Veg. Oil Monthly Research Report

Contents

Outlook and Review:
Domestic Front

Edible oil basket featured mixed tone during the month under review. Soy oil, palm oil, rapeseed oil and coconut oil prices fell while sunflower oil and groundnut oil prices ended in green.

Sunflower oil (Chennai) was the best performer among the edible oil complex due to firm demand. Rapeseed oil (Kota) was the worst performer among the edible oil tracking weak demand.

We expect soy oil and palm oil to trade weak on weak fundamentals.

On the currency front, Indian rupee is hovering near 71.88, down by 307 paise compared to last month. Rupee is expected to depreciate in September. Crude oil prices are expected to rise in September.

Recommendation:
In NCDEX, market participants are advised to go short in RSO below 750 for a target of 730 and 725 with a stop loss at 760 on closing basis.. In MCX, market participants are advised to go short in CPO below 610 for a target of and 590 and 585 with a stop loss at 620 on closing basis.

Market participants can buy refined soy oil in the cash markets at 730-740 for the target of 760-770 levels (Indore), if needed. Market participants can buy CPO Kandla 5% in the cash markets at 590-600 for the target of 620-630 levels, if needed.

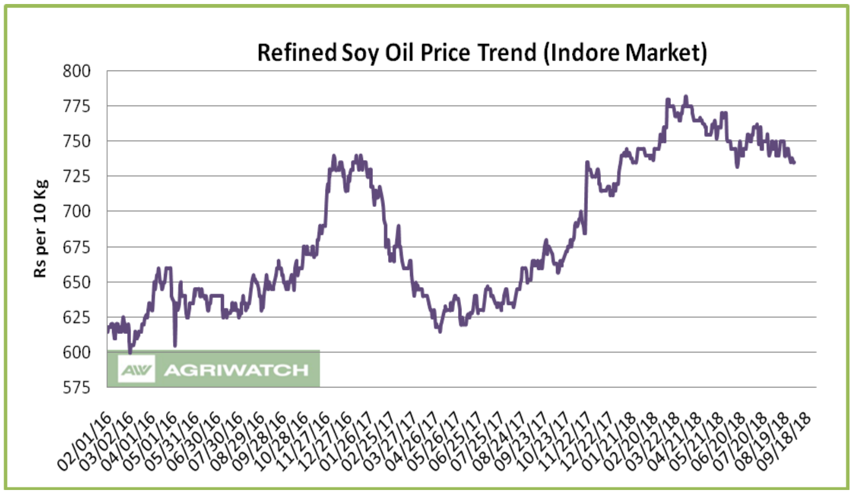
International Veg. Oil Market Summary
CBOT soy oil (Oct) is expected to stay in the range of 26 cents/lb to 32 cents/lb. CPO at BMD (Oct) is likely to stay in the range of 1900-2400 ringgits per ton. Focus during the coming days will be trade tension between US and China, soybean crop condition in US, soybean demand by China, liquidation of soybean state reserves by China, palm oil stocks in Malaysia, palm oil exports from Malaysia, India and China palm oil demand, production of palm oil in Malaysia, ringgit and dollar.

On the international front, trade dispute between US and China, better than expected soybean crop condition in US, lower soybean demand from China, high stocks of soybean in China, liquidation of soybean state reserve by China, weak competitive oils and firm dollar is expected to underpin soy oil prices in coming days.

Rise in palm oil end stocks in Malaysia, rise in production of palm oil in Malaysia, slow rise exports of palm oil from Malaysia, weak demand from China and India and weak competitive oils is expected to underpin CPO prices in near term.

Soy oil:
Domestic Market Fundamentals

- Refined soybean oil prices featured downtrend at its benchmark market at Indore during the month of August on weak demand. Average prices of refined soy oil fell in August. Prices of refined soy oil showed sideways to lower prices in major centers in India. CDSO prices fell at JNPT and Kandla/Mudra.



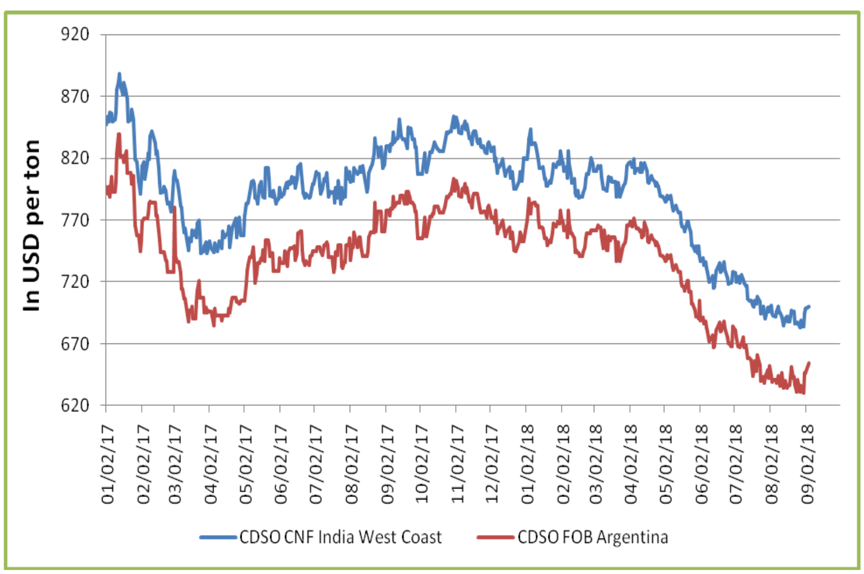
- Agriwatch view—Soy oil prices witnessed downtrend in month of August on weak demand.

  Demand of soy oil fell in August as import margins fell into disparity. Due to depreciation of Rupee, imports have returned to disparity.

  Import prices of soy oil has fallen on depreciation of Argentina Peso which will make imports and prices of imports cheaper compared to other imported edible oils.

  Prices of CDSO fell more at high seas compared to CDSO CNF indicating weak demand.

  Prices of CDSO CNF fell while CDSO FOB rose indicating weak demand at CNF markets.



  Refined soy oil premium over CPO has decreased to Rs 144 (Rs 149 last month) per 10 Kg which is high and will underpin soy oil prices. Imports will decrease on rising CDSO premium over CPO at USD 149 (USD 133 last month) per ton for Sep delivery which underpin prices of soy oil.

Refined soy oil premium over RBD palmolein was at Rs 78 (Rs 87 last month) per 10 Kg, which is high and may underpin soy oil prices in domestic markets.

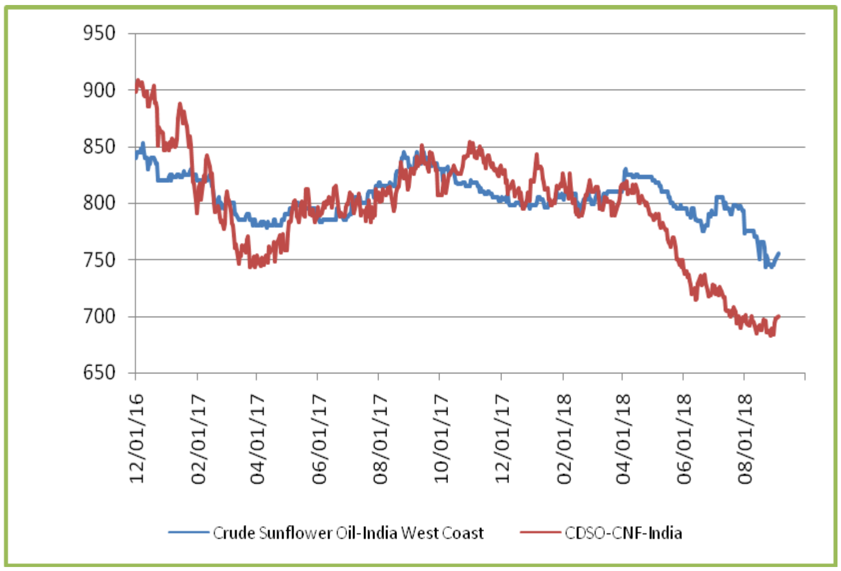
Refined soy oil premium over CDSO high seas is at Rs 48 (Rs 60) per 10 kg indicating weak refined soy oil compared to CDSO in domestic markets.

Landed cost and refining margins are in disparity after fall in prices in domestic markets, rice in prices of soy oil in international markets and depreciation of Rupee will discourage imports.

Difference increased between CDSO-CNF-India West coast and Soy oil CBOT due to rise basis (spot prices – futures prices) due to depreciation of Argentina Peso. Refiners should purchase consignment as prices of soy oil are attractive. Basis is expected to fall due to expected appreciation of Argentina Peso. Basis increased on depreciation of Argentina Peso and expected good crop in Argentina in 2018/19.

Higher soy meal exports has resulted in higher crushing of soybean. Soy meal exports improved after hike in import duty on edible oils and fall in soy meal prices.

Depreciation of Rupee will encourage crush of soybean as imported raw material is becomes costlier. This will increase soy oil supply in domestic markets.



Imports of soy oil fell in July, compared to July 2017 while it rose compared to June 2018 while stocks at ports rose. Stocks at ports rose at higher pace compared to imports indicating restocking at ports due to higher premium of soy oil over sunflower oil and same import duty compared to sunflower oil. Both imports and stocks at ports rose in July indicating firm supply will keep cap on prices of soy oil.

Prices are expected to trade sideways to weak in medium term.

- All India sowing of soybean was reported at 111.76 lakh hectares as on 31.03.2018 compared to 105.2 lakh hectares in the corresponding period last year, higher by 6.24 percent y-o-y. Sowing in top producing state of MP was reported at 53.18 lakh hectares as on 31.08.2018 compared to 50.10 lakh hectares in corresponding period last year, higher by 6.15 percent.
- Government of India hike MSP of soybean from Rs 3050/qtl to Rs 3399/qtl.

- According to Solvent Extractors Association (SEA), India's July edible oil imports fell 29.21 percent y-o-y to 10.54 lakh tons from 14.89 lakh tons in July 2017. Palm oil imports in July fell 39.93 percent y-o-y to 5.50 lakh tons from 8.20 lakh tons in July 2017. CPO Imports fell 29.32 percent in July y-o-y to 3.64 lakh tons from 5.15 lakh tons in July 2017. RBD palmolein imports fell 38.78 percent in July y-o-y to 1.80 lakh tons from 2.94 lakh tons in July 2017. Soy oil imports fell 24.79 percent in July y-o-y to 3.52 lakh tons from 4.68 lakh tons in July 2017. Sunflower oil imports rose 30.85 percent y-o-y in July to 1.39 lakh tons from 2.01 lakh tons in July 2017. Rapeseed (canola) oil import rose in July to 0.12 lakh tons compared 0.0 imports in July 2017.
- According to Solvent Extractors Association (SEA), India's July edible oil stocks at ports and pipelines fell 1.70 percent m-o-m to 24.75 lakh tons from 25.18 lakh tons in May 2018. Stocks of edible oil at ports fell to 928,000 tons (CPO 250,000 tons, RBD Palmolein 160,000 tons, Degummed Soybean Oil 320,000 tons, Crude Sunflower Oil 190,000 tons and 8,000 tons of Rapeseed (Canola) Oil and about 1,547,000 tons in pipelines. (Stocks at ports were 948,000 tons in June 2018). India is presently holding 39 days of edible oil requirement

on 1st August, 2018 at 24.75 lakh tons compared to 40 days of requirements last month at 25.18 lakh tons. India's monthly edible oil requirement is 19.0 lakh tons.

- Soy oil import scenario – According to SEA, soy oil imports fell marginally y-o-y in July to 24.79 lakh tons from 4.68 lakh tons in July 2017. In the period (Nov 2017-July 2018), imports of soy oil were 21.30 lakh tons compared to 24.49 lakh tons in corresponding period last oil year, lower by 13 percent y-o-y.
- Imported crude soy oil CIF at West coast port is offered at USD 714 (USD 692) per ton for Sep delivery, Oct delivery is offered at USD 714 (USD 694) per ton, Nov delivery is quoted at USD 719 per ton. Values in brackets are figures of last month. Last month, CIF CDSO Aug average price was USD 691.57 (USD 708.57 per ton in July 2018) per ton.
- On the parity front, margins was in parity during the month on low prices of soy oil in international markets, and we expect margins to remain in parity in coming days. Currently refiners fetch USD 5-10/ton v/s gain of USD 0-5/ton (last month) margin in processing the imported Soybean Oil (Argentina Origin).
- We expect soy oil to trade sideways to weak tone in the coming days.

International Market Fundamentals

Agriwatch view- Soy oil prices are expected to be expected to be underpinned by trade dispute between US and China, higher soybean stock in US, better than expected soybean crop condition in US, high stock of soybean in China, liquidation of soybean state reserve by China, weak competitive oils and firm dollar.

Trade talks between US and China failed and no agreement was reached. US is expected to impose duties on USD 200 billion of Chinese goods in September.

Trade dispute between US and China has led to virtually stopping import of soybean from US as imposition of import duty on import of soybean from US became uncompetitive. China imposed retaliatory tariffs on import of US goods. Trade dispute looks to be escalating and US farmers are expected to be most hit. Due to trade dispute with China US Gulf soybean prices fell sharply compared to Brazil soybean which has led to higher forward export sales of soybean from US in 2018/19 crop. China is likely to purchase US soybean despite trade dispute due to thinning of supply of Brazil in coming months and record soybean crop in US.

Soybean exports from US is expected to pickup due to fall in prices of soybean due to trade dispute which may prompt major buyers to buy more soybean from US as current prices of US soybean will give crushers big margins.

Brazil is the biggest beneficiary of US and China trade dispute, which historically gained in soybean farming. Brazil has reported steady rise in last year crop sales and forward sales. Brazil will gain in the US, China trade dispute but farmers will face headwinds on lower soybean prices, and rising farming costs apart from higher energy prices.

Soybean area in Brazil in 2018/19 in estimated to be higher than 2017/18 on higher demand from China and favorable crop weather and soil condition in 2018/19.

Soybean crop in Brazil in 2018/19 is increased to 120.5 MMT from 118 MMT by USDA. Also, soybean crop in Argentina is increased to 57 MMT from 56 MMT in its earlier estimate.

USDA increased 2017/18 Brazil soybean exports to 75 MMT on higher demand of soybean from China in its July review.

Argentina has reportedly sold soy oil consignment to China indicating that China is hunting for options to replace US soybean imports. Argentina has said that it intends to export soy meal to China, but is skeptical as China mostly imports soybean and discourage soy meal imports. US and China trade dispute may open trade opportunity for Argentina to export soy meal.

Soybean crop condition in US has improved last week with crop condition better than corresponding period last year and 5-year average. US is headed for another record crop in 2018/19 with yields expected to rise in coming months underpinning soybean complex prices.

Profarmer survey has showed higher than expected soybean yields in US which will increase estimate soybean crop of US as reported by USDA in its September estimate.

Soy oil stocks in US are falling in US in July due to higher disappearance of soy oil. Despite record crush of soybean soy oil stocks with crushers has fallen in US.

However, soy oil stock in US is expected to rise in 2018/19 on higher than expected production of soy oil partially set off by higher biodiesel use and higher exports of soy oil. Higher end stocks of soy oil are expected to underpin soy oil prices.

China imported lower soybean in any July, most of it from Brazil due to record stocks of soybean in China. This may prompt China to import lower amount of soybean in coming months as present stocks will set off lower imports in coming months.

China imported 8.1 MMT of soybean in July y-o-y while soybean imports m-o-m.

China is liquidating soybean state reserves in an effort to keep stock of soybean to loosen any tightness in soybean markets. Currently China is liquidating 2013 soybean stocks. China is also liquidating state soy oil stocks to loosen any tightness in edible oils markets. These steps have led to lower prices of soybean complex in China, which will underpin prices.

China is sitting on record stocks of soybean and soy meal and outbreak of swine flu in China will cut soybean imports in coming months.

China is hunting for soybean alternatives like sun meal from Ukraine, rape meal from Canada, cottonseed meal from India and soy oil from Argentina to stem higher imports of soybean.

Competitive oils like BMD palm oil and DALIAN RBD palmolein is expected to trade weak due to strong supply scenario in Malaysia and China which will underpin soy oil prices.

Soy oil prices corrected more than 20 percent in last couple of months due to trade dispute between US and China and good soybean crop condition, which is expected to reignite demand and support prices.

USDA decreased soybean import estimate by China in 2018/19 due to trade dispute with US. Import estimate is reduced to 95 MMT. It indicated that to tide over lower exports of soybean, China will import rapeseed meal, sunflower meal, rapeseed, soy oil and palm oil in higher quantities.

China agriculture ministry has stated that China will import 1.8 MMT lower soybean in 2018 due to China's trade dispute with US and will lead to rise cost of soybean in the country due to higher import duty on import of soybean from US. It stated that it will purchase more soybean from Brazil.

Dollar Index is expected to rise on higher than expected hike in interest rates by US fed in 2018 will weigh on soy oil prices in near term.

Prices are in a range.

US dollar has been on a rising spree in Aug due to depreciation of currencies in emerging markets due to weak economic condition in these countries. Emerging markets currencies across board has fallen compared to US dollar. More stress could be seen as US Fed intends to increase interest rates in coming months. Strong dollar will decrease investments in risky assets and decreases prices of assets which are dollar denominated. This will decrease soybean complex prices.

Prices are in a range.

- In the weekly USDA crop progress report released on 27 August; Soybean dropping leaves are reported at 16% compared to 10% in corresponding period last year and 5-year average at 9%. About 66% of the soybean planted crop is under good to excellent condition which is up from 61% during the corresponding period last year.
- According to National Oilseed Processors Association (NOPA), U.S. July soybean crush rose 5.34 percent m-o-m to 167.733 million bushels from 159.228 million bushels in June 2018. Crush of soybean in July 2017 was 144.718 million bushels. Soy oil stocks in U.S. at the end of July fell marginally m-o-m to 1.764 billion lbs compared to 1.766 billion lbs in end June 2018. Stocks of soy oil in end July 2018 was higher by 13.22 percent compared to end July 2017, which was reported at 1.558 million lbs.
- According to United States Department of Agriculture (USDA) August estimate, U.S 2017/18 ending stocks of soy oil is fell 7.6 percent to 2,066 million lbs from 2,236 million lbs in July estimate. Opening stocks are lowered to 2,171 million lbs from 2,316 million lbs. Production of soy oil in 2017/18 is increased to 23,795 million lbs in August estimate from 23,620 million lbs in its July estimate. Imports in 2018/19 are kept unchanged at 300 million lbs. Biodiesel use in 2018/19 was unchanged at 7,800 million lbs. Food, feed and other industrial use in 2018/19 is increased to 14,200 million lbs in its August estimate compared to 14,000 million lbs its earlier estimate. Exports in 2018/19 were unchanged at 2,200 million lbs. Average price range estimate ended the year 2018/19 is kept unchanged at 28-32 cents/lbs. Fall in end stock is due to lower opening stocks, higher food, feed and industrial use partially offset by higher production of soy oil.
- The U.S. Department of Agriculture monthly supply and demand report for the month of August forecasts U.S. 2018/19 soybean stocks at 785 million bushels up from 580 million bushels in its earlier estimate. Opening stocks in 2018/19 is lowered to 430 million bushels 465 million bushels in its earlier estimate. Soybean production is estimated in 2018/19 is increased to 4,586 million bushels compared to 4,310 million bushels in its earlier estimate. U.S. soybean exports in 2018/19 estimate are increased to 2,060 million bushels compared to 2,040 million bushels. Imports in 2018/19 are estimated at 25 million bushels, unchanged from its earlier estimate. Crush in 2018/19 is estimated at 2,060 million bushels compared to 2,045 million lbs in its earlier estimate. Seed use in 2018/19 is kept unchanged at 103 million bushels. Residual use is increased to 33 millllion bushels compared to 32 million bushels. Average price range in 2018/19 is reduced to 7.65-10.15 cents/lbs lower from 8.0-10.5 cents/lbs.

- According to the data released by China's General Administration of Customs China Imported 8.01 million tons of soybean in July as compared to 8.7 million tons last month. The imports is down by 2.07 million tons as compared to previous year figure in the same time frame.

- USDA WASDE Oilseeds Highlights The U.S. season-average soybean price for 2018/19 is forecast at $8.90 per bushel at the midpoint, down 35 cents from last month. The soybean meal price forecast at $295 to $335 per short ton, down $20 at the midpoint. The soybean oil price forecast is unchanged at 28.0 to 32.0 cents per pound.

Previous update

- In the weekly USDA crop progress report released on 20 August; Soybean dropping leaves are reported at 7% compared to 5% in corresponding period last year and 5-year average at 4%, soybean setting pods qare reported at 95% which is up from 92% in corresponding period last year and 5-year average of 90%. About 66% of the soybean planted crop is under good to excellent condition which is up from 61% during the corresponding period last year.
- According to National Oilseed Processors Association (NOPA), U.S. June soybean crush fell 2.66 percent m-o-m to 159.228 million bushels from 163.572 million bushels in May 2018. Crush of soybean in June 2017 was 138.074 million bushels. Soy oil stocks in U.S. at the end of June fell 4.85 percent m-o-m to 1.766 billion lbs compared to 1.856 billion lbs in end May 2018. Stocks of soy oil in end June 2018 was higher by 3.7 percent compared to end June 2017, which was reported at 1.703 million lbs.

- According to United States Department of Agriculture (USDA) July estimate, U.S 2018/19 end stock estimate of soy oil is increased to 2,236 million lbs compared to 2,176 million lbs in its earlier estimate. Opening stocks in 2018/19 is increased to 2,620 million lbs compared to 2,176 million lbs in its earlier estimate. Production of soy oil in 2018/19 is increased to 23,100 million lbs from 23,100 million lbs in its earlier estimate. Imports in 2018/19 were unchanged at 300 million. Biodiesel use estimate in 2018/19 is kept unchanged at 7,800 million lbs compared to 7,300 million lbs in its earlier estimate. Food, feed and other industrial use in 2018/19 is kept unchanged at 14,000 million lbs. Exports in 2018/19 estimate are increased to 2,200 million lbs compared to 2,100 million lbs in its earlier estimate. Average price range in 2018/19 is reduced to 28.00-32.00 unchanged at 29.50-33.50 cents/lbs in its earlier estimate.

- The U.S. Department of Agriculture's monthly supply and demand report for the month of July forecasts U.S. 2018/19 soybean stocks at 580 million bushels, from 385 million bushels in its earlier estimate. Opening stocks in 2018/19 is estimated at 465 million bushels compared to 505 million bushels in its earlier estimate. Soybean production is estimated in 2018/19 is at 4,310 million bushels compared to 4,280 million bushels in 2017/18. U.S. soybean exports in 2018/19 estimate is decreased to 2,040 million bushels compared to 2,290 million bushels. Imports in 2018/19 are estimated at 25 million bushels from its earlier estimate. Crush in 2018/19 is estimated at 2,045 million bushels compared to 2,000 million lbs in its earlier estimate. Seed use in 2018/19 is kept unchanged at 103 million bushels from its earlier estimate. Residual use is kept unchanged at 32 million lbs. Average price range in 2018/19 is reduced to 8.00-10.50 cents/lbs unchanged at 8.75-11.25 cents/lbs.
- According to China's General Administration of Customs, soybean imports in June 2018 increased by 10.1 per cent to 8.7 MMT compared to 9.68 MMT previous month. It increased by 13.28 per cent compared to 7.68

MMT in May 2017. During the period January –June 2018, China imported 44.87 MMT soybeans, higher by 13.1 per cent compared to previous year.

- USDA increased 2018/19 soybean crop of Brazil to120.5 MMT in its July estimate from earlier estimate to 118 MMT.
- USDA increased 2018/19 soybean crop of Argentina to 57 MMT from 56 MMT.
- According to data released by the Trade Ministry, Brazil's exports of soybean decreased to 10.42 MMT in June 2018 compared to 12.35 MMT in May 2018 and 9.18 MMT in June 2017. Exports of soy meal fell to 1.56 MMT in June 2018 compared to 1.65 MMT in May 2018 and 1.39 MMT in June 2017.
- According to China's Agriculture ministry, soybean imports in 2018-19 are expected to decline by 1.8 MMT to cent to 93.85 MMT compared to previous estimate. Imports are expected to decline for the first time in the last 15 years following trade rift between U.S. and China. Instead CNGOIC said that it will increase purchase of soybean from Brazil. It also said that cost of soybean is expected to rise due to imposition of 25 percent export duty. It said that Chinese companies will reduce purchase of US soybean due to lack of competitiveness due to imposition of import duty.
- According to China's General Administration of Customs, soybean imports in May 2018 increased by 40 per cent to 9.69 MMT compared to previous month. It increased by 1 per cent compared to 9.59 MMT in May 2017. During the period January –May 2018, China imported 36.17 MMT soybeans, lower by 2.6 per cent compared to previous year.
- USDA increased 2018/19 soybean crop of Brazil to120.5 MMT in its August estimate from earlier estimate to 118 MMT.
- USDA WASDE Oilseeds Highlights: The U.S. season-average soybean price is forecast at $8.00 to $10.50 per bushel, down $0.75 at the midpoint. Soybean meal prices are forecast at $315 to $355 per short ton, down $15.00 at the midpoint. The soybean oil price forecast at 28 to 32 cents per pound, down 1.5 cents at the midpoint.

Price Outlook*:* We expect Ref. soy oil with VAT to trade in the price band of Rs 700-770 per 10 Kg.

Balance Sheet (Quarterly)- Soy Oil, India

Fig. in lakh tons

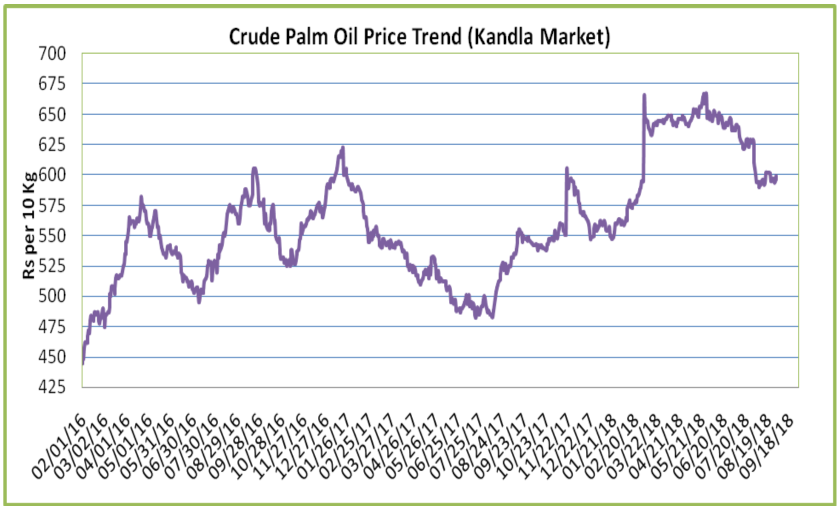
	2016-17	2017-18-F	Nov-Jan	Feb-Apr	May-July	Aug-Oct-F
Opening Stock	7.32	5.67	5.67	4.86	3.10	5.35
Production (Domestic)	15.09	14.94	6.87	1.79	1.79	4.48
Imports	33.16	31.67	5.78	5.14	9.75	11.00
Imported oil processing	32.26	30.81	5.62	5.00	9.49	10.70
Total Production (Domestic production and imported oil production)	47.35	45.75	12.50	6.79	11.28	15.19
Total Supply	54.68	51.43				
Quarterly add-on			12.50	6.79	11.28	15.19
Consumption	49.00	47.53	13.31	8.56	9.03	16.64
Ending Stock	5.67	3.89	4.86	3.10	5.35	3.89

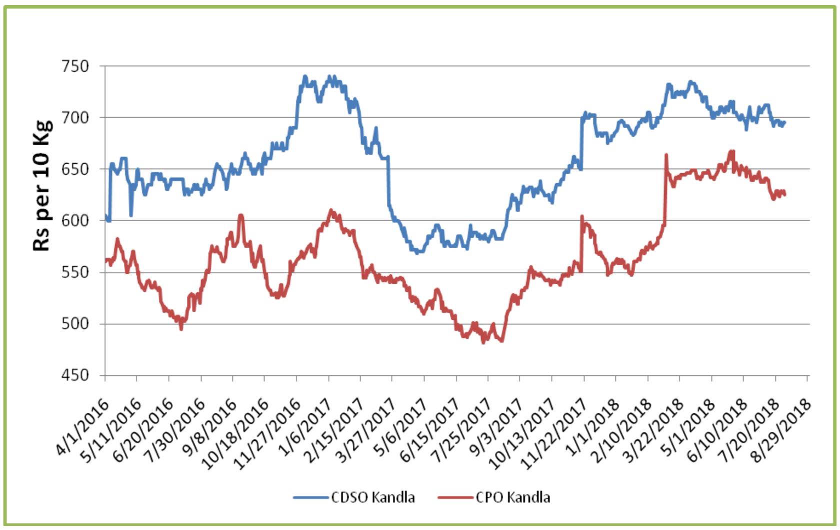
Source: AW estimates
Oil year- November-October

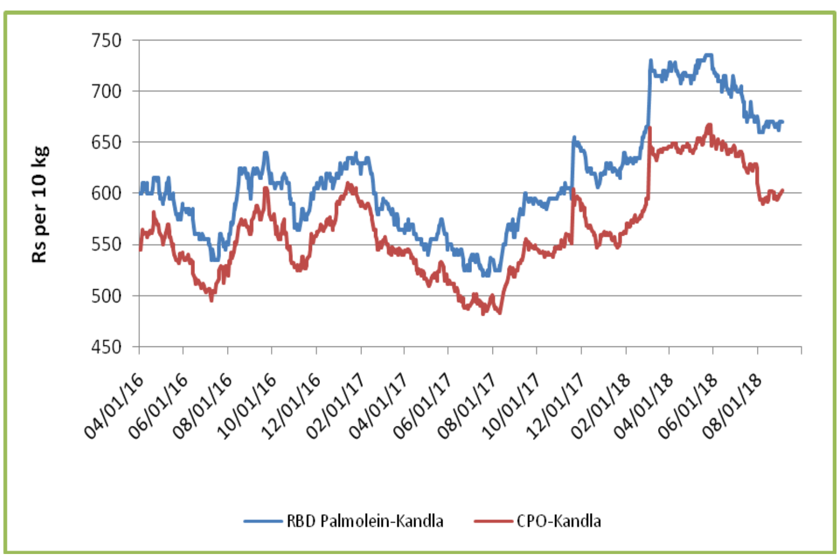
Highlights

- Prices of soy oil in 2017-18 are expected to be higher on lower imports in oil year 2017-18 on lower domestic production.
- Soy oil production is expected to be lower in oil year 2017-18 on lower soybean crush due to lower soybean crop in 2017-18.
- Lower carry out in Aug-Oct is due to higher consumption.
- Carryout stocks of oil year 2016-17 is 5.97 lakh tons on higher soy oil imports.
- Carry out of oil 2017-18 is 3.89 lakh tons
- Carryout of 2017-18 is lower than 2016-17.

Palm oil:
Domestic Market Fundamentals







- CPO prices witnessed weak tone in the month of August at its benchmark market at Kandla on weak demand. CPO prices fell in across board in India. RBD palmolein prices fell across board in India. Vanaspati prices fell in Kolkata and Rajkot. CPO-CNF prices closed sideways while RBD palmolein-CNF India prices rose in August.

- Agriwatch view – Crude palm oil prices fell in Kandla in the month of August on weak demand

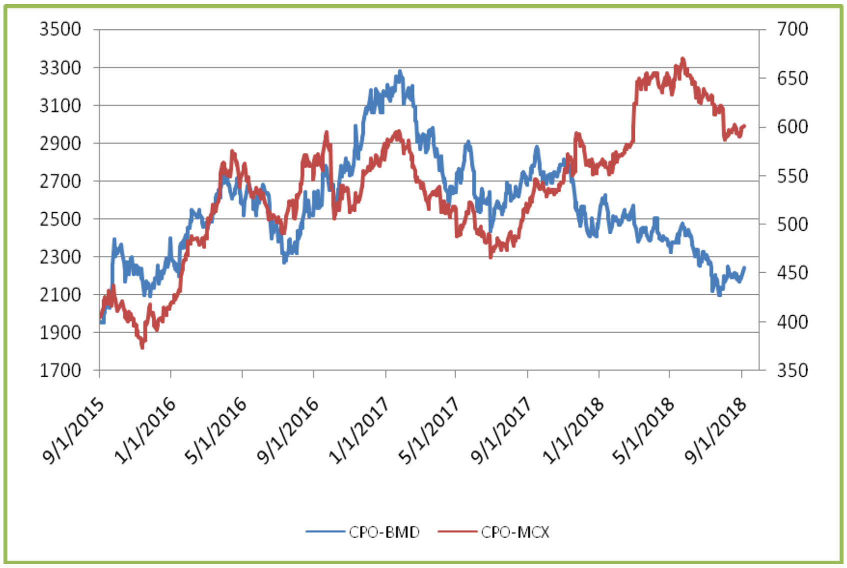
  Prices of CPO fell at high seas while it remained unchanged at CNF markets compared to last month indicating weak demand at high seas.

  Demand of CPO is regular at CNF markets as prices remained unchanged at CNF and FOB markets.

  Supply of CPO is weak in Indian markets. This has led to fall in stocks at the port.

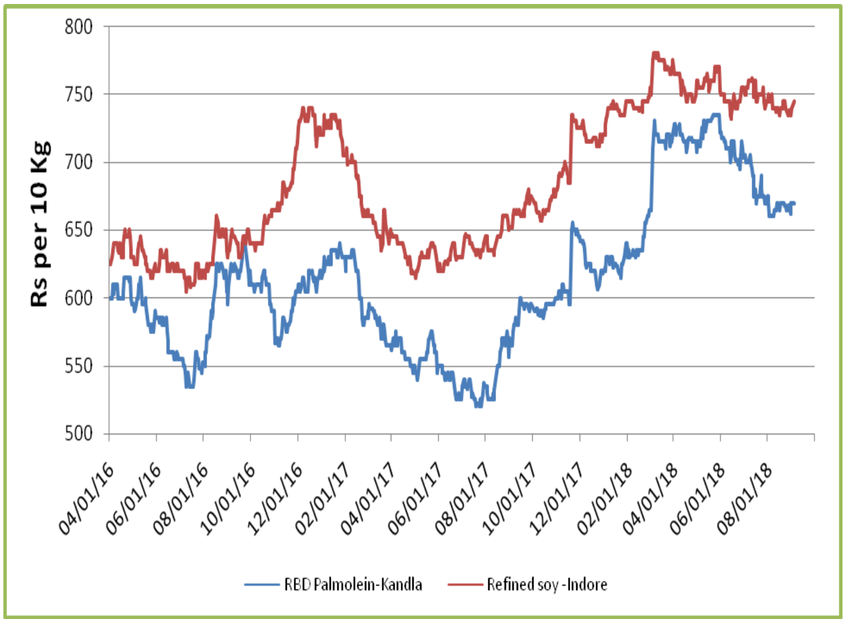
  Depreciation of Rupee has led to parity at ports. Fall of prices of palm oil in domestic market was the prime reason for return of imports to disparity. Prices fell due to parity in imports. However, due to disparity in imports prices will not fall much going ahead.

  Depreciation of Rupee has made imports costlier which will reduce imports in coming months. Depreciation of Rupee has brought prices to disparity and disparity is increasing with regular fall in Rupee.



CPO trade is weak and traders are desperate to clear their stocks and are offering to sell CPO at $7.5-10 discount to CNF prices to offload the stocks.

In Rupee terms, disparity in fresh imports of CPO has risen to Rs 1.5-2.0 per kg.

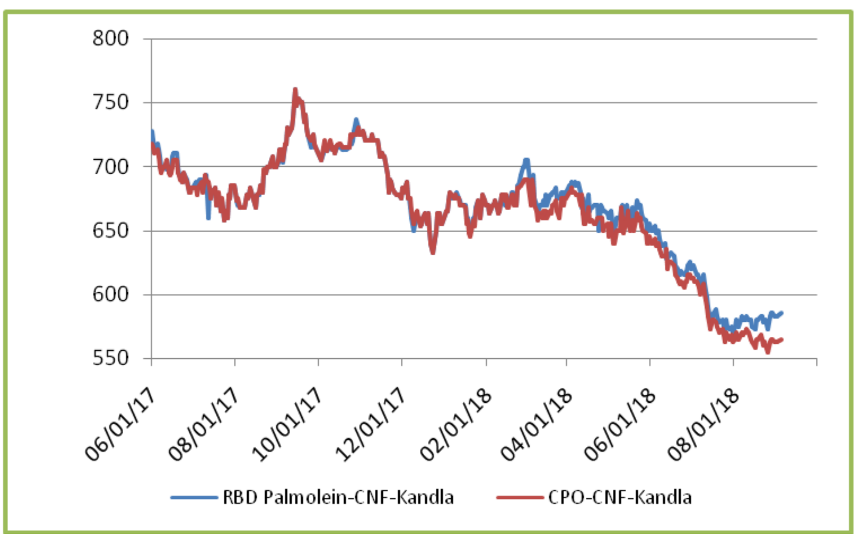


CPO prices fell due to return of parity. Prices have recovered in last August after free fall in August.

Stocks of CPO at Indian ports remained unchanged at ports due to weak demand.

Data from cargo surveyor SGS shows a slight rise in imports of palm oil by India from Malaysia in August.

RBD palmoelin featured weak tone in its benchmark market on weak demand, higher premium over CPO at CNF markets and continuous fall in prices of RBD palmolein in international markets.



Prices of RBD palmolein fell more at high seas compared to CNF markets indicating weak demand.

Prices of RBD palmolein fell less at CNF markets compared to FOB markets indicating fiem demand at CNF markets.

Higher import duty on RBD palmolein imports, depreciation of Rupee and price premium of RBD palmolein over CPO at CNF markets has weakened import demand.

RBD palmolein is offered at $15-20 premium over CPO at CNF markets which has weakened demand. Increasing discount of RBD palmolein over soy oil, sunflower oil and rapeseed oil will improve demand

Importers are selling cargoes at $7.5 -10 per ton discount to unload their stocks due to continuous fall in international prcies.

Stocks of RBD palmoelin at Indian ports have decreased in July.

Expectation of rise in stocks of palm oil in Malaysia in coming months due to rise in production of palm oil in July and slow rise in exports of palm oil will underpin RBD palmolein prices.

Demand of imported RBD palmolein has weakened in India in oil year 2017-18 (Nov 2017-July 2018) due to lower margins in selling it compared to palmolein obtained from domestic refining of CPO.

Supeolein saw weak trend. Vanaspati prices saw weak movement of prices in domestic markets.

RBD palmolein premium over CPO increased to Rs 66 (Rs 62 last month) per 10 kg indicating weaker demand of CPO compared to RBD palmolein at high seas.

Import of CPO in July was lower than that of July 2017 and higher than June 2018. Stocks at ports remained unchanged tons in July compared to June while imports fell 60,000 indicating restocking in July.
Import of RBD palmolein is lower in July compared to July 2017 while it was higher than June 2018. Imports rose 3,000 tons in July compared to June which was offset by fall in port stocks rose by 30,000 tons indicating destocking of of RBD palmolein in July.
Increase in import duty on crude palm oil and refined palm oil has led to lower imports of CPO from Indonesia and lower imports of RBD palmolein from Malaysia. Landed cost of CPO is in disparity and refining margins are positive. Refining margins in imported CPO is higher than imports of ready to use RBD palmolein which will induce more imports of CPO from Indonesia compared to Malaysia.

Abolition of export duty on exports of crude palm oil from Malaysia will incease imports from Malaysia.

Increasing soy oil premium over crude palm oil which is hovering at Rs 149 (Rs 110 last month) per 10 Kg will increase demand of CPO and decrease imports.

Previous chart in soy oil section shows that premium of soy oil over palm oil has increased in August at CNF markets. This will increase imports of CPO. Higher premium of crude sunflower CIF India West coast and CPO CIF at USD 180 (USD 210) per ton will increase CPO prices and RBD palmolein prices in medium term. Decreasing premium of CSFO-India West coast over CPO-CIF indicates decrease demand of CPO at CNF markets compared to CSFO-CNF.

Increasing CDSO CNF premium over CPO CNF will increase imports of CPO in medium term at USD 149 (USD 127 last month) per 10 kg. Premium of CDSO soy oil high seas over CPO high seas is at Rs 95 (Rs 89 last week) per 10 Kg, which is low and will decrease CPO demand at high seas. Premium of refined soy oil over RBD palmolein is Rs 78 (Rs 87 last week) per 10 kg is low and will increase RBD palmolein demand in near term. Values in brackets are figures of last week.

Prices of palm oil will fall in medium term.

- According to USDA July estimate, India's palm oil imports estimate in 2018/19 is increased to at 10.6 MMT from from previous estimate of 10.5 MMT. Palm oil consumption estimate is increased to 11.82 MMT from 11.72 MMT. End stocks estimate of palm oil is kept unchanged at 0.47 MMT.
- Palm oil import scenario – According to Solvent Extractors Association (SEA), palm oil imports in July fell 39.9 percent y-o-y to 5.5 lakh tons from 8.2 lakh tons in July 2017. Imports in the period (November 2017-July 2018) are reported lower marginally y-o-y at 9.45 lakh tons compared to 67.47 in the corresponding period last oil year.

  Crude Palm oil import scenario- According to Solvent Extractors Association (SEA), CPO Imports fell 29.32 percent y-o-y in July to 3.64 lakh tons from 5.15 lakh tons in July 2017. Imports in the period (November 2017-July 2018) are reported higher by 1.1 percent y-o-y at 45.36 lakh tons compared to 44.86 lakh tons in the corresponding period last oil year.

  RBD palmolein import scenario- RBD palmolein imports fell y-o-y in July by 38.78 percent to 1.80 lakh tons from 2.94 lakh tons in July 2017. Imports in the period (November 2017-July 2018) are reported lower by 31.90 percent y-o-y at 14.96 lakh tons compared to 21.97 lakh tons in the corresponding period last oil year.
- On the trade front, CNF CPO (Indonesian origin) at Indian port quoted at USD 565 (USD 565) per ton for Sep delivery. Last month, CNF CPO Aug average price was at USD 565.19 per ton (USD 583.23 per ton in July 2018). Values in brackets are figures of last month.

  Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 585 (USD 575) per ton for Sep delivery. Last month, CIF RBD palmolein Aug average price was USD 579.84 (USD 591.76 in July 2018) per ton. Values in bracket depict last month quotes.

  Ready lift CPO duty paid prices quoted at Rs 606 (Rs 594) per 10 Kg and Sep delivery duty paid is offered at Rs 606 (Rs 586) per 10 kg. Ready lift RBD palmolein is quoted at Rs 672 (Rs 656) per 10 kg as on Sep 4, 2018. Values in brackets are figures of last month.
- On the parity front, margins improved during the month of July on lower price of palm oil products in international markets and we expect margins to remain firm in coming days. Currently refiners fetch USD 90-95/ton (July average) v/s gain of USD 75-80/ton (June average) margin in processing the imported CPO but on the imports of ready to use palmolein fetch USD 65-70/ton (July average) v/s gain of USD 50-55 (June average).
- We expect palm oil to trade sideways to weak tone in medium term.

International Market Fundamentals

- Agriwatch view – Palm oil prices are expected to fall on rise in end stocks of palm oil in Malaysia in August, higher than expected production of palm oil in Malaysia in August, slow rise exports of palm oil from Malaysia in August, weak demand of palm oil from China and weak competitive oils.

Palm oil end stocks in Malaysia in August are expected to rise due to rise in production of palm oil in Malaysia in August and slow rise in exports of palm oil from Malaysia in August.

Palm oil end stocks unexpected rose in July marginally in Malaysia on higher than expected rise in exports despite higher than expected rise in production.

Palm oil stocks are expected to rise to 6 month high in August in Malaysia, according to trade estimates. This rise in stocks is due rise in production of palm oil and slow rise in exports of palm oil from Malaysia.

Production of palm oil is expected to rise in Malaysia in August due to man normalization of production after labour returned to plantations after Ramadan. Labour shortage in Malaysia led to production loss in 2018. However, production is expected to rise from July onwards on seasonal uptrend of production and return of labour to plantations.

Production of palm oil in Malaysia in 2018 will fall compared to 2017 due to higher age profile of plantations, labour shortage, low prices of palm oil in international markets and low use of fertilizers due to lower prices of palm oil.

Exports of palm oil rose 0-4 percent in August, according to cargo surveyors AmSpec Agri and SGS. Rise in exports is due to higher rate of purchases by India and Pakistan. China reported lower imports of palm oil from Malaysia in August.

Demand of palm oil from China is expected to remain low due to record stocks of soybean in the country and liquidation of state reserves of soybean. This has led to higher supply of soy oil leading to its lower prices underpinning demand from the country.

Demand of soybean in China has wakened due to weak demand of livestock in the county. This has led to temporary shutdown of crushers has led to lower soy meal demand. China is sitting of record soy meal and soybean stocks.

Exports of palm oil were weak in August as top importing destinations are adequately stocked against limited demand.

Important markets like India and China are price sensitive markets which will purchase more when prices fall.

India and China is expected to purchase more as prices are lucrative.

China imported less due to higher supply of soybean in the country in August due to higher imports and dilution of soybean state reserves by China.

China is importing more soybean from Brazil which is increasing supply of soybean in China and underpin RBD palmolein prices.

Trade war between US and China is expected to underpin CBOT soy oil prices as fall is soybean complex prices will prompt fall in palm oil prices.

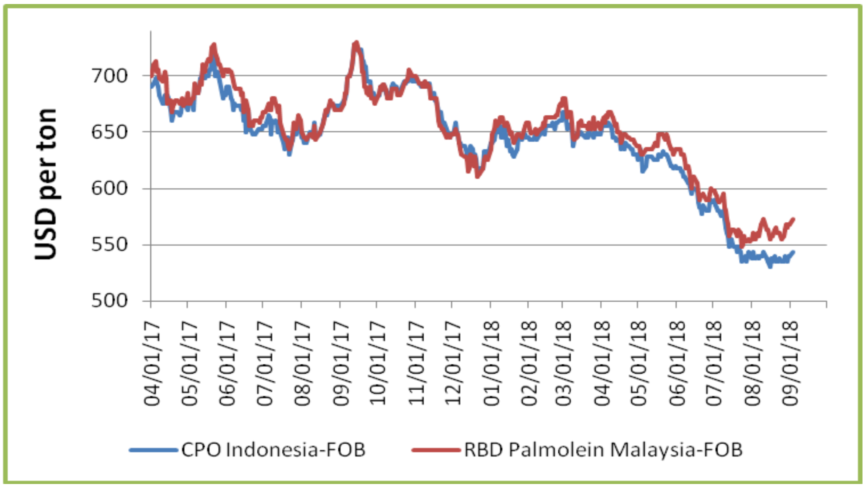
Ringgit has fallen below 4.10 per USD which is below the psychological resistance. Rise in Dollar Index has rattled emerging market currencies including Ringgit and Indonesian Rupiah. More depreciation is in cards as expectation of more rate increases by Federal Reserve builds in 2018.

Demand from India is expected to remain low due to higher inventory at ports and pipelines, slow demand in expectation of fall in palm oil prices and depreciation of Rupee.

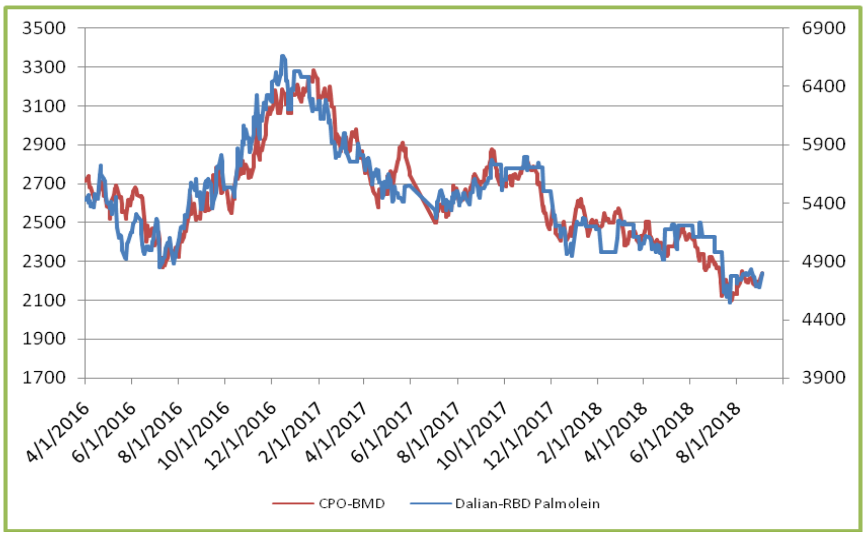
China has halted importing soybean from US due to imposition of 25 percent import duty on import duty on imports from US, which will underpin soy oil prices.

Dollar Index appreciated on rise in US bond yields and expectation of inflation due to rise in prices of crude oil.

Rise in crude oil prices is expected to support palm oil prices in medium term.



Exports of palm oil from Indonesia improved in July on higher exports to India. However, despite strong exports, end stocks of palm oil rose in June. Exports of palm oil from Indonesia rose in June due to rise in imports of palm oil by India due to low stocks at ports. However, due to depreciation of Rupee and disparity in imports will discourage imports by India.



Competitive oils like CBOT soy oil and RBD palmolein DALIAN is expected to underpin palm oil prices. CBOT soy oil is expected to be underpinned by fall in soybean complex prices due to US and China trade dispute and record soybean crop in US will underpin palm oil prices.

RBD palmolein DALIAN China is expected to be underpinned by weak demand from the country due to oversupply of competitive oils.

Indonesia has made compulsory to use biodiesel in all the vehicles with 20 percent blend biodiesel to cut imports of crude oil by the country in an effort reduce current account deficit. Indonesia has been falling sharp depreciation of its currency in 2018. working to increase biodiesel use in the country and aims to impose on railways among majors.

Higher demand of palm oil in Indonesia will soak incremental supply of palm oil in Indonesia.

Crude oil prices rose due to cut in OPEC production fall in stocks in US below long term averages will support its prices which in turn will support palm oil prices.

Indonesia is working to increase biodiesel use in the country and is planning B30 norms which aims to blend 30 percent bio content on diesel.

Malaysia abolished palm oil export duty for September to decrease rising stocks of palm oil in the country.

Prices are in range.

- According to Malaysia Palm Oil Board (MPOB), Malaysia's July palm oil stocks rose 1.26 percent to 22.15 lakh tons compared to 21.87 lakh tons in June. Production of palm oil in July rose 12.79 percent to 15.03 lakh tons compared to 13.33 lakh tons in June. Exports of palm oil in July rose 6.75 percent to 12.06 lakh tons compared to 11.30 lakh tons in June. Imports of palm oil in July fell 50.6 percent to 0.37 lakh tons compared to 0.74 lakh tons in June. End stocks of palm oil rose less than market estimates. Primary reasons for slow rise in end stocks are due to better than expected exports and weaker than expected production of palm oil.

- According to cargo surveyor AmSpec Agri, Malaysia's August palm oil exports rose 4.0 percent to 1,072,524 tons compared to 1,030,909 ton last month.

- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's August palm oil exports rose 0.4 percent to 1,054,169 tons compared to 1,049,970 tons in the corresponding period last month. Top buyers are European Union at 187,373 tons (252,561 tons), India at 158,700 tons (135,920 tons), China at 117,975 tons (139,225 tons), United States at 68,296 tons (45,498 tons) and Pakistan at 43,000 tons (27,000 tons). Values in brackets are figures of last month.

- According to Indonesia Palm Oil Association (GAPKI), Indonesia's July palm oil stocks rose 1.15 percent m-o-m to 4.901 MMT compared to 4.854 MMT in June 2018. Procudction of palm oil in July rose 8.48 percent m-o-m to 4.284 MMT from 3.949 MMT in June 2018. Exports of palm oil (CPO, PKO and its derivatives) rose 17.82 percent in July m-o-m from Indonesia to 3.219 MMT from were 2.732 MMT in June 2018. Exports of palm oil (CPO, PKO and its derivatives) rose 27% in July y-o-y to 3.219 MMT from 2.54 MMT in July 2017.

- Policy update- According to Malaysia Palm Oil Board (MPOB), Malaysia reduced September crude palm oil export duty to 0.0 percent compared to 4.5 percent for August. Export duty of palm oil is calculated at reference price of 2,213.73 ringgit ($541.25) per ton. Tax is calculated above 2,250 ringgit starting from 4.5 percent to a maximum of 8.5 percent.

  According to Indonesia trade ministry, Indonesia kept palm oil export duty for Sep unchanged at zero, below threshold prices of USD 750 per ton.

Previous updates

- According to Malaysia Palm Oil Board (MPOB), Malaysia's June palm oil stocks rose 0.83 percent to 21.89 lakh tons compared to 21.71 lakh tons in May. Production of palm oil in June fell 12.63 percent to 13.33 lakh tons compared to 15.25 lakh tons in May. Exports of palm oil in June fell 12.57 percent to 11.29 lakh tons compared to 12.91 lakh tons in May. Imports of palm oil in June rose 166 percent to 0.86 lakh tons compared to 0.32 lakh tons in May. End stocks of palm oil rose against trade estimate of fall in end stocks.

- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's July palm oil exports fell 5.6 percent to 1,049,970 tons compared to 1,058,832 tons last month. Top buyers are European Union at 252,561 tons (244,329 tons), China at 139,225 tons (178,080 tons), India at 135,920 tons (124,100 tons), United States at 45,498 tons (63,580 tons) and Pakistan at 27,000 tons (52,600 tons). Values in brackets are figures of last month.

- According to cargo surveyor AmSpec Agri, Malaysia's July palm oil exports fell 3.9 percent to 1,030,909 tons compared to 1,073,224 ton last month.

- According to Indonesia Palm Oil Association (GAPKI), Indonesia's June palm and palm kernel oil exports rose 7.5 percent m-o-m to 2.29 MMT compared to 2.13 MMT in June 2017. On m-o-m basis exports rose 7.0 percent. Exports were 2.14 MMT in May 2018. End stocks of palm oil in Indonesia rose to 4.85 MMT in June from 4.76 MMT in May, higher by 1.9 percent m-o-m.

- Policy update- According to Malaysia Palm Oil Board (MPOB), Malaysia reduced August crude palm oil export duty to 4.5 percent compared to 5 percent for July. Export duty of palm oil is calculated at reference price of 2,284.26 ringgit ($567.52) per ton. Tax is calculated above 2,250 ringgit starting from 4.5 percent to a maximum of 8.5 percent.

  According to Indonesia trade ministry, Indonesia kept palm oil export duty for August unchanged at zero, below threshold prices of USD 750 per ton.

- ***Price Outlook:*** We expect CPO Kandla 5% to trade in the price band of Rs 550-650 per 10 Kg.

Balance Sheet- Palm Oil (quarterly), India

Fig. in million tons

	2016-17	2017-18-F	Nov-Jan	Feb-Apr	May-July	July-Oct-F
Opening Stock	1.20	1.14	1.14	1.22	1.32	1.08
Production	0.20	0.20	0.05	0.05	0.05	0.05
Imports	9.29	8.80	2.27	2.30	1.58	2.65
Total Supply	10.69	10.14				
Quaterly add-on			2.32	2.35	1.63	2.70
Consumption	9.55	9.36	2.25	2.25	1.87	2.99
Ending Stocks	1.14	0.78	1.22	1.32	1.08	0.78

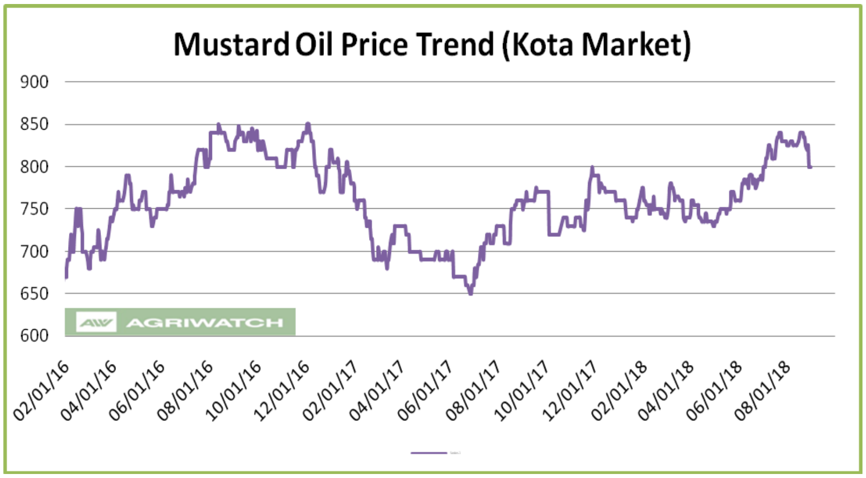
Source: AW estimates
Oil year- November-October

Highlights

- Prices of palm oil in 2017-18 are expected to be firm on lower carryout compared to oil year 2016-17.
- Imports are expected to be lower in 2017-18 compared to last year oil year 2016-17.
- Carryout stocks of oil year 2016-17 are 0.78 million tons fall in imports.
- Carryout of 2017-18 is lower than 2016-17 due to lower imports of palm oil.
- Carry out of fourth quarter of oil year 2017-18 will be lower than third quarter of oil year 2017-18.

Rapeseed oil:
Domestic Market Fundamentals

- Rapeseed oil featured weak trend at various markets on weak demand and fall in rapeseed prices. Prices of expeller mustard oil closed lower across board in India except Kolkata and Hapur where prices rose. Kacchi Ghani prices fell across board in India except Hapur. Rapeseed (Canola) oil prices fell in August.



- Agriwatch view: Rapeseed oil prices traded weak in the month of August in various markets in India on weak demand, weak rapeseed prices and fall in competing oils prices.

  Rapeseed arrivals fell in the month of August compared to July.

  Demand fell in the month of August on lower buying at higher levels.

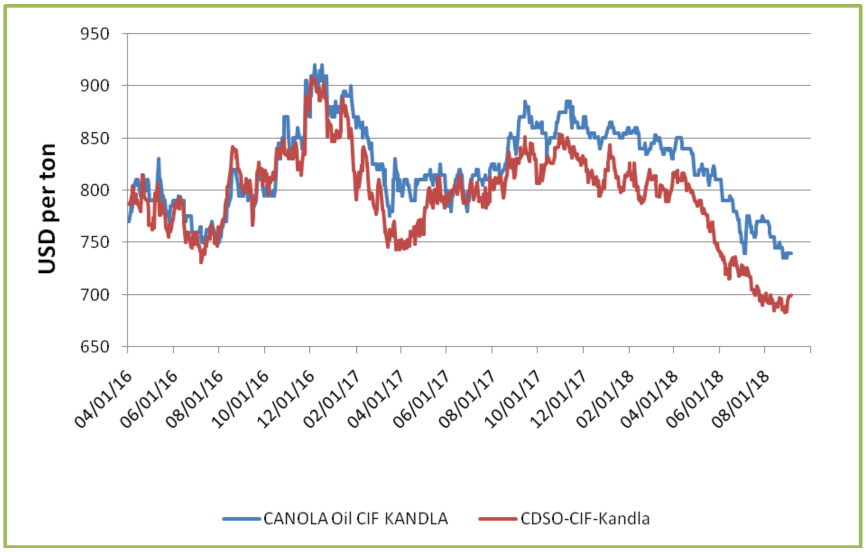
  However, festive demand in East and North India will support rapeseed oil prices in September.

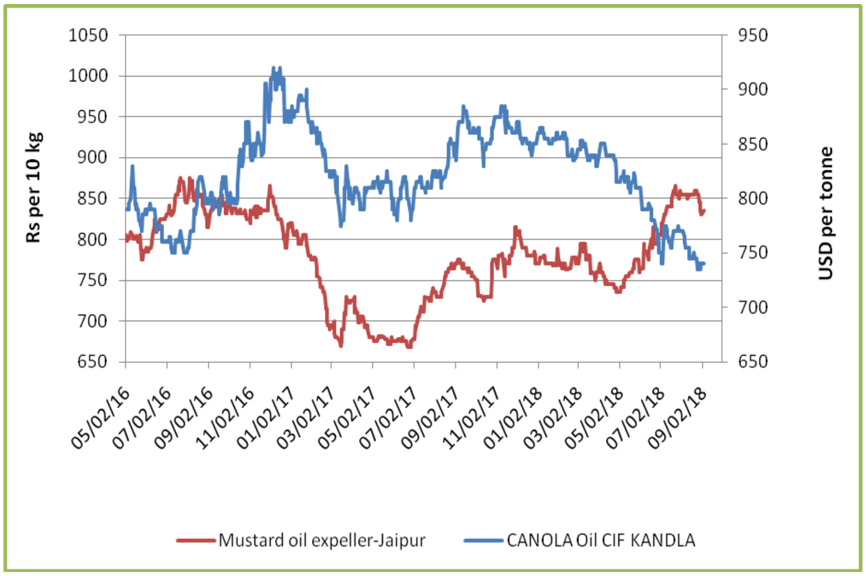
  Fall in soy oil and palm oil supported the fall.

  Rapeseed crop in current marketing year is lower than last year. Agriwatch expects rapeseed crop at 6.45 MMT compared to last year estimate of 6.8 MMT.

  Lower crop of rapeseed-mustard crop in 2017-18 oil year will decrease supplies of rapeseed oil in long run.

  Rise in prices of rapeseed is due to increased crushing of rapeseed on parity in crushing. Hike in import duty





on rapeseed oil has led to higher crush margins. Crushers are taking advantage of crush margins. Higher crush of rapeseed has led to higher supply of rapeseed oil.

Stockists and traders are stocking against firm demand.

Demand is firm while the prices are lucrative.

Prices is expected to rise on seasonal uptrend of prices.

High discount of RBD palmolein prices to rapeseed kacchi ghani prices could cap rapeseed oil prices.

Lower crop of rapeseed in MY 2018/19 will lead to lower supply of rapeseed for crushing which will support prices.

High premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market was at Rs 102 (Rs 132) per 10 Kg, will cap rapeseed oil prices in medium term.

Kacchi Ghani and refined soy oil are trading range has increase, which will underpin demand of rapeseed oil. Traders and stockiest are advised to stock rapeseed oil, which is trading at very lucrative prices.

Premium of canola oil compared to CDSO has decreased to USD 36 (USD 68) per ton and will increase imports.

Lower prices of expeller rapeseed oil led to fall in import demand of canola oil in oil year 2017-18. However, due to rise in rapeseed oil expeller prices canola oil imports could rise.

Above chart shows that Canola oil prices are moving down while rapeseed expeller oil prices are rising. So, fall in canola oil prices will support mustard expeller prices.

Above chart shows prices of canola oil at CIF markets are closely following soy oil-CIF so firmness in soy oil will support canola oil in CIF markets which will support canola oil prices.

Low premium of expeller rapeseed oil over soy oil in domestic market was at Rs 93 (Rs 30) per 10 Kg, will support rapeseed oil prices in medium term.

Hike in import duty on import of canola oil will support rapeseed oil prices.

High premium of rapeseed expeller oil (Jaipur) over RBD palmolein (Kandla) at Rs 168 (Rs 199) per 10 kg will cap rapeseed oil prices.

Crushing has slowed as there is less stocks of rapeseed in the market. NAFED has 8.5 lakh tons of rapeseed which it is has stated that it will liquidate. This might put pressure on prices However, price trend is towards upside. Lower crush of rapeseed has led to lower supply of rapeseed oil.

Prices of rapeseed oil are expected to trade sideways to firm on increased demand, rise in rapeseed prices and seasonal uptrend of prices.

- Rapeseed oil import scenario- India imported 0.12 lakh tons of rapeseed (Canola) oil in July 2018 v/s 0.0 lakh tons in July 2017. In the period (Nov 2017-July 2018) imports were 2.04 lakh tons compared to 1.95 lakh tons in the corresponding period last oil year, higher by 4.62 percent y-o-y.

- CIF Canola oil premium over soybean oil is hovering at USD 36 (USD 68 last month) as on Sep 4, 2018.
- Currently, RM oil at Jaipur market (expeller) is offered at Rs 835 (Rs 855) per 10 Kg and at Kota market is quoted around Rs 800 (Rs 825) per 10 kg as on Sep 4, 2018. Values in brackets are figures of last month.
- We expect RM seed oil prices to trade sideways to firm tone in the coming days.

Price Outlook: We expect Rapeseed oil (Kota) to trade in the price band of Rs 800-900 per 10 Kg.

Balance Sheet- Rapeseed Oil, India

Fig. in lakh tons

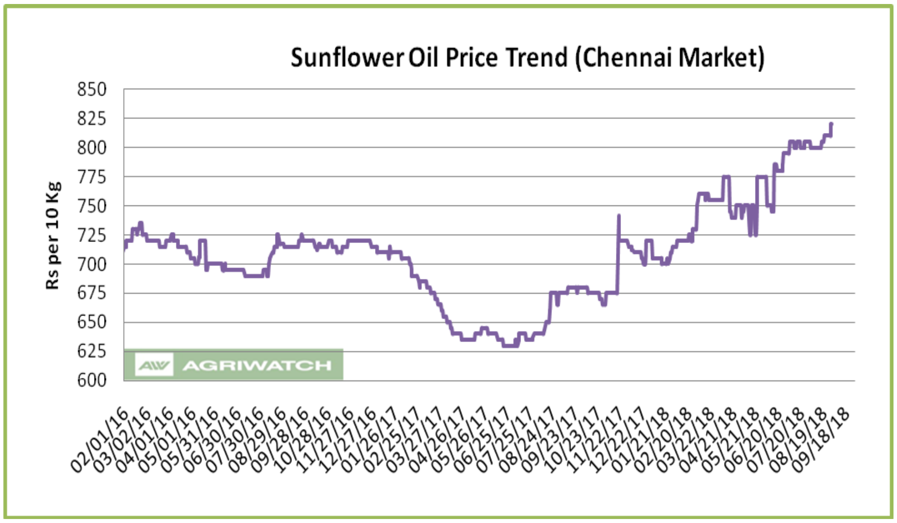
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18-F
	1.49	1.73	3.86	1.39	1.41	1.93
Production	25.02	26.78	20.16	21.24	27.88	27.09
Imports	0.13	2.00	3.70	3.56	2.93	3.00
Total Supply	26.64	30.52	27.72	26.19	32.22	32.02
Exports	0.00	0.00	0.00	0.00	0.00	0.00
Consumption	24.91	26.66	26.33	24.77	30.29	30.90
Ending Stocks	1.73	3.86	1.39	1.41	1.93	1.13

Source: AW estimates
Oil year- November-October

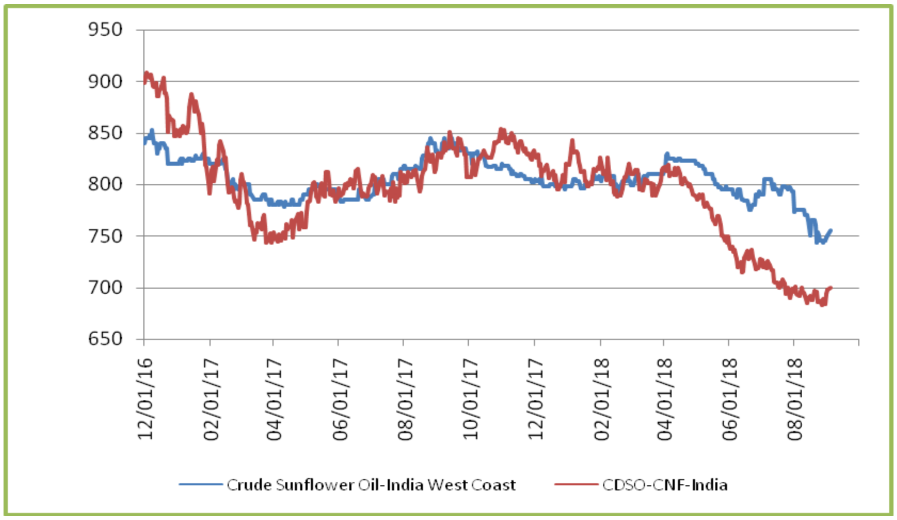
Highlights

- Prices of rapeseed oil in 2017-18 are expected to be firm on lower carryout.
- Rapeseed oil production is lower in oil year 2017-18 on higher rapeseed crop.
- Lower oil production in 2017-18 is due to lower marketable surplus of rapeseed resulting in lower crush.
- Carryout stocks of oil year 2016-17 is 1.93 lakh tons on higher rapeseed oil production.
- Carryout of 2017-18 is lower than 2016-17 due to lower production of rapeseed oil.

Sunflower oil:
Domestic Market Fundamentals



- Sunflower oil featured firm trend at its benchmark market in Chennai during the month of August on firm demand and depreciation of Rupee. Prices remained unchnaged in Mumbai and Kandla/Mudra while it rose in Kakinada, Krishnapatnam and latur. Prices fell in Hyderabad. Sunflower expeller prices closed higher in Erode while it fell in Hyderabad, Latur and Chellakere.



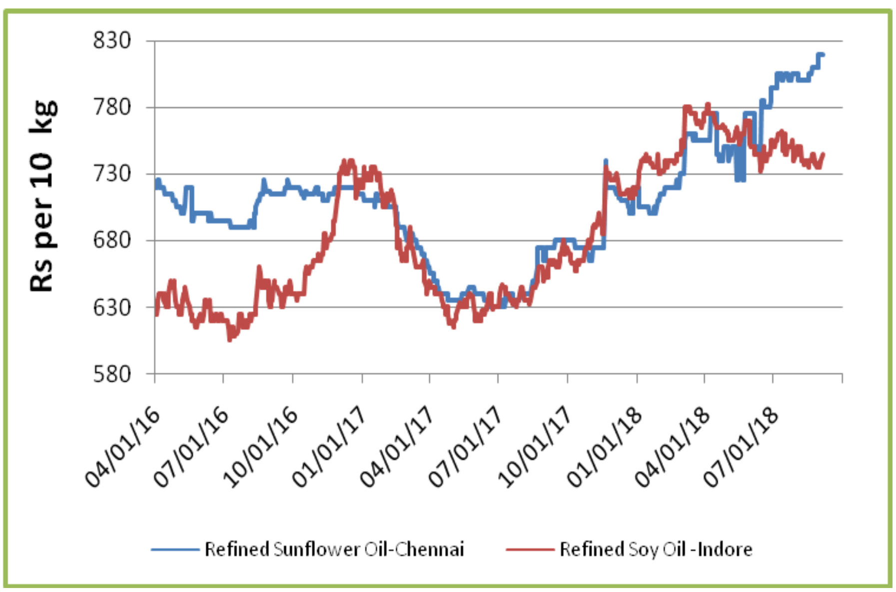
- Agriwatch view: Sunflower oil prices closed higher in month of August at its benchmark market of Chennai on depreciation of Rupee.

  Sunflower oil prices rose on domestic market despite fall in international markets indicating firm demand.

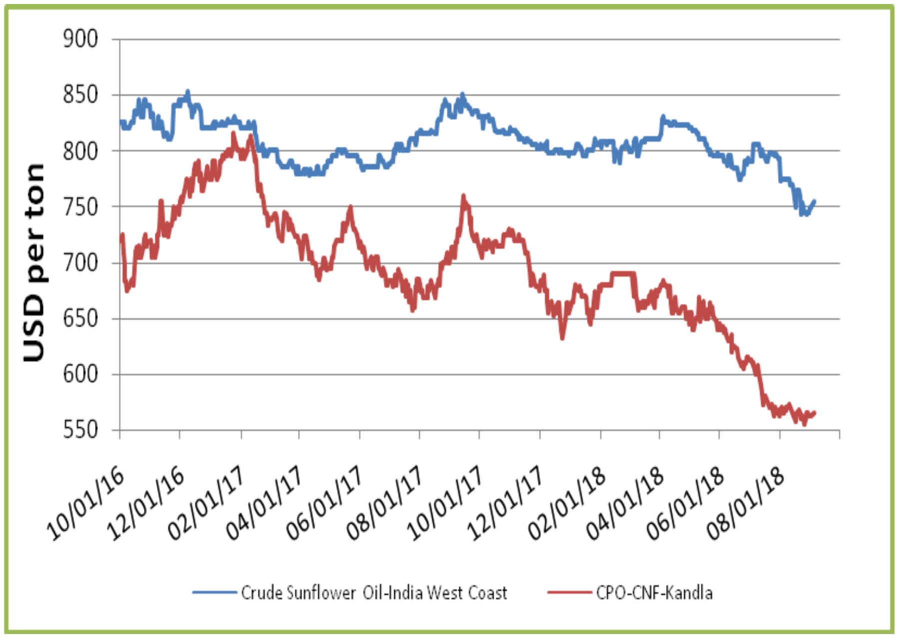
  Due to hike in import duty on sunflower oil, prices have firmed. Hike in import duty made import duty on sunflower oil equivalent to soy oil.

  This step will stem surging imports in oil year 2017-18.

  However, there is bargain buying at lower levels as prices have fallen to 9 year low at CNF markets. If prices of sunflower oil at CNF markets continue to remain low then more bargain buying can be seen.



There is disparity in imports of sunflower oil while refining margins are in disparity.

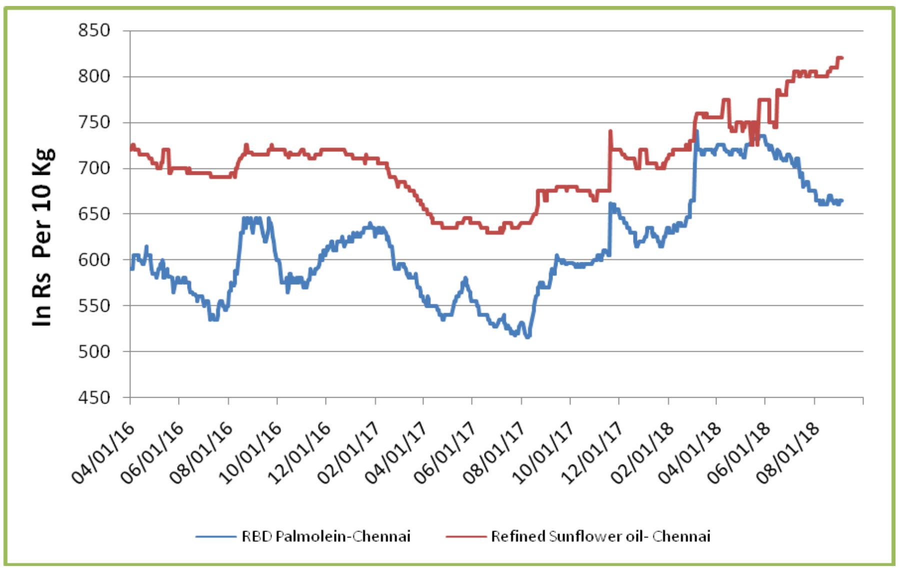


Depreciation of Rupee in last 2 months will slow imports of sunflower in coming months.

Supply has improved in markets as imports rose 18 percent in oil year 2017-18 (November 2017-June 2018) after 43 percent rise in oil year 2016-17 (November-October) indicating firm supply of sunflower oil in domestic market. Stocks at ports rose in oil year 2017-18 despite rise in imports indicating firm supply. Higher supply of sunflower oil in domestic market due to higher imports will cap prices of sunflower oil.

Imports of sunflower oil will show rise in coming months due to increasing premium of sunflower oil over CDSO and CPO at CNF markets and increase in import duty of sunflower oil.

Depreciation of Indian rupee has made imports of sunflower oil costlier in India, which will decrease imports in coming months.



Recent fall in premium of CSFO over CDSO in CNF markets will support prices in medium term. Imports are expected to be lower in August as crude sunflower oil CNF premium over CDSO CNF has increased. Second chart from above shows crude sunflower oil premium over CDSO is increasing will slow imports and support prices.

Second chart from above shows that sunflower oil prices are correlated to soy oil since November 2016. However, prices have diverged in near term.

Refiners and stockists will be stocking as sunflower oil premium over soy oil is decreased to USD 31 (USD 83 last month) per ton.

In domestic market sunflower oil premium over soy oil is at Rs 70 (Rs 50) per 10 kg.

Refined sunflower oil premium over RBD palmolein has increased to Rs 150 (Rs 144 last month) per 10 kg is high. Higher premium of sunflower oil over RBD palmolein will cap sunflower oil prices.

Premium of CSFO over RBD palmolein is at USD 160 (USD 200) per ton at CNF markets and premium of sunflower oil over RBD palmolein has shot up sharply which indicates that incentive of importing sunflower oil and selling in domestic market has increased.

In domestic market, prices is expected to capped in medium term as prices of sunflower oil are trading at high premium over soy oil and RBD palmolein.

Sunflower oil prices are expected to improve on seasonal uptrend of prices in medium term.

Prices are expected to improve on firm demand and seasonal uptrend of prices. Prices of sunflower oil are expected to remain in a range with upwards bias in September.

Prices are expected to trade sideways to firm in medium term.

- All India sunflower sowing was reported at 1.08 lakh hectares as on 31.08.2018 compared to 1.34 lakh hectares in corresponding period last year
- Government of India has hiked MSP of sunflower from Rs 4100/qtl to Rs 5388/qtl.
- Sunflower oil imports scenario- According to Solvent Extractors Association (SEA), Sunflower oil imports fell 30.85 percent y-o-y in July to 1.39 lakh tons from 2.01 lakh tons in July 2017. Imports in the period (November 2017-July 2018) are reported higher by 17.6 percent y-o-y at 20.10 lakh tons compared to 17.09 lakh tons in the corresponding period last oil year.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 745 (USD 795) per ton for Oct delivery, ND delivery is quoted at USD 742.5 (USD 762) per ton and Jan delivery is quoted at USD 745 per ton. CIF sun oil (Ukraine origin) Aug monthly average was at USD 761.54 per ton compared to USD 797.23 per ton in June. Values in brackets are figures of last month.
- Prices are likely to stay in the range of USD 720-800 per ton in the medium term. CIF Sunflower oil-CNF premium against CDSO CNF had improved from last month and is hovering at USD 31 per ton versus USD –83 per ton previous month.
- Currently, refined sunflower oil at Chennai market is offered at Rs 820 (Rs 800) per 10 Kg, and at Kandla/Mudra market, it is offered at Rs 790 (Rs 780) per 10 kg as on Sep 4, 2018. Values in brackets are figures of last month.
- We expect sunflower oil prices to trade sideways to firm tone in the coming days.

Price Outlook: We expect sunflower oil (Chennai) to trade in the price band of Rs 780-860 per 10 Kg.

Balance Sheet- Sunflower Oil (quarterly), India

Fig. in lakh tons

	2016-17	2017-18-F	Nov-Jan	Feb-Apr-F	May-July-F	Aug-Oct-F
Opening Stock	2.02	3.43	3.43	3.81	5.09	6.80
Production	0.96	0.80	0.15	0.12	0.27	0.27
Imports	21.68	25.52	6.02	7.18	7.22	5.10
Total Supply	24.66	29.75				
Quaterly add-on			6.17	7.30	7.49	5.37
Exports	0.00	0.00	0.00	0.00	0.00	0.00
Consumption	21.23	23.14	5.78	6.02	5.78	5.55
Ending Stocks	3.43	6.61	3.81	5.09	6.80	6.61

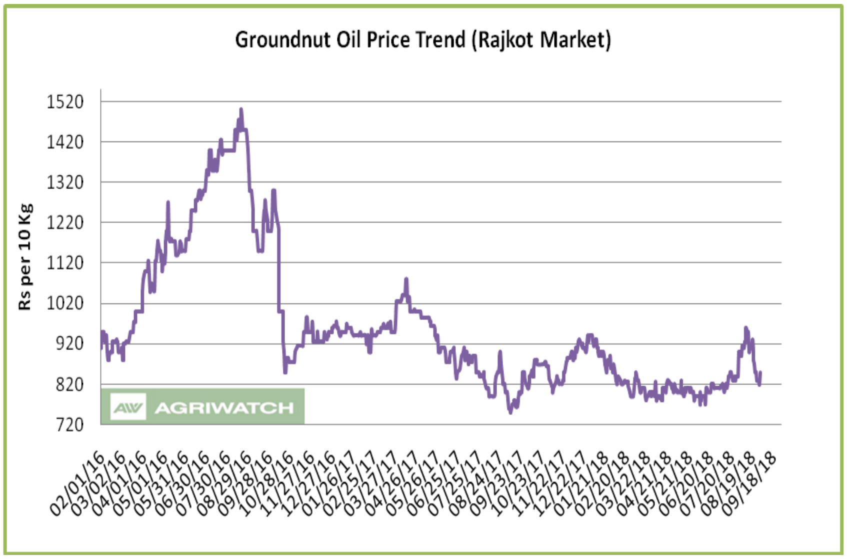
Source: AW estimates
Oil year- November-October

Highlights

- Prices will be weak in higher carry out for oil year 2017-18 compared to of 2016-17.
- Sunflower oil production is expected to be lower in oil year 2017-18 on lower sunflower crop.
- Carryout stocks of oil year 2016-17 is 3.43 lakh tons on higher sunflower oil imports.
- Carryout of 2017-18 is higher than 2016-17 due to lower imports.
- Higher carry out in 2017-18 is due to higher imports.

Groundnut oil:
Domestic Market Fundamentals

- Groundnut oil featured firm trend during the month in review on firm demand and weak supply. Prices rose in Chennai and New Delhi while it closed lower in Mumbai. Prices closed higher in Jamnagar and Gondal at the end of the month. Groundnut oil expeller closed higher in Hyderabad.



- Agriwatch view: Groundnut oil prices rose in August on firm demand, weak supply, and low premium of groundnut oil over sun oil.

Groundnut demand firmed in the month of August due to Janmastmi and is expected to remain firm in September due to festive demand. However, due to high volatility in groundnut oil prices witnessed in August, retail demand weakened at higher prices.

Groundnut sowing is down 1.7 percent compared to corresponding period last year. Fall of sowing in top producing state of Gujarat fell 9.78 percent compared to corresponding period last year.

Groundnut crop condition in Gujarat is under stress and production losses are expected in Gujarat on lower yields and lower area.

Lower groundnut crop could lead to higher prices of groundnut oil in coming weeks.

NAFED is disposing Kharif 2017 crop aggressively. At present quality of groundnut is good for crushing.

However, the pace of disposal of groundnut by Gujarat government is slow which has led to lower arrivals in the market. Volatility in groundnut auction prices has led to lower disposal of groundnut. Higher volatility of auction prices of groundnut was due to sharp rise in prices of groundnut oil on demand ahead of Janmastmi and higher groundnut DOC prices. NAFED calculates reserve prices on groundnut oil prices, groundnut DOC prices and arrivals. Reserve prices have moderated after sharp rise

NAFED has 5-6 lakh tons of groundnut while farmers have 1 lakh tons of groundnut. Trade has 0.50 lakh tons of stocks of groundnut due to purchase at higher rate. Whatever groundnut comes to market goes into crushing.

Whatever groundnut is sold in the market by NAFED is of crushing quality and is diverted towards crushing

Groundnut trade is weak and there is very little stock of groundnut with private traders.

There is disparity in crushing which will decrease supply of groundnut oil and support prices.

Crushing has slowed due to lower supply of groundnut.

Groundnut oil demand is weak at higher levels and it picks up when prices fall lower.

Retail demand of groundnut oil arises at lower levels.

Exports of groundnut procured by Gujarat government is very less due to higher prices of domestic groundnut, leading to diversion of groundnut towards crushing.

Crushers have no stocks and are only active in ready markets. Both groundnut oil and groundnut trade is weak and groundnut that is arriving in mandis are consumed in ready markets.

Groundnut oil prices have risen on increased offtake from stockists and traders on weak stock position.

Current prices of groundnut oil will support buying by stockists and traders.

There could be more bargain buying in coming days.

Premium of groundnut oil over sunflower is low in Chennai indicating higher capacity for prices of groundnut to rise.

Demand of groundnut oil in Andhra Pradesh is good.

There is parity in crushing of groundnut in Andhra Pradesh. Stocks of groundnut oil in Andhra Pradesh markets are weak.

Groundnut area in Gujarat is down due to little rains in Gujarat and bad returns on groundnut agriculture. However, production of groundnut is expected to fall by more than 5-10 percent due dry condition for groundnut.

Sowing of groundnut was delayed in Raalseema due to delayed rainfall. This will expose them to Southeast monsoons in October.

Prices are expected to trade firm on firm demand, weak supply and firm activity in cash markets.

Prices are expected to trade sideways to firm.

- All India groundnut sowing reached 39.14 lakh hectares as of 31.08.2018 compared to 39.82 lakh hectares in corresponding period last year, lower by 1.70 percent y-o-y. Sowing of groundnut is lagging in top producing state of Gujarat due to less rainfall. Area in top producing state of Gujarat is reported at 14.67 lakh hectares as of 31.08.2018 compared to 16.26 lakh hectares in corresponding period last year, down 9.78 percent y-o-y.
- Government of India hiked MSP of groundnut from Rs 4450/qtl to Rs 4890/qtl.
- On the price front, currently the groundnut oil prices in Rajkot is hovering near Rs 8,500 (8,400) per quintal and quoting at Rs 9,200 (Rs 8,400) per quintal in Chennai market.
- Groundnut oil prices are likely to trade with a sideways to firm tone in the coming days.

Price Outlook: We expect Groundnut oil (Rajkot) to trade in the price band of Rs 850-1000 per 10 Kg.

Balance Sheet- Groundnut Oil (quarterly), India

Fig. in lakh tons

	2016-17	2017-18-F	Nov-Jan	Feb-Apr	May-July	Aug-Oct-F
Opening stocks	0.10	0.34	0.34	0.64	0.44	0.39
Oil availability (Production)	8.04	7.50	2.75	2.25	1.25	1.25
Imports	0	0	0	0	0	0
Total Supply	8.14	7.84				
Quaterly add-on			2.75	2.25	1.25	1.25
Exports	0.30	0.40	0.10	0.10	0.10	0.10
Consumption	7.50	7.11	2.35	2.35	1.21	1.21
End stocks	0.34	0.33	0.64	0.44	0.39	0.33

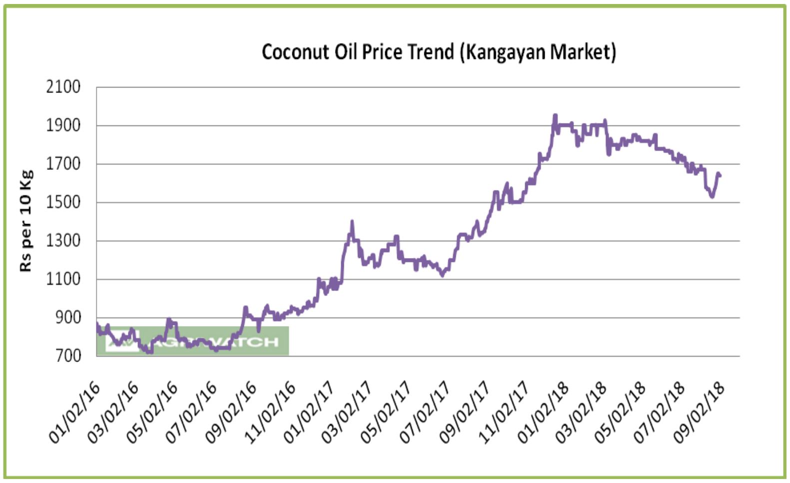
Source: AW estimate
Oil year-November-October

Highlights

- Groundnut oil production is expected to be lower in oil year 2017-18 on lower groundnut crop.
- Lower oil production in 2017-18 is due to lower marketable surplus of groundnut seed resulting in lower crush.
- Carryout stocks of oil year 2016-17 is 0.34 lakh tons on higher groundnut oil production.
- Carryout stocks of oil year 2017-18 is 0.33 lakh tons on lower groundnut oil production.
- Lower supply of groundnut oil in 2017-18 is due to lower marketable surplus.
- Carryout of 2017-18 is lower than 2016-17 due to lower production of groundnut oil.

Coconut oil:
Domestic Market Fundamentals

- Coconut oil featured weak trend at its benchmark market in Kangeyam on weak demand and fall in prices of copra. Prices fell in Kochi at the end of the month.



- Agriwatch view: Prices of coconut oil traded weak in the month of August on weak demand of coconut oil and fall in prices of copra.

  Copra prices fell during the month. Fall in raw material prices led to lower end product prices.

  Due to rise in coconut oil prices in last year and half, demand destruction has taken place in top consuming areas.

  Household consumption contracted in Kerala and no oil replaced the gap.

  Floods in state of Kerala have destroyed big area under coconut plantation which will reduce supply of copra from the state. Demand of coconut oil will fall in the state on account of loss of income source to large affected population of Kerala. Both demand and supply will be adversely affected from the state and it will time for the situation to normalize.

  Production will increase 10-15% in 2018-19 from initial estimate of 15-20% gain in coconut oil production on account of production loss due to floods in Kerala. Yield will remain higher in Tamil Nadu, Karnataka and Andhra Pradesh compared to last three years.

  Copra supply is improving, as stocks buildup has started in the market despite higher exports and diversion of coconut products to other value added products.

  Coconut supplies have improved will lead to higher supply of copra which will increase in production of coconut oil which will underpin coconut oil prices.

  Of the total production of 6 lakh tons of coconut oil, corporate consumes around 2.5 lakh tons whose demand is weak.

  Adulteration of coconut oil is rampant in Kerala and the prices at which adulterated coconut oil sold is less than sales prices of coconut oil production.

  There are more than 250 brands in market and competition is high which leads to rampant adulteration.

  5 kg of coconut is used to produce 1 kg of coconut oil which means Rs 225 is production cost and actual selling prices should be above these prices whereas market prices are ruling below these prices.

Ball copra is now not used in crushing for production of coconut oil as its prices are around milling copra prices. Ball copra is only used when price difference between milling copra and ball copra is high.

There will be no crash in prices of coconut oil in 2018 as prices of coconut are expected to fall to Rs 35 per unit.

Rains in 2017 and 2018 has led to expectation that this year coconut production will rise and it prices will moderate.

So, coconut prices will show correction in 2018.

More than doubling of prices of coconut oil in 2017-18 due to fall in production of copra led to demand destruction.

Export demand of coconut oil has weakened due to higher prices of coconut oil which has made coconut oil uncompetitive in international markets. Recent depreciation of Rupee will support export demand. Bulk exports of coconut oil have weakened.

Millers have limited copra stocks and coconut oil. They are not confident of prices and are depending on ready markets.

Traders and upcountry buyers are staying away from market as they expect more fall in coconut oil prices.

Higher prices of coconut oil for a long period have weakened demand in medium to long term.

Prices are expected to be weak in September on weak retail demand, weak demand from corporates, lower prices of raw material and seasonal downtrend of prices. Prices are expected to trade sideways to weak in medium term.

- On the price front, currently the coconut oil prices in Kochi is hovering near Rs 16,000 (17,000) per quintal, and quoting Rs 16,200 (16,700) per quintal in Erode market on September 4, 2018.
- Coconut oil prices may trade sideways to weak tone tracking weak demand in ready markets.

Price Outlook: We expect coconut oil (Erode) to trade in the price band of Rs 1500-1700 per 10 Kg.

Production and exports of coconut oil:

Annexure-3(b)										
Estimated Production of Copra(Milling and Edible) in '000 MT										
STATE/UT	**2012-13**		**2013-14**		**2014-15**		**2015-16**		**2016-17***	
	Milling	**Edible**	**Milling**	**Edible**	**Milling**	**Edible**	**Milling**	**Edible**	**Milling**	**Edible**
1. Kerala	401	45	384	42	317	35	478	53	480	53
2. Karnataka	77	192	60	148	57	141	59	153	59	153
3. Tamil nadu	455	44	424	42	440	43	406	40	406	40
4. Andhra Pradesh	25	33	24	31	11	14	17	24	17	24
5. A&N Island and Lakshadweep	15	2	8	2	11	3	11	3	11	3
All India	973	316	900	265	836	236	971	273	973	273
Estimated production of **Coconut Oil** @62.5%(in Lakh Tonnes)	**6.081**		**5.625**		**5.225**		**6.069**		**6.081**	
Estimated production of **Oil Cake** @35%(in Lakh Tonnes)	**3.405**		**3.150**		**2.926**		**3.399**		**3.406**	

* First advance estimate, Department of Agriculture & Cooperation(Horticulture Division), Ministry of Agriculture, Govt. of India

Coconut oil balance sheet

Qty in '000 MT

Demand and Supply Balance - Coconut Oil					
					Qty in '000 MT
	2012-2013	**2013-2014**	**2014-2015**	**2015-2016**	**2016-2017E**
Opening Stock	89.33	41.60	9.78	14.74	37.10
Production	608.00	562.50	522.50	606.90	608.10
Imports	1.00	1.65	9.67	5.17	0.01
Exports	6.83	7.07	7.21	6.81	33.54
Consumption/Crushing	650.00	588.90	520.00	582.90	601.35
Ending stock	41.60	9.78	14.74	37.10	10.32
E - Estimated (likely to be revised subsequently)					
Note - Consumption/Crushing of coconut oil estimated based on the details collected through various Offices of the Board and in consultation with industry sources.					

Source: Coconut Development Board

Coconut products exports from India

Qty in '000 MT

Export of Coconut Products from India							
Sl.No	Item	2014-15		2015-16		2016-17	
		Quantity (in MT)	Value (Rs in Crores)	Quantity (in MT)	Value (Rs in Crores)	Quantity (in MT)	Value (Rs in Crores)
1	Activated Carbon	54345.07	557.80	71672.71	747.56	85804.95	815.07
2	Coconut Oil (Refined oil and fractions)	7188.94	146.06	6731.12	138.16	17088.99	222.98
3	Coconut Dried excluding DC and Endocarp	66923.65	212.49	51802.54	145.85	26381.35	219.02
4	Coconut Oil (Crude oil and fractions)	27.63	0.51	75.43	1.80	16447.10	158.03
5	Desiccated Coconut	3243.82	26.41	3442.77	31.51	14907.47	147.71
6	Coconut Fresh excluding DC and Endocarp	29020.19	89.28	37467.06	112.79	51802.54	145.85
7	Copra	7284.49	80.93	4388.69	36.48	54132.48	142.41
8	Other Coconuts Excl Fresh and Dried & DC & Endocarp	11532.76	55.87	15446.50	71.11	33202.21	113.76
9	Shell Charcoal	27899.00	59.60	8819.00	26.05	28306.00	68.40
10	Shell Charcoal (Other)	47941.00	65.71	7942.00	14.34	10828.00	19.69
11	Fresh Endocarp	3680.97	10.64	2047.57	7.06	5416.14	13.54
12	Other Endocarp	488.69	2.37	390.18	1.88	1257.75	9.46
13	Shell unworked	574.83	3.34	330.35	2.20	183.30	1.66
14	Dried Endocarp	133.01	1.37	132.17	1.20	711.85	5.38
15	Micellaneous	-	-	-	112.27	-	0.79
Total			**1312.38**		**1450.24**		**2083.74**

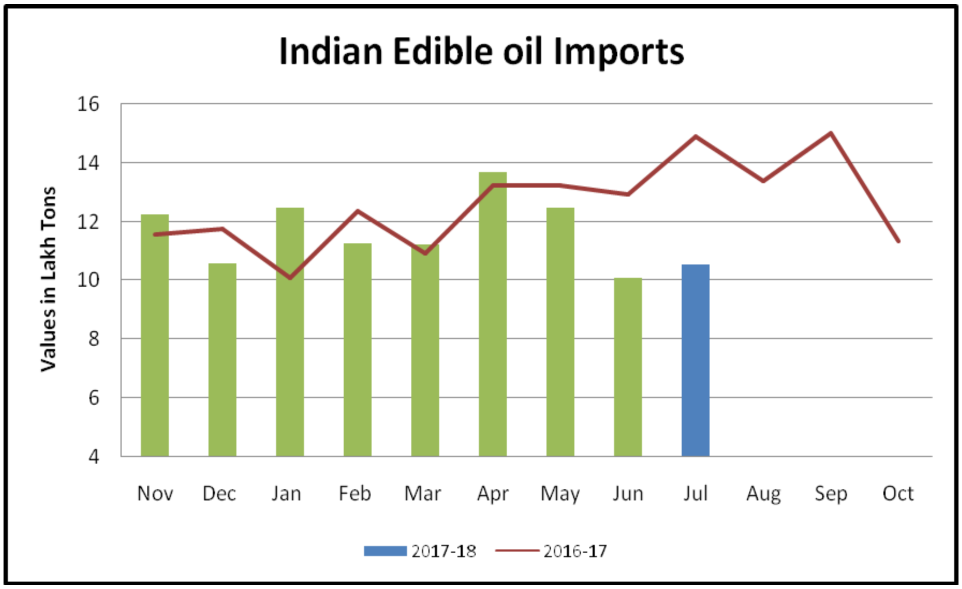
Source: Coconut Development Board

Coconut products imports from India

Qty in '000 MT

Import of Coconut Products from India							
Sl.No	Item	2014-15		2015-16		2016-17	
		Quantity (in MT)	Value (Rs in Crores)	Quantity (in MT)	Value (Rs in Crores)	Quantity (in MT)	Value (Rs in Crores)
1	Coconut Oil (Refined oil and fractions)	3467.91	30.76	2759.81	22.57	9.08	0.37
2	Coconut Oil (Crude oil and fractions)	6205.34	49.43	2415.00	18.90		
3	Copra	281.00	2.03	290.30	2.06		
4	Other residues of coconut or copra	32.50	0.07	0.27	0.28		
5	Shell Charcoal	14.88	40.42	14.21	45.06	351.00	1.08
6	Shell Charcoal (Other)	0.38	1.35	3.46	1.29	2058.00	2.26
7	Desiccated Coconut	246.07	3.71	65.50	0.67		
8	Oil Cake Solvent Extracted Variety			589.99	1.19	873.20	1.79
9	Shell unworked					69.31	0.13
10	Oil Cake Expeller Variety	88289.75	136.19	188921.63	286.81	164421.90	263.51
11	Button of Coconut Shell/Wood	24.29	0.59	41.09	1.19	43.12	1.46
Total			**264.54**		**380.02**		**270.59**
Source: DGCIS, Kolkata							

Indian Edible Oil Imports Scenario –:



As per Solvent Extractors' Association of India, India imported 14.57 million tons of veg. oils in the 2015-16 oil year. Edible oils imports were 15.08 million tons 2016-17 (November 2016-October 2017). Edible oils (including CPO, CDSO, CSFO, and RBD Palmolein imports for July is pegged at 10.54 lakh tons.

Indian Supply and Demand Scenario:

Balance sheet of Indian Edible Oil	2015-16	2016-17	2017-18-F	% Change
Value in million tons				
Beginning Stock	2.29	1.78	1.74	-2.57%
Production	7.20	8.49	8.12	-4.36%
Imports	14.57	15.08	14.82	-1.72%
Total Supply	24.06	25.35	24.68	-2.67%
Exports	0.01	0.01	0.02	100.00%
Total Demand(Consumption)	22.27	23.61	23.61	0.00%
Ending Stock	1.78	1.74	1.05	-39.47%

* Value in million tons

Balance Sheet Highlights

Net edible oil output is likely to be 8.12 million tons (down 4.36 percent y-o-y basis) in 2017-18 led by lower oilseed sowing in Kharif and Rabi season in the current oil year.

On import front, edible oil imports seen at 14.82 million tons for 2017/18 oil year v/s 15.08 million tons last year.

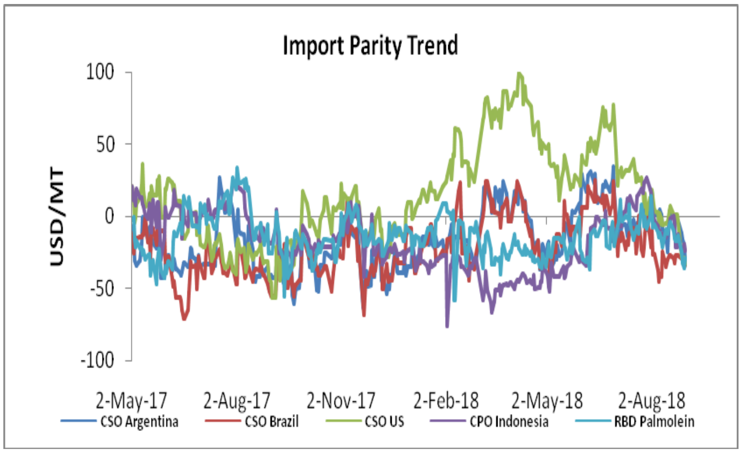
On the consumption side, India's edible oil consumption for 2017-18 oil year seen at 23.61 million tons, unchanged from last year. Ending stocks are projected lower compared to 2016-17 at 1.05 million tons.

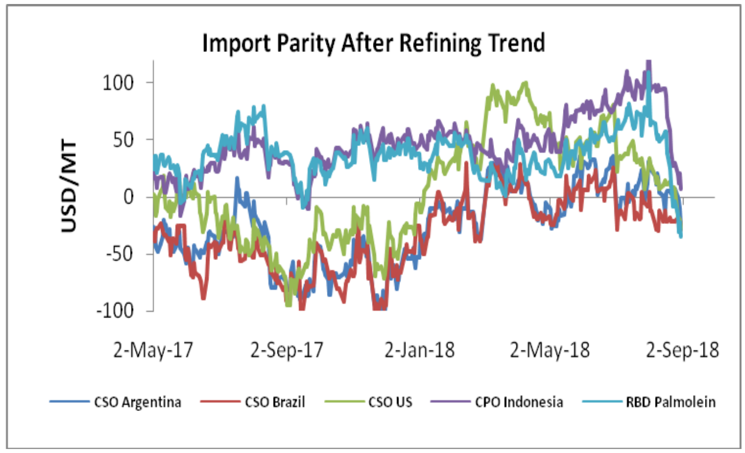
Note - Values in Mln. Tons, Oil year (Nov.-Oct.) ***Including Production of Groundnut, Soy, Mustard, Sunflower, Sesame, Niger, Safflower, Cottonseed, Copra, Rice bran Oils. **** 2016-17- SEA of India & 2017-18 Agriwatch Estimates, *** (USDA estimates).

Landed Cost at the Indian Ports - Crude soy oil and Crude palm oil

Landed Cost Calculation as on 05/09/2018	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
FOB USD per ton	654	664	645	540	573
Freight (USD/MT)	47	47	62	25	20.0
C & F	701.0	711.0	707.0	565.0	593.0
Weight loss (0.25% of FOB)	1.64	1.66	1.61	1.35	1.43
Finance charges (0.4% on CNF)	2.80	2.84	2.83	2.26	2.37
Insurance (0.3% of C&F)	2.10	2.13	2.12	1.70	1.78
CIF (Indian Port - Kandla)	708	718	714	570	599
Duty (Values in USD per tons)	273.74	273.74	273.74	274.43	358.18
GST (5% on duty) USD per ton	13.69	13.69	13.69	13.72	17.91
Exchange rate	71.75	71.75	71.75	71.75	71.75
Landed cost without customs duty in INR per ton	50766	51490	51198	40919	42948
Customs duty %	35.00%	35.00%	35.00%	44.00%	54.00%
Social Welfare Surcharge@10%	3.50%	3.50%	3.50%	4.40%	5.40%
Total Duty %	38.50%	38.50%	38.50%	48.40%	59.40%
Base import price	711	711	711	567	603
Fixed exchange rate by customs department	71.10	71.10	71.10	71.10	71.10
Duty component in INR per ton	19462.56	19462.56	19462.56	19511.83	25466.74
Clearing charges INR per ton	1200	1200	1200	1200	1200
Brokerage INR per ton	200	200	200	200	200
Total landed cost INR per ton	71629	72353	72061	61831	69815
Domestic Market price INR/ton Soy Degum Kandla/CPO Kandla/RBD Kandla	70800	70800	70800	60800	67500
Total landed cost USD per ton	998	1008	1004	862	973
Domestic Market price USD/tons Soy Degum Kandla/ CPO Kandla 5%	987	987	987	847	941
Parity INR/MT (Domestic - Landed)	**-829**	**-1553**	**-1261**	**-1031**	**-2315**
Parity USD/MT (Domestic - Landed)	**-11.55**	**-21.64**	**-17.57**	**-14.37**	**-32.27**
					Source: Agriwatch
Refining/ Processing Cost per MT	2000.00	2000.00	2000.00	4700.00	….
Freight to Inland location (Indore for soy and Delhi for Palm oil)	2500.00	2500.00	2500.00	2800.00	2800.00
Cost of Imported oil after refining/Processing	76128.70	76853.01	76560.60	69331.21	72615.11
Soy/Palm oil imported Price (Including tax)	79935.13	80695.66	80388.63	72797.78	76245.86
Loose price of Soy/Palm in Indore and Delhi market	78540.00	78540.00	78540.00	74500.00	74500.00
Parity after processing and Taxes (Rs per MT)	**-1395.13**	**-2155.66**	**-1848.63**	**1702.22**	**-1745.86**
Parity after processing and Taxes (USD per MT)	**-19.44**	**-30.04**	**-25.76**	**23.72**	**-24.33**
					Source: Agriwatch

Import Parity Trend





Import Parity after Refining in US dollar per tons (Monthly Average)

	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
June, 2018	24.95	10.83	58.44	79.00	50.74
July, 2018	2.92	-10.31	33.11	94.05	68.11
July, 2018	7.38	-18.86	8.84	66.69	32.82

Outlook-:

Import parity for CDSO Argentina and CDSO Brazil has returned to parity due to fall in prices of soy oil in international market. We expect CDSO import parity to return to disparity in September due to depreciation of Rupee. Parity in palm oil products will, weaken due to depreciation of Rupee which may reduce imports.

Technical Analysis (Refined soy oil Monthly Charts)

Refined soy oil Futures (NCDEX, Daily Oct chart)	Refined soy oil (Indore (Monthly Chart inclusive VAT))
	

Outlook – Prices are likely to trade sideways to firm tone in the days ahead. Investors are advised to sell refined soy oil (Oct contract) on rise.

- Monthly chart of refined soy oil at NCDEX featured gains in the prices. We expect sideways to weak movement in the coming days.
- Any close below 740 in monthly chart will bring prices to 730 levels.
- Expected price band for next month is 710-780 level in near to medium term. RSI and MACD are indicating downtrend at current levels.

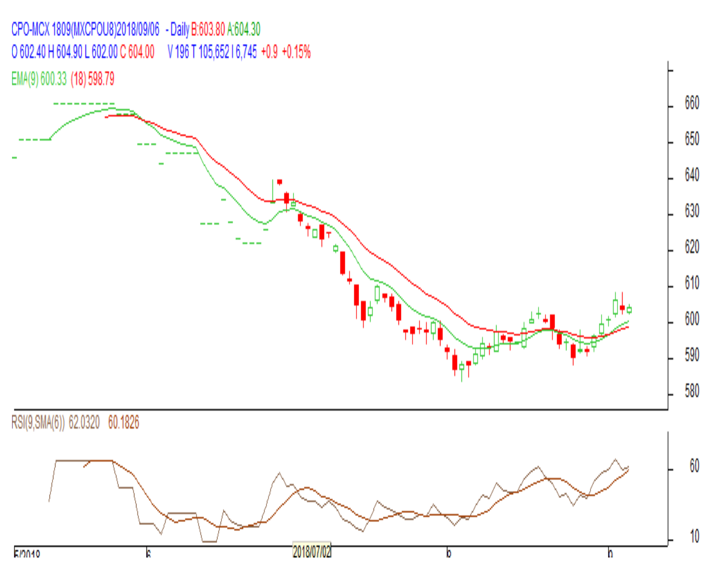
Strategy: Market participants are advised to go short in RSO below 750 for a target of 730 and 725 with a stop loss at 760 on closing basis.

RSO NCDEX

Support and Resistance				
S2	**S1**	**PCP**	**R1**	**R2**
710.00	721.00	746.3	756.00	765.00

Spot Market outlook: Refined soy oil Indore (including VAT) is likely to stay in the range of 700-770 per 10 Kg.

Technical Analysis (Crude Palm oil Monthly Charts)

Crude Palm oil Futures (MCX, Sep Daily chart)	Crude Palm oil Kandla (Monthly Chart)
	

Outlook - Prices may trade with a sideways to weak tone in the coming days. Investors are advised to sell MCX CPO (Sep contract) on rise.

- Candlestick monthly chart of crude palm oil at MCX depicts fall in prices. We expect prices to feature sideways to weak tone in the near term.
- Any close below 600 in monthly chart might bring the prices to 580 levels.
- Expected price band for next month is 550-650 level in near to medium term. RSI and MACD are indicating downtrend.

Strategy: Market participants are advised to go short in CPO below 610 for a target of and 590 and 585 with a stop loss at 620 on closing basis.

CPO MCX

Support and Resistance				
S2	**S1**	**PCP**	**R1**	**R2**
565.00	580.00	605.2	611.00	625.00

Spot Market outlook: Crude palm oil Kandla is likely to stay in the range of 550-650 per 10 Kg.

Monthly spot prices comparison

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Aug-18	31-Jul-18	
Refined Soybean Oil	Indore	735	745	-10
	Indore (Soy Solvent Crude)	695	700	-5
	Mumbai	750	755	-5
	Mumbai (Soy Degum)	692	702	-10
	Kandla/Mundra	720	725	-5
	Kandla/Mundra (Soy Degum)	685	695	-10
	Kolkata	725	720	5
	Delhi	770	780	-10
	Nagpur	748	764	-16
	Rajkot	716	725	-9
	Kota	730	745	-15
	Hyderabad	768	780	-12
	Akola	751	764	-13
	Amrawati	750	761	-11
	Bundi	740	750	-10
	Jalna	752	765	-13
	Alwar	Unq	Unq	-
	Solapur	744	754	-10
	Dhule	750	764	-14
Palm Oil *	Kandla (Crude Palm Oil)	629	656	-27
	Kandla (RBD Palm oil)	667	672	-5
	Kandla RBD Pamolein	704	709	-6
	Kakinada (Crude Palm Oil)	607	641	-34
	Kakinada RBD Pamolein	690	704	-14
	Haldia Pamolein	704	701	3
	Chennai RBD Pamolein	693	709	-16
	Chennai RBD Pamolein (Vitamin A&D Fortified)	767	798	
	KPT (krishna patnam) Pamolein	685	698	-13
	Mumbai RBD Pamolein	714	725	-11
	Mangalore RBD Pamolein	695	716	
	Tuticorin (RBD Palmolein)	706	709	-3
	Delhi	735	750	-15
	Rajkot	698	709	-11
	Hyderabad	698	710	-12
	PFAD (Kandla)	394	410	-16
	Refined Palm Stearin (Kandla)	541	557	-16
	Superolien (Kandla)	735	767	-32

	Superolien (Mumbai)	767	798	-32
* Inclusive of GST				
Refined Sunflower Oil	Chennai	820	805	15
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	760	750	10
	Kandla	790	790	Unch
	Kandla/Mundra (Crude)	Unq	Unq	-
	Hyderabad (Ref)	810	820	-10
	Latur (Expeller Oil)	790	805	-15
	Chellakere (Expeller Oil)	770	775	-5
	Erode (Expeller Oil)	850	845	5
Groundnut Oil	Rajkot	850	840	10
	Chennai	920	840	80
	Delhi	925	850	75
	Hyderabad *	920	855	65
	Mumbai	890	900	-10
	Gondal	860	850	10
	Jamnagar	840	840	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	830	860	-30
	Jaipur (Kacchi Ghani Oil)	852	880	-28
	Kota (Expeller Oil)	800	830	-30
	Kota (Kacchi Ghani Oil)	840	870	-30
	Neewai (Kacchi Ghani Oil)	815	850	-35
	Neewai (Expeller Oil)	838	865	-27
	Bharatpur (Kacchi Ghani Oil)	855	890	-35
	Alwar (Kacchi Ghani Oil)	Unq	860	-
	Alwar (Expeller Oil)	Unq	880	-
	Sri-Ganga Nagar(Exp Oil)	825	850	-25
	Sri-Ganga Nagar (Kacchi Ghani Oil)	840	870	-30
	Mumbai (Expeller Oil)	840	865	-25
	Kolkata(Expeller Oil)	970	950	20
	New Delhi (Expeller Oil)	850	878	-28
	Hapur (Expeller Oil)	875	870	5
	Hapur (Kacchi Ghani Oil)	915	910	5
	Agra (Kacchi Ghani Oil)	860	895	-35
Refined Cottonseed Oil	Rajkot	795	795	Unch
	Hyderabad	790	785	5
	Mumbai	810	800	10
	New Delhi	770	770	Unch

Coconut Oil	Kangayan (Crude)	1640	1670	-30
	Cochin	1670	1710	-40
	Trissur	Unq	Unq	-
Sesame Oil	New Delhi	1200	1000	200
	Mumbai	Unq	Unq	-
Kardi	Mumbai	850	870	-20
Rice Bran Oil (40%)	New Delhi	670	675	-5
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	Unq	-
Malaysia Palmolein USD/MT	FOB	568	553	15
	CNF India	583	570	13
Indonesia CPO USD/MT	FOB	540	540	Unch
	CNF India	563	563	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	553	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	560	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1010	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	490	-
Crude palm Kernel Oil India (USD/MT)	CNF India	960	945	15
Ukraine Origin CSFO USD/MT Kandla	CIF	748	793	-45
Rapeseed Oil Rotterdam Euro/MT	FOB	730	719	11

Argentina FOB ($/MT)	**31-Aug-18**	**30-Jul-18**	**Change**
Crude Soybean Oil Ship	646	649	-3
Refined Soy Oil (Bulk) Ship	669	672	-3
Sunflower Oil Ship	705	720	-15
Cottonseed Oil Ship	626	629	-3
Refined Linseed Oil (Bulk) Ship	Unq	Unq	-
**** indicates including GST***			

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