

**Domestic Fundamentals:**

- Edible oils featured mixed tone in various market centers on Wednesday.
- Domestic soy oil and palm oil futures fell on fall in international benchmark markets after US failed to detail about trade deal with China. Both CBOT soy oil and BMD CPO fell at the benchmarks. Rupee was firm after RBI monetary policy cut its inflation target for 2018-19 and second half of 2018-19 and leaving interest rates unchanged in its last monetary policy in 2018. Crude oil prices provided cushion to the market on Wednesday after rise on Tuesday.
- According to Indonesia's finance ministry, Indonesia will not charge levy on exports of palm products as long as CPO prices stay below threshold prices of USD 570 per ton. It will charge USD 10-15 per ton between prices range of USD 570-619 per ton. Levy will rise to USD 20-50 per ton above CPO prices of USD 619 per ton. Under the old rule exports of palm oil has to pay USD 20-50 per ton export levy on exports of palm oil irrespective of any thresholds which was used to fund biodiesel mandate in the country. With steep fall in palm oil prices in 2018, palm oil producers are bleeding which has led to removal of export levy. This step may lead more exports of palm oil from Indonesia which is reeling with oversupply of palm oil.
- Palm oil- Palm oil prices are underpinned by expectation of rise in end stocks of palm oil in Malaysia in November, rise in palm oil production in Malaysia and Indonesia in 2018 and fall in exports of palm oil from Malaysia. Palm oil end stocks in Malaysia are expected to hit 3 MMT in November due to rise in production of palm oil and fall in exports of palm oil in November. Palm oil production is expected to rise on seasonal uptrend of production in both Malaysia and Indonesia and will rise until December. Indonesia is expected to produce more than 41 MMT in 2018, much higher than expected. Exports of palm oil fell in November from Malaysia in November due to weak demand from EU and China. China purchased less as it has surplus edible oil stocks. Exports of palm oil from Malaysia in November rose to India due to fall in prices of palm oil and appreciation of Rupee.
- Soy oil- International soy oil prices are expected to fall on fall in soybean complex prices as US trade representatives were unable to give proper details of US-China trade deal struck on sidelines of G-20 meeting in Argentina. It is all about sentiment at the moment.
- Moreover, soybean complex prices are weighed by record global soybean production. Both US and Brazil are expected to produce near record soybean harvests and recovery in Argentina soybean production in 2018/19.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's Nov palm oil exports fell 13 percent to 1,241,467 tons compared to 1,427,539 tons in the corresponding period last month. Top buyers were European Union 283,168 tons (334,860 tons), India at 224,126 tons (81,700 tons), China at 171,660 tons (251,715 tons), United States at 43,524 tons (85,072 tons) and Pakistan at 34,400 tons (37,500 tons). Values in brackets are figures of last month.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO) from Indonesia rose 20.8 percent in October y-o-y to 3.14 MMT from were 2.60 MMT in Oct 2017. Exports of palm oil (CPO and PKO) were rose 5.02 m-o-m in Oct at 3.14 MMT compared to Sep 2018 at 2.99 MMT. Production of palm oil in Indonesia in October is reported at 4.51 MMT from 4.41 in Sep 2018, up 2 percent m-o-m. Stocks of palm oil in Oct 2018 rose to 4.407 MMT from 4.602 MMT in Sep 2018.

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

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Jan-19	1.10	732.50	736.00	732.35	736.00	11,050	-1330	20830	-7250
Feb-19	-0.05	732.00	732.00	726.90	730.15	5,510	-3430	34390	900

Prices & Vol-OI are at 5:05 PM

Spread	Jan-18	Feb-18
Spot	-6.00	-0.15
Jan-19		-5.85
Feb-19		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-18	-1.60	486.10	491.80	486.00	490.00	789	-492	5609	-72
Jan-19	-1.50	494.50	496.20	492.00	495.70	432	-249	4570	61

Spread	Dec-18	Jan-19
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Spot	2.0	-3.7
Dec-19		5.7
Jan-19		

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	UNCH	28.64	28.64	28.64	28.64
15-Jan	-0.11	28.9	28.92	28.69	28.79
15-Mar	-0.11	29.09	29.12	28.89	29
15-May	-0.13	29.36	29.37	29.13	29.22
15-Jul	-0.13	29.59	29.62	29.39	29.49

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Feb-19	-13	2014	2015	1997	2020
Mar-19	-12	2102	2102	2087	2110
Apr-19	-10	2169	2169	2155	2175
May-19	-12	2190	2195	2190	2206

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/12/2018	6.86	14390	4.152	37.37	70.49	3.84	96.86	53.06

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Dec-18	4-Dec-18	
Refined Soybean Oil	Indore	730	730	Unch
	Indore (Soy Solvent Crude)	685	685	Unch
	Mumbai	740	735	5
	Mumbai (Soy Degum)	700	705	-5
	Kandla/Mundra	730	730	Unch
	Kandla/Mundra (Soy Degum)	707	702	5
	Kolkata	752	745	7
	Delhi	780	778	2
	Nagpur	728	728	Unch
	Rajkot	730	727	3
	Kota	735	735	Unch

	Hyderabad	750	750	Unch
	Akola	731	731	Unch
	Amrawati	730	730	Unch
	Bundi	745	745	Unch
	Jalna	728	728	Unch
	Alwar	Unq	Unq	-
	Solapur	710	710	Unch
	Dhule	730	730	Unch
Palm Oil*	Kandla (Crude Palm Oil)	516	513	2
	Kandla (RBD Palm oil)	551	551	Unch
	Kandla RBD Pamolein	596	596	Unch
	Kakinada (Crude Palm Oil)	520	520	Unch
	Kakinada RBD Pamolein	625	625	Unch
	Haldia Pamolein	617	617	Unch
	Chennai RBD Pamolein	630	630	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	696	706	-10
	KPT (krishna patnam) Pamolein	620	620	Unch
	Mumbai RBD Pamolein	635	635	Unch
	Mangalore RBD Pamolein	630	630	Unch
	Tuticorin (RBD Palmolein)	623	628	-5
	Delhi	636	675	-39
	Rajkot	599	599	Unch
	Hyderabad	620	620	Unch
	PFAD (Kandla)	305	305	Unch
	Refined Palm Stearin (Kandla)	410	410	Unch
	Superolien (Kandla)	662	662	Unch
	Superolien (Mumbai)	706	706	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	755	755	Unch
	Mumbai	800	800	Unch
	Mumbai(Expeller Oil)	715	710	5
	Kandla (Ref.)	780	780	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	765	765	Unch
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	700	715	-15
	Erode (Expeller Oil)	800	810	-10
Groundnut Oil	Rajkot	940	940	Unch
	Chennai	930	920	10
	Delhi	950	950	Unch



	Hyderabad *	980	980	Unch
	Mumbai	970	970	Unch
	Gondal	940	940	Unch
	Jamnagar	920	920	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	800	800	Unch
	Jaipur (Kacchi Ghani Oil)	817	819	-2
	Kota (Expeller Oil)	790	790	Unch
	Kota (Kacchi Ghani Oil)	805	805	Unch
	Neewai (Expeller Oil)	790	790	Unch
	Neewai (Kacchi Ghani Oil)	805	805	Unch
	Bharatpur (Kacchi Ghani Oil)	810	810	Unch
	Alwar (Expeller Oil)	Unq	Unq	-
	Alwar (Kacchi Ghani Oil)	Unq	Unq	-
	Sri-Ganga Nagar(Exp Oil)	800	800	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	810	Unch
	Mumbai (Expeller Oil)	810	810	Unch
	Kolkata(Expeller Oil)	970	970	Unch
	New Delhi (Expeller Oil)	836	836	Unch
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	815	815	Unch
Refined Cottonseed Oil	Rajkot	685	685	Unch
	Hyderabad	690	690	Unch
	Mumbai	705	705	Unch
	New Delhi	675	675	Unch
Coconut Oil	Kangayan (Crude)	1420	1420	Unch
	Cochin	1510	1520	-10
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1750	1780	-30
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	610	610	Unch
Rice Bran Oil (4%)	Punjab	640	640	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	470	475	-5
	CNF India	495	498	-3
Indonesia CPO USD/MT	FOB	425	428	-3



	CNF India	455	458	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	465	470	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	443	440	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	785	790	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	315	313	2
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	740	-
Ukraine Origin CSFO USD/MT Kandla	CIF	685	690	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	750	750	Unch
Argentina FOB (\$/MT)		4-Dec-18	3-Dec-18	Change
Crude Soybean Oil Ship		640	637	3
Refined Soy Oil (Bulk) Ship		662	659	3
Sunflower Oil Ship		632	638	-6
Cottonseed Oil Ship		620	617	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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