

**Domestic Fundamentals:**

- Edible oils complex featured mixed trend at various centers in India on Saturday.
- 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
		3-Nov-18	2-Nov-18	
Refined Soybean Oil	Indore	765	762	3
	Indore (Soy Solvent Crude)	730	727	3
	Mumbai	755	755	Unch
	Mumbai (Soy Degum)	716	716	Unch
	Kandla/Mundra	750	750	Unch
	Kandla/Mundra (Soy Degum)	718	718	Unch
	Kolkata	765	765	Unch
	Delhi	793	790	3
	Nagpur	767	767	Unch

	Rajkot	748	750	-2
	Kota	765	765	Unch
	Hyderabad	760	770	-10
	Akola	767	767	Unch
	Amrawati	767	767	Unch
	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)	602	599	3
	Kandla (RBD Palm oil)	646	646	Unch
	Kandla RBD Pamolein	683	683	Unch
	Kakinada (Crude Palm Oil)	609	609	Unch
	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	709	704	5
	Tuticorin (RBD Palmolein)	701	Closed	-
	Delhi	720	718	2
	Rajkot	680	677	3
	Hyderabad	709	712	-3
	PFAD (Kandla)	368	368	Unch
	Refined Palm Stearin (Kandla)	504	504	Unch
	Superolien (Kandla)	730	730	Unch
	Superolien (Mumbai)	780	780	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	815	815	Unch
	Mumbai	820	825	-5
	Mumbai(Expeller Oil)	745	745	Unch
	Kandla (Ref.)	810	810	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	808	810	-2
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	775	765	10
	Erode (Expeller Oil)	850	850	Unch
Groundnut Oil	Rajkot	975	970	5



	Chennai	980	970	10
	Delhi	925	925	Unch
	Hyderabad *	1020	1000	20
	Mumbai	1000	995	5
	Gondal	970	960	10
	Jamnagar	970	970	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	820	820	Unch
	Jaipur (Kacchi Ghani Oil)	834	835	-1
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	830	830	Unch
	Neewai (Expeller Oil)	795	790	5
	Neewai (Kacchi Ghani Oil)	821	820	1
	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	820	Unch
	Kolkata(Expeller Oil)	950	950	Unch
	New Delhi (Expeller Oil)	845	845	Unch
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	920	920	Unch
	Agra (Kacchi Ghani Oil)	835	835	Unch
Refined Cottonseed Oil	Rajkot	745	745	Unch
	Hyderabad	740	760	-20
	Mumbai	770	778	-8
	New Delhi	710	710	Unch
Coconut Oil	Kangayan (Crude)	1300	1280	20
	Cochin	1590	1600	-10
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1700	1700	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	725	725	Unch
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	528	523	5

	CNF India	543	540	3
Indonesia CPO USD/MT	FOB	493	488	5
	CNF India	508	505	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	518	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	500	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	845	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	413	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	820	-
Ukraine Origin CSFO USD/MT Kandla	CIF	695	695	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	752	-
Argentina FOB (\$/MT)		2-Nov-18	1-Nov-18	Change
Crude Soybean Oil Ship		643	646	-3
Refined Soy Oil (Bulk) Ship		666	669	-3
Sunflower Oil Ship		Unq	665	-
Cottonseed Oil Ship		623	626	-3
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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