMD CPO Futures:**  
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Nov-18	30	1942	2009	1942	1985
Dec-18	6	2030	2090	2030	2087
Jan-19	8	2118	2155	2108	2153
Feb-19	12	2178	2218	2169	2218

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
2/11/2018	6.88	14937	4.162	35.66	73.44	3.70	96.46	63.56

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		2-Nov-18	1-Nov-18	
Refined Soybean Oil	Indore	762	765	-3
	Indore (Soy Solvent Crude)	727	730	-3
	Mumbai	755	755	Unch
	Mumbai (Soy Degum)	716	718	-2
	Kandla/Mundra	750	750	Unch
	Kandla/Mundra (Soy Degum)	718	720	-2
	Kolkata	765	765	Unch
	Delhi	790	792	-2
	Nagpur	767	768	-1

	Rajkot	750	750	Unch
	Kota	765	765	Unch
	Hyderabad	770	770	Unch
	Akola	767	769	-2
	Amrawati	767	769	-2
	Bundi	775	775	Unch
	Jalna	773	773	Unch
	Alwar	Unq	Unq	-
	Solapur	754	754	Unch
	Dhule	774	774	Unch
Palm Oil*	Kandla (Crude Palm Oil)	599	604	-5
	Kandla (RBD Palm oil)	646	646	Unch
	Kandla RBD Pamolein	683	683	Unch
	Kakinada (Crude Palm Oil)	609	602	7
	Kakinada RBD Pamolein	693	693	Unch
	Haldia Pamolein	698	698	Unch
	Chennai RBD Pamolein	709	709	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	780	780	Unch
	KPT (krishna patnam) Pamolein	693	693	Unch
	Mumbai RBD Pamolein	704	704	Unch
	Mangalore RBD Pamolein	704	705	-1
	Tuticorin (RBD Palmolein)	704	Closed	-
	Delhi	718	725	-7
	Rajkot	677	680	-3
	Hyderabad	712	710	2
	PFAD (Kandla)	368	373	-5
	Refined Palm Stearin (Kandla)	504	509	-5
	Superolien (Kandla)	730	730	Unch
	Superolien (Mumbai)	780	780	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	815	820	-5
	Mumbai	825	825	Unch
	Mumbai(Expeller Oil)	745	745	Unch
	Kandla (Ref.)	810	810	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	810	810	Unch
	Latur (Expeller Oil)	770	780	-10
	Chellakere (Expeller Oil)	765	765	Unch
	Erode (Expeller Oil)	850	850	Unch

<b>Groundnut Oil</b>	Rajkot	970	970	Unch
	Chennai	970	970	Unch
	Delhi	925	925	Unch
	Hyderabad *	1000	970	30
	Mumbai	995	995	Unch
	Gondal	960	955	5
	Jamnagar	970	960	10
<b>Rapeseed Oil/Mustard Oil</b>	Jaipur (Expeller Oil)	820	825	-5
	Jaipur (Kacchi Ghani Oil)	835	840	-5
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	830	830	Unch
	Neewai (Expeller Oil)	790	795	-5
	Neewai (Kacchi Ghani Oil)	820	823	-3
	Bharatpur (Kacchi Ghani Oil)	830	830	Unch
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	830	830	Unch
	Mumbai (Expeller Oil)	820	825	-5
	Kolkata(Expeller Oil)	950	970	-20
	New Delhi (Expeller Oil)	845	850	-5
	Hapur (Expeller Oil)	880	885	-5
	Hapur (Kacchi Ghani Oil)	920	925	-5
	Agra (Kacchi Ghani Oil)	835	835	Unch
<b>Refined Cottonseed Oil</b>	Rajkot	745	745	Unch
	Hyderabad	760	760	Unch
	Mumbai	778	778	Unch
	New Delhi	710	710	Unch
<b>Coconut Oil</b>	Kangayan (Crude)	1280	1280	Unch
	Cochin	1600	1610	-10
	Trissur	Unq	Unq	-
<b>Sesame Oil</b>	New Delhi	1700	1700	Unch
	Mumbai	Unq	Unq	-
<b>Kardi</b>	Mumbai	840	840	Unch
<b>Rice Bran Oil (40%)</b>	New Delhi	725	725	Unch
<b>Rice Bran Oil (4%)</b>	Punjab	660	660	Unch
<b>Rice Bran Oil (4%)</b>	Uttar Pradesh	Unq	Unq	-



Malaysia Palmolein USD/MT	FOB	523	525	-2
	CNF India	540	550	-10
Indonesia CPO USD/MT	FOB	488	490	-2
	CNF India	505	515	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	518	520	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	500	510	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	845	860	-15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	413	420	-7
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	820	-
Ukraine Origin CSFO USD/MT Kandla	CIF	695	700	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	752	750	2
Argentina FOB (\$/MT)		1-Nov-18	31-Oct-18	Change
Crude Soybean Oil Ship		646	640	6
Refined Soy Oil (Bulk) Ship		669	662	7
Sunflower Oil Ship		665	665	Unch
Cottonseed Oil Ship		626	620	6
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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