

**Domestic Fundamentals:**

- Edible oils featured mixed tone in various market centers on Friday.
- Domestic soy oil and palm oil futures fell on fall in international benchmark markets after global geopolitics weighed on global markets. Both CBOT soy oil and BMD CPO fell at the benchmarks. Rupee strengthened due to rise in equities. Crude oil prices were slightly firm to the market on Friday.
- 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 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.
- 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
Dec-19	-1.35	737.00	738.40	734.70	736.00	5,120	-4040	14720	-1760
Jan-19	0.00	730.10	733.70	729.30	730.05	7,700	-1740	35600	440

Prices & Vol-OI are at 5:05 PM

Spread	Dec-18	Jan-18
Spot	4.00	9.95
Dec-19		-5.95
Jan-19		

**MCX CPO Futures**

Contract	+/-	Open	High	Low	Close	Volume	Volume Change	OI	OI Change
Dec-18	<b>-2.00</b>	492.20	493.30	489.40	490.50	705	-729	5236	-107
Jan-19	<b>-3.90</b>	494.50	495.50	490.90	490.90	661	-152	5031	167

Spread	Dec-18	Jan-19
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Spot	-7.5	-7.9
Dec-19		0.4
Jan-19		

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

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	<b>-0.02</b>	28.45	28.45	28.45	28.45
15-Jan	<b>-0.1</b>	28.81	28.81	28.6	28.61
15-Mar	<b>-0.09</b>	29.05	29.05	28.85	28.86
15-May	<b>-0.07</b>	29.33	29.33	29.1	29.13
15-Jul	<b>-0.06</b>	29.58	29.58	29.36	29.4

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Feb-19	<b>-7</b>	1995	2005	1984	1998
Mar-19	<b>-10</b>	2082	2089	2070	2084
Apr-19	<b>-5</b>	2148	2159	2140	2152
May-19	<b>-8</b>	2182	2191	2176	2185

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
07/12/2018	6.88	14584	4.169	37.70	70.80	3.90	97.07	51.49

**Edible Oil Prices at Key Market:**

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Dec-18	6-Dec-18	
Refined Soybean Oil	Indore	742	738	<b>4</b>
	Indore (Soy Solvent Crude)	700	695	<b>5</b>
	Mumbai	740	740	<b>Unch</b>
	Mumbai (Soy Degum)	705	705	<b>Unch</b>
	Kandla/Mundra	730	730	<b>Unch</b>
	Kandla/Mundra (Soy Degum)	710	708	<b>2</b>
	Kolkata	755	755	<b>Unch</b>
	Delhi	785	783	<b>2</b>
	Nagpur	728	728	<b>Unch</b>
	Rajkot	732	732	<b>Unch</b>
	Kota	735	735	<b>Unch</b>

	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)	508	512	-4
	Kandla (RBD Palm oil)	551	551	Unch
	Kandla RBD Pamolein	599	599	Unch
	Kakinada (Crude Palm Oil)	520	520	Unch
	Kakinada RBD Pamolein	609	614	-5
	Haldia Pamolein	620	614	5
	Chennai RBD Pamolein	620	620	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	683	685	-2
	KPT (krishna patnam) Pamolein	604	609	-5
	Mumbai RBD Pamolein	620	630	-11
	Mangalore RBD Pamolein	620	620	Unch
	Tuticorin (RBD Palmolein)	623	625	-2
	Delhi	636	636	Unch
	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)	683	683	Unch
* inclusive of GST				
Refined Sunflower Oil	Chennai	755	755	Unch
	Mumbai	800	800	Unch
	Mumbai(Expeller Oil)	712	715	-3
	Kandla (Ref.)	770	770	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	765	765	Unch
	Latur (Expeller Oil)	770	770	Unch
	Chellakere (Expeller Oil)	700	700	Unch
	Erode (Expeller Oil)	800	800	Unch
Groundnut Oil	Rajkot	940	940	Unch
	Chennai	940	940	Unch
	Delhi	950	950	Unch



	Hyderabad *	960	960	Unch
	Mumbai	970	970	Unch
	Gondal	950	940	10
	Jamnagar	950	930	20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	800	800	Unch
	Jaipur (Kacchi Ghani Oil)	818	818	Unch
	Kota (Expeller Oil)	790	790	Unch
	Kota (Kacchi Ghani Oil)	805	805	Unch
	Neewai (Expeller Oil)	Closed	790	-
	Neewai (Kacchi Ghani Oil)	Closed	805	-
	Bharatpur (Kacchi Ghani Oil)	815	810	5
	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)	930	930	Unch
	New Delhi (Expeller Oil)	840	836	4
	Hapur (Expeller Oil)	895	895	Unch
	Hapur (Kacchi Ghani Oil)	935	935	Unch
	Agra (Kacchi Ghani Oil)	820	815	5
Refined Cottonseed Oil	Rajkot	685	685	Unch
	Hyderabad	690	690	Unch
	Mumbai	705	705	Unch
	New Delhi	675	675	Unch
Coconut Oil	Kangayan (Crude)	1470	1470	Unch
	Cochin	1490	1500	-10
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1750	1750	Unch
	Mumbai	Unq	Unq	-
Kardi	Mumbai	880	880	Unch
Rice Bran Oil (40%)	New Delhi	635	635	Unch
Rice Bran Oil (4%)	Punjab	640	640	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	478	473	5
	CNF India	503	500	3
Indonesia CPO USD/MT	FOB	430	425	5



	CNF India	463	460	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	473	465	8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	448	445	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	785	780	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	315	313	2
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	750	-
Ukraine Origin CSFO USD/MT Kandla	CIF	700	690	10
Rapeseed Oil Rotterdam Euro/MT	FOB	740	742	-2
Argentina FOB (\$/MT)		6-Dec-18	5-Dec-18	Change
Crude Soybean Oil Ship		635	640	-5
Refined Soy Oil (Bulk) Ship		657	662	-5
Sunflower Oil Ship		625	628	-3
Cottonseed Oil Ship		615	620	-5
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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