Veg. Oil Weekly Research Report

Contents

Executive Summary

Domestic Veg. Oil Market Summary

Edible oil witnessed mixed trend in domestic market in the week in review. CBOT soy oil and BMD palm oil fell during the week. Soy oil, palm oil and groundnut oil closed lower while rapeseed oil closed sideways. Sunflower oil and coconut oil closed in green.

On the currency front, Indian rupee is hovering near 70.10, up by 37 paise compared to previous week. Factors to watch in the coming weeks will be movement of Indian rupee against US dollar and crude oil prices. Rupee is expected to depreciate and crude oil prices will rise in near-term.

We expect soy oil and palm oil to trade weak. Higher stocks at ports and pipeline may underpin prices in near term.

Outook:

Weekly Call - : At NCDEX, market participants are advised to go short below 740 levels for a target of 725 and 720 with a stop loss at 750 on closing basis. We expect refined soy oil at Indore (without GST) to stay in the range of Rs 710-760 per 10 Kg in the near term.

At MCX, market participants are advised to go short in CPO below 600 for a target of 585 and 580 with a stop loss at 610 on closing basis. We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 570-630 per 10 Kg in the near term.

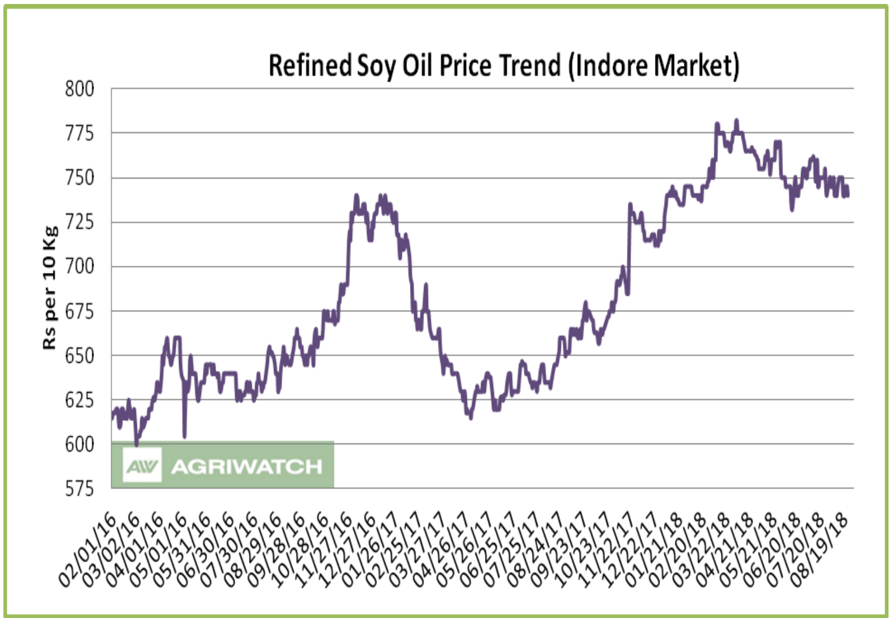
International Veg. Oil Market Summary

On the international front, trade dispute between US and China, record soybean crop in US, better than expected soybean crop condition in US, lower soybean demand from China, high stocks of soybean in China, liquidation of soybean state reserve in 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, fall in 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 Fundamental Analysis and Outlook-:

Domestic Front



- Soy oil featured weak trend in domestic markets on weak demand. Prices of refined soy oil traded sideways to lower across board in India. Prices of CDSO fell at JNPT while it remained unchanged at Kandla/Mudra at the end of the week.
- Agriwatch View- Soy oil prices closed lower during the week in Indore on weak demand.

  Fall of Rupee from 68 to 70 per USD last week supported prices at lower levels.

  Imports of soy oil have returned to disparity due depreciation of Rupee.

  Bearish international soybean complex situation on record soybean crop in US and expectation of higher soybean crop in Brazil and Argentina in 2018/19 and weak demand of soybean by China will be bearish for price.

  Further, due to disparity in imports of soy oil is expected to decrease and support prices. Presently disparity at ports is at 0.0-0.5 per kg. Prices are likely to fall due to low disparity in imports.

  Domestic demand is weak.

  Soy oil supply is firm at high seas as its prices remained unchanged at high seas while prices fell at CNF markets compared to last week.

  Soy oil demand is firm at CNF markets as prices fell less at CNF compared to FOB markets where prices fell compared to last week.

  Depreciation of Argentina Peso has led to lowering of basis has led to fall in FOB soy oil prices. Its premium over CBOT has decreased and brought prices lower.

  Imports of soy oil decreased in July compared to July 2017 while it is higher than June 2018. Imports rose 70,000 tons in June compared to May 2018 while port stocks rose 80,000 tons indicating weak demand in July.

  CDSO is trading at low premium over RBD palmolein at high seas at Rs 21 (Rs 22 last week) per 10 kg will increase CDSO import demand.

  Refined soy oil premium over RBD palmolein is unchanged at Rs 73 (Rs 72 last week) per 10 Kg, which is low and may support soy oil prices in domestic markets. In USD terms, premium of CDSO CNF over CPO CNF was quoted at USD 132 (USD 126 last week) per ton for Aug delivery, which is low and increase demand of CDSO at CNF markets compared to CPO CNF. Values in brackets are figures of last week.

  Prices of soy oil are expected to weaken in near term.

- 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.
- All India sowing of soybean was reported at 111.29 lakh hectares as on 24.03.2018 compared to 104.87 lakh hectares in the corresponding period last year, higher by 6.12 percent y-o-y. Sowing in top producing state of MP was reported at 53.18 lakh hectares as on 24.08.2018 compared to 50.0 lakh hectares in corresponding period last year, higher by 6.36 percent.
- 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 CNF at West coast port is offered at USD 687 (USD 691) per ton for Aug delivery, Sep delivery is quoted at USD 687 (USD 691) per ton, Oct delivery is quoted at USD 692 (USD 698) per ton and Nov delivery is quoted at USD 696 (USD 703) per ton. Values in brackets are figures of last week. Last month, CNF CDSO July average price was USD 708.58 (USD 747.64 per ton in June 2018) per ton.
- On the parity front, margins fell during the week on fall in prices of soy oil in Indian markets, and we expect margins to remain in parity in coming days. Currently refiners gain USD 0-5/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 in the coming days.

International Front

Agriwatch view- Soy oil prices are expected to be expected to be underpinned by trade dispute between US and China, record soybean crop in US, high stock of soybean in China, weak demand of soybean in China due to outbreak of swine flu, liquidation of soybean state reserve by China, weak competitive oils and firm dollar.

Trade talks between US and China was not producing any breakthrough. Both US and China imposed additional duties on products while talks were underway.

There is also expectation in market that China will buy US cargo to tide over deficit of soybean in fourth quarter of 2018 despite higher import duties on tighter supplies in South America. However, trade dispute between US and China has not been resolved, which will keep lid on import of soybean from US as imposition of import duty on import of soybean from US became uncompetitive. Trade dispute has led to lower sales of US soybean leading to record soybean stocks in a year when US is expected to harvest record stocks.

However, soybean exports from US is expected to pickup due to fall in prices of soybean from US origin 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.

China is enquiring on import of rape meal, sunflower meal, cottonseed meal from Europe, India and Ukraine to tide over tight situation which will arise in fourth quarter of 2018.

However, outbreak of swine flu in China has cut demand of soy meal in the country which is holding record soybean and soy meal stocks.

NOPA reported fall of soy oil end stocks in US in July due to higher domestic use despite higher production of soy oil in US in July due to record crush of soybean in any July in US. Lower prices of soybean and soy oil has propelled demand in the US market.

USDA raised soybean crop of US to record levels in its August supply and demand estimates due to higher yields of soybean due to better than expected soybean crop condition in US. More rise in soybean crop is not ruled out and exact amount of soybean produced in US will be known by December when harvest ends in November.

ProFarmer tour in US in various states has indicted higher yields in various states of US will underpin prices .

China will have to buy soybean from US in 2018 as soybean stock position from South America becomes tight to tide over shortage of soybean when supply of soybean from Brazil will dry.

Brazil is the biggest beneficiary of US and China trade dispute, which historically gained in soybean farming in 1973 and 1980.

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.

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. Argentina will have to import soybean from US to supply additional soy meal to China once China open up trade of soy meal with the country. US and China trade dispute may open trade opportunity for Argentina.

Lower soybean sales from US have led to higher sale of soybean from Brazil and Argentina. This has led to rise in record end stocks of soybean in US in 2018/19.

Soybean crop condition in US has fallen last week. However, 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.

Soybean disappearance in domestic market in US is strong due to fall in prices of soybean, which has led to record margins for crushers. Companies are recording record margins in their quarterly financial filings. This has led to higher supply of soy oil in US, which will raise soy oil stocks in US in coming months, which will underpin soy oil prices.

China imported lower soybean in any July, most of it from Brazil due to record stocks of soybean and soy meal in the country due to weak demand from crushers. Crushers of soybean are struggling from weak demand due to low growth rate of livestock herd growth. Outbreak of swine flu has affected demand of feed which has led to lower soybean demand leading to shutdown of many crushers. This may prompt China to import lower amount of soybean in coming months as present stocks will setoff lower imports in coming months.

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.

Competitive oils like BMD palm oil and CBOT soy oil is expected to trade weak due to strong supply scenario in Malaysia and US, 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, is expected to reignite demand and support prices.

USDA kept soybean import estimate by China unchanged in 2018/19 compared to 2017/18. However, end stocks of soybean increased due to lower crush. However, USDA indicated that to tide over lower imports of soybean by China will lead to higher import of canola meal and sunflower meal imports.

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.

- In the weekly USDA crop progress report released on 20 August; Soybean setting pods qare reported at 91% which is up from 86% in corresponding period last year and 5-year average of 83%. About 65% of the soybean planted crop is under good to excellent condition which is up from 60% during the corresponding period last year.
- In the latest report released by Buenos Aires Grain Exchange (Bolsa DeCereals) Argentina's 2017/18 soy harvest ended at 37 million tons, much below the 54 million tons estimated at the beginning of the season due to a severe drought. This is the smallest crop of the past nine years, according to the exchange.
- 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 updates

- In the weekly USDA crop progress report released on 13 August; Soybeans blooming are reported at 96% which is up from 93% from the corresponding period last year and higher compared to the 5-year average of 92%. Soybean setting pods qare reported at 84% which is up from 77% in corresponding period last year and 5-year average of 72%. About 66% of the soybean planted crop is under good to excellent condition which is up from 59% 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) 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

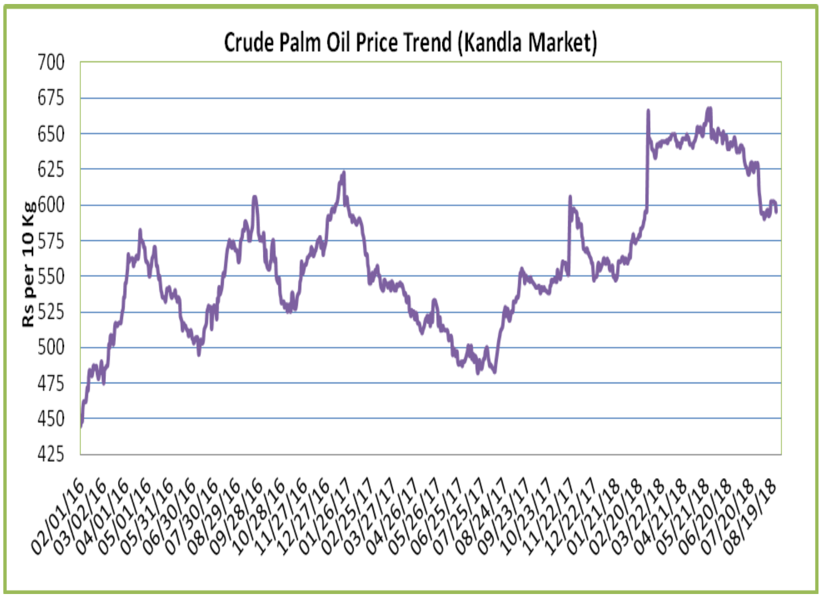
stocks in 2018/19 is lowered to 430 million bushels 465 million bushels in its earlier estimate. Soybean production is estimated in 2018/19 is increased to 4,586 million bushels compared to 4,310 million bushels in its earlier estimate. U.S. soybean exports in 2018/19 estimate are increased to 2,060 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.

- 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 refined soy oil (without GST) at Indore to stay in the range of Rs 710-760 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook -:

Domestic Front



- Crude palm oil featured weak trend at its benchmark market at Kandla on weak demand.
  RBD palmolein closed lower at its benchmark market of Kandla on weak demand.
  CPO prices fell in Krishnapatnam, and Kakinada while it rose in Kolkata.
  RBD palmolein closed sideways to lower across board in India.
- Agriwatch View – Prices of CPO closed lower at Kandla on weak demand.
  Prices of CPO fell more at high seas compared to CNF markets compared to last week indicating weak demand at high seas.
  Rupee depreciation and continuous fall in prices of CPO has led to postponing of demand.
  Rupee depreciated from 68 to 70 last week, which has led to disparity in imports of CPO.
  Trade of CPO has returned to disparity on rise in prices of CPO in international markets, which stands at Rs 1.5-2.0 per kg.
  Disparity is likely decrease imports of CPO.
  Traders are expected to take advantage of international prices of CPO by increasing buying at lower levels.
  Depreciation of Rupee will increase disparity and lower imports. Lower Rupee increases domestic prices of palm oil and increases disparity, which in turn dents demand.
  MPOB Malaysian palm oil August stocks is expected to rise on faster than expected rise in production of palm oil and lower than expected exports of palm oil from Malaysia.
  Imports of CPO fell in July on weak buying due to continuous fall in CPO prices, higher import duty on CPO, weak demand and expectation of depreciation of Rupee.
  Disparity in imports of CPO will decrease demand.
  Prices of CPO fell after recovery which increased disparity.
  Import demand of CPO will decrease in August due to disparity in imports. Data for cargo surveyor SGS show rise in imports of palm oil by India from Malaysia in August due to bargain buying.
  Stocks of CPO at ports were high which has slowed imports in July.
  Refiners are importing to cover their stocks.
  Removal of export duty on exports of palm oil by Malaysia in Aug is likely to increase imports.
  Demand of CPO is weak at CNF markets as prices fell at CNF compared to FOB markets, which remained unchanged, compared to last week.
  RBD palmoelin featured weak tone in its benchmark market on weak demand.
  RBD palmolein prices fell at high seas while prices remained unchanged at CNF markets indicating weak demand.

Import demand of RBD palmolein is weak due to hike in import duty on RBD palmolein, depreciation of Rupee, premium of RBD palmolein over CPO at CNF markets and continuous fall in international prices of RBD palmolein.

Imports of RBD palmolein are in disparity due to fall in prices of palm products in domestic market.

At present there is disparity of Rs 1.5-2.0 per kg due to tight conditions.

Due to return to disparity import demand will weaken in August.

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

Demand of RBD palmolein was regular compared to CPO at high seas as premium RBD palmolein over CPO was at Rs 73 (Rs 73) per 10 kg compared to last week.

Margins are higher in importing CPO and selling refined oil in domestic markets, than selling ready to use RBD palmolein in domestic markets. RBD palmolein is quoting above CPO at CNF markets.

Higher refining margins in domestic refined palmolein compared to imported ready to use palmolein will encourage imports of CPO compared to RBD palmolein.

Demand of RBD palmolein is weak at CNF markets as prices remained unchanged at CNF compared to FOB markets which rose compared to last week.

Import of CPO in July was lower than that of July 2017 and higher than June 2018. Stocks of CPO at ports remained unchanged while imports rose 60,000 indicating increased demand in July.

Import of RBD palmolein in July was lower than July 2017 while it was marginally higher than June 2018. Imports of RBD palmolein fell marginally in July compared to June while port stocks rose by 30,000 tons indicating destocking of RBD palmolein in July.

CDSO CNF premium over CPO CNF is at USD 132 (USD 126 last week) per 10 kg which is low and will decrease imports. Low premium of CDSO soy oil high seas over CPO high seas is at Rs 91 (Rs 90 last week) per 10 Kg, will decrease CPO demand at high seas. Premium of refined soy oil over RBD palmolein at Rs 73 (Rs 72 last week) per 10 kg is low and will decrease RBD palmolein demand. RBD palmolein discount over sunflower at CNF markets is at USD 177.5 (USD 200 last week) per ton. Increasing premium of refined sunflower oil over RBD palmolein due to hike in import duty on sun oil at Rs 145 (Rs 135) per 10 kg, will increase RBD palmolein imports. Values in brackets are figures of last week.

Prices of CPO are expected to remain sideways to weak.

- 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 is quoted at USD 555 (USD 565) per ton for Aug delivery and Sep delivery is quoted at USD 555 (USD 565) per ton. Last month, CNF CPO July average price was at USD 583.23 per ton (USD 623.24 per ton in June 2018). Values in brackets are figures of last week.
  Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 52.57 (USD 580) per ton for Aug delivery and Sep delivery is quoted at USD 572.5 (USD 580) per ton. Last month, CIF RBD palmolein July average price was USD 591.77 (USD 630.72 in June 2018) per ton. Values in bracket depict last week quotes.
  Ready lift CPO duty paid prices quoted at Rs 597 (Rs 602) per 10 Kg and Aug delivery duty paid is offered at Rs 597 (Rs 602) per 10 kg. Ready lift RBD palmolein is quoted at Rs 665 (Rs 670) per 10 kg as on Aug 24, 2018. Values in brackets are figures of last week.
- On the parity front, margins decreased during this week due to depreciation of rupee and fall in prices of palm products in international markets. Currently refiners fetch USD 55-60/ton v/s gain of USD 90-95/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein fetch USD 25-30/ton v/s gain of USD 65-70/ton (last month) parity.
- We expect palm oil to trade sideways to weak in the days ahead.

International Front

- Agriwatch View – Palm oil prices are expected to fall on expectation of rise in end stocks of palm oil in Malaysia in August, expectation of higher production of palm oil in Malaysia in Aug-Sep, fall exports of palm oil from Malaysia in Aug-Sep, weak demand from China and India and fall in competitive oils.
  Depreciation of Ringgit may support palm oil prices.
  Palm oil end stocks is expected to rise in Malaysia in August on rise in production of palm oil in Malaysia in August and fall in exports of palm oil from Malaysia in August.
  Production of palm oil in Malaysia in Aug-Sep is expected to rise on seasonal uptrend of production.
  Exports of palm oil are fell 9-11 percent in Malaysia in first 20 days of August on lower imports by China and India. Countries like Pakistan recorded negligible imports. Fall in imports of palm oil from Malaysia in August will adversely affect prices of palm oil.
  Demand from India is expected to weaken due to depreciation of Rupee, weak demand, high stocks o palm oil at ports and disparity in imports of palm oil. However, India is a price sensitive country and will importer in higher amount if prices fall.
  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 on outbreak of swine flu in the country. 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.
  Ringgit has depreciated below 4/$ and is trading at 4.10 levels. With the expectation rise in Dollar Index on aggressive hike in interest rate by US FED has led to expectation of further fall in Ringgit. Lower ringgit will support palm oil exports as lower ringgit makes palm oil more competitive compared to competitive oils.
  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 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.

Crude oil prices rose due to fall in crude oil inventories in US. However, due to sanctions on Iran and crude oil production by Saudi Arabia fell will lead to higher crude oil prices supporting palm oil prices.

Indonesia has mandated biodiesel use in every vehicle with 20 percent bio content blend from September which will increase palm oil consumption in the country. The country and is planning B30 norms which aims to blend 30 percent bio content on diesel. Indonesia intends to cut crude oil imports, which dents its current account deficit leading to lower Indonesia Rupiah.

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

Prices are in range.

- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's August 1-20 palm oil exports fell 9.6 percent to 625,819 tons compared to 692,334 tons in the corresponding period last month. Top buyers are European Union at 124,329 tons (151,961 tons), India at 113,700 tons (91,300 tons), China at 58,300 tons (63,125 tons, United States at 32,641 tons (27,248 tons) and Pakistan at 0 tons (11,000 tons). Values in brackets are figures of corresponding period last month.
- According to cargo surveyor AmSpec Agri, Malaysia's August 1-20 palm oil exports fell 10.6 percent to 609,098 tons compared to 681,178 ton in corresponding period last month.
- 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 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 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 August unchanged at zero, below threshold prices of USD 750 per ton.

Previous updates

- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's August 1-15 palm oil exports fell 11.1 percent to 403,862 tons compared to 454,524 tons in the corresponding period last month. Top buyers are European Union at 77,119 tons (122,719 tons), India at 62,200 tons (38,800 tons), United States at 29,141 tons (10,748 tons), China at 15,000 tons (51,125 tons) and Pakistan at 0 tons (0 tons). Values in brackets are figures of corresponding period last month.

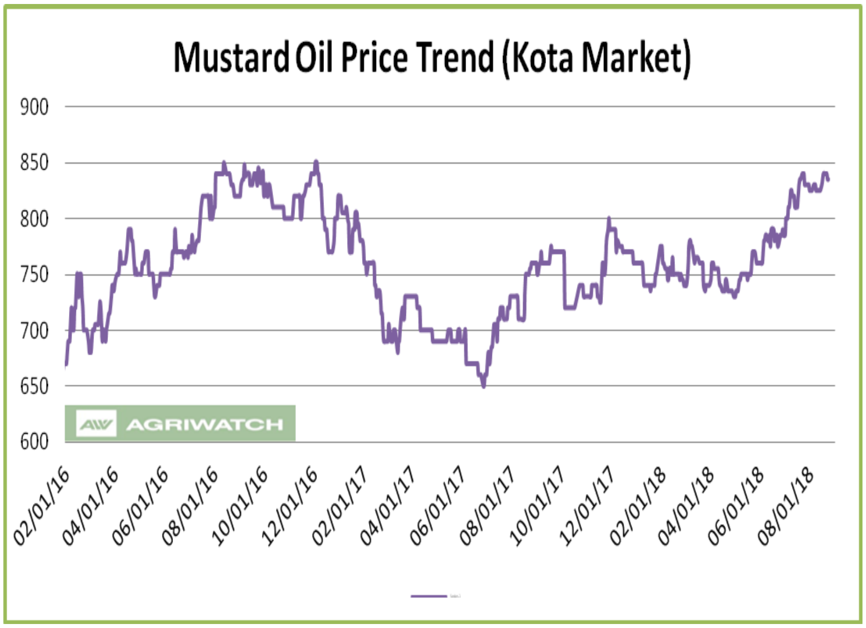
- According to cargo surveyor AmSpec Agri, Malaysia's August 1-15 palm oil exports fell 14.6 percent to 415,719 tons compared to 486,609 ton in corresponding period last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's June palm oil stocks rose 0.83 percent to 21.89 lakh tons compared 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 Indonesia Palm Oil Association (GAPKI), Indonesia's May palm and palm kernel oil exports fell 18.3 percent m-o-m to 2.14 MMT compared to 2.62 MMT in May 2017. On m-o-m basis exports fell 3.6 percent. Exports were 2.22 MMT in April 2018. End stocks of palm oil in Indonesia rose to 4.76 MMT in May from 3.97 MMT in April, higher by 19.9 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 July unchanged at zero, below threshold prices of USD 750 per ton. This is 15th straight month of zero export duty, as palm oil is expected to miss certain thresholds.

Price Outlook: We expect CPO Kandla 5 percent (without GST) to stay in the range of Rs 570-630 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis-:

Domestic Front



- Mustard oil prices featured firm trend in benchmark market on firm demand. Arrivals of rapeseed fell last week.
- Agriwatch view: Prices of rapeseed oil expeller featured sideways trend in it benchmark market on firm demand.

  Prices of rapeseed fell last week.

  Prices of rapeseed oil expeller prices traded sideways to higher in Rajasthan while it fell in Mumbai and New Delhi.

  Prices of kacchi ghani traded sideways to higher across board India except Bharatpur, Agra and Kolkata.

  Canola oil CNF price remained unchanged at the end of the week.

  Hike in import duty on rapeseed (canola) oil has weakened its demand.

  Decision of government of India to sell rapeseed through by NAFED has changed sentiment in rapeseed oil market. However, there is limited supply of rapeseed in the market, which supported rapeseed prices. NAFED is currently holding 8.5 lakh tons of rapeseed.

  Rise in prices of rapeseed has reduced crushing of rapeseed. Hike in import duty on soy oil and canola oil has led to higher crush margins.

  There is less stocks of rapeseed in markets and stock of rapeseed is limited in the market against firm demand. Rapeseed end stocks in MY 2018-19 is expected to be much lower than expected on account of limited stocks of rapeseed. Agriwatch estimated rapeseed crop at 6.45 MMT in the current marketing year. There is shortage of rapeseed in market due to lower crop and higher demand of rapeseed. More rise in rapeseed prices are expected due to short supply of rapeseed in coming months, which will lead to higher rapeseed oil prices.

  Rapeseed oil prices rose on weak stock in market against firm demand.

  High discount of RBD palmolein and soy oil prices to rapeseed kacchi ghani prices is likely underpin rapeseed oil prices.

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

  Increasing premium of Jaipur kacchi ghani rapeseed oil over refined soy oil in domestic market was at Rs 137 (Rs 133) per 10 Kg will underpin rapeseed oil prices.

  Jaipur kacchi ghani rapeseed oil premium over RBD palmolein is at Rs 210 (Rs 195) per 10 kg will underpin rapeseed oil prices.

Import of canola is weak as imports in oil year 2017-18 (NovJulyt) while stocks at ports rose indicating weak demand of canola oil. Hike in import duty on canola oil slow import demand.

Kacchi Ghani and refined soy oil are trading range has increased, which will slow demand of rapeseed oil.

Premium of canola oil compared to CDSO has increased to USD 48 (USD 59) per ton will increase imports. Due to increase in prices of rapeseed oil, imports of canola oil are expected to be rise in coming months. Stocks of canola oil at ports have decreased due to destocking at ports.

Government hiked import duty on canola oil, soy oil and sun oil, which will support rapeseed crushing.

Hike in import duty on rapeseed (canola) oil led to lower imports of canola oil in coming months.

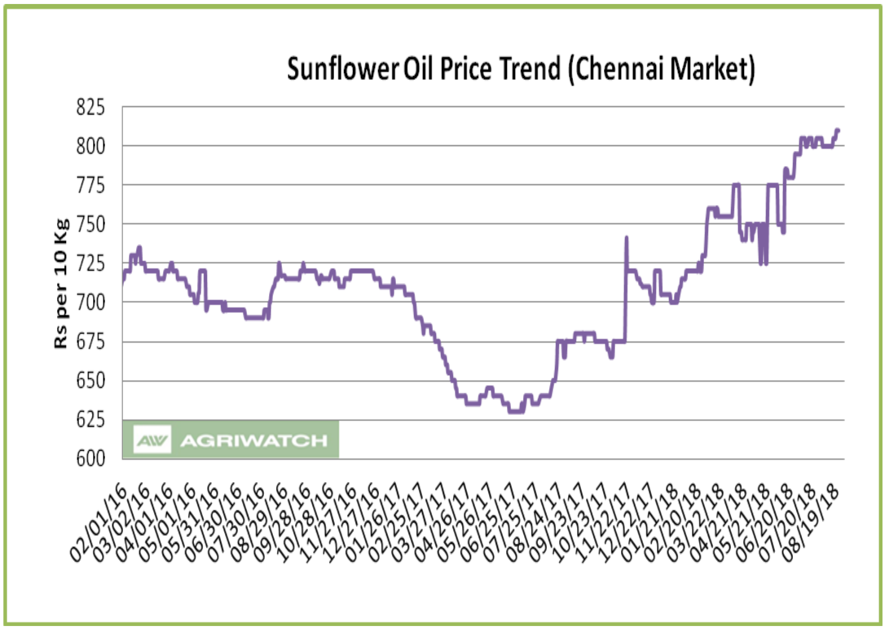
Markets are expected to trade sideways to firm tone in coming days on firm demand and rise in rapeseed prices.

- 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.
- CNF canola oil premium over CDSO is USD 48 (USD 59 last week) per ton for ready delivery as on Aug 24, 2018.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 860 (Rs 855) per 10 Kg, and at Kota market, it is offered at Rs 835 (Rs 835) per 10 kg as on Aug 24, 2018. Values in brackets are figures of last week.
- We expect RM seed oil prices to trade sideways to firm tone in the coming days.

Price Outlook: Rapeseed oil (without GST) prices in Kota may stay in the range of Rs 800-880 per 10 Kg.

Sunflower oil Fundamental Review and Analysis-:

Domestic Front



- Sunflower oil price traded firm during the week in its benchmark market Chennai on depreciation of Rupee.
- Prices price remained unchanged in Kakinada and Mumbai while it fell in Hyderabad, Krishnapatnam and Latur. Prices rose in Kandla/Mudra. Sunflower oil expeller prices rose in Erode while it remained unchanged in Chellakere. Prices fell in Hyderabad and Latur at the end of the week.
- Agriwatch view: Prices of sunflower oil traded higher in Chennai on depreciation of Rupee.
  Sunflower oil prices rose at high seas while it fell at CNF markets indicting weak supply at high seas.
  Rupee depreciated from 68 to 70 per USD previous week, which translated into higher prices of sunflower oil.
  Demand of sunflower oil is likely to capped due to high premium over RBD palmolein and falling discount over groundnut oil.
  There is disparity in imports of sunflower oil, which has weakened import demand.
  Hike in import duty on sunflower oil has increased its premium over RBD palmolein and soy oil.
  Prices of sunflower oil will be capped by higher supply due to higher imports of sunflower oil in oil year 2017-18 (Nov-Oct).
  Imports of sunflower oil rose in oil year 2017-18 (Nov 2017-July 2018) by 18 percent compared to corresponding period in last oil after rise of 43 percent in 2016-17 oil year. Stock at ports has risen tons indicating firm supply. At present destocking is taking place at ports, which has reduced sunflower port stocks in last two months.
  CSFO CNF premium over CDSO CNF markets is at USD 63 (USD 74 last week) per ton for Sep delivery, indicating limited space for prices to rise.
  In domestic market, sunflower oil prices premium over soy oil is At Rs 72 (Rs 63 last week) per 10 kg, which indicates that markets are returning to equilibrium.
  Sunflower oil premium over RBD palmolein at CNF India is USD 177.5 (US 200 last week) which is high and will decrease imports.
  Imports of sunflower oil will fall with hike in import duty to match with soy oil and lower difference with palm oil.
  Imports data of sunflower oil in June and July show tapering of import demand of sunflower oil post hike in import duty on sunflower oil in June. Moreover, increase in premium of sunflower oil over soy oil and RBD palmolein led to tapering of import demand.

Higher stocks of sunflower oil at ports and pipelines were due to higher imports of sun oil in oil year 2017-18 and 2016-17 will cap gains on sun oil prices. Higher supply in domestic market will keep lid on prices.

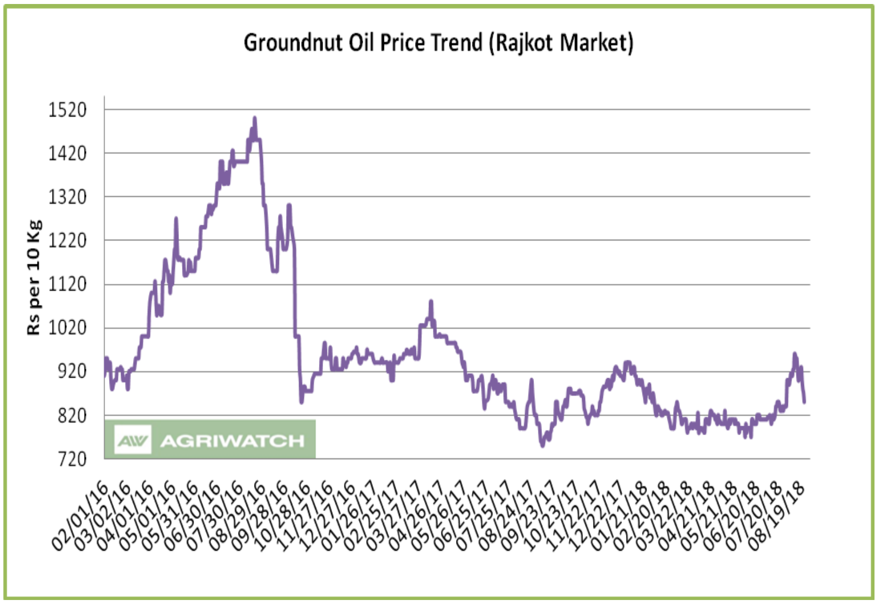
Refiners have increased purchase of crude sunflower oil from international markets as CIF sunflower oil premium over CNF soybean oil has fallen. Currently sunflower oil premium over soy oil at CNF market is at USD 63 (USD 74 last week) per ton for Sep delivery.

Prices of sunflower oil are expected to be supported by depreciation of Rupee and seasonal uptrend of prices.

- All India sunflower sowing was reported at 0.98 lakh hectares as on 24.08.2018 compared to 1.26 lakh hectares in corresponding period last year
- 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 750 (USD 760) per ton for Sep delivery, Oct delivery is quoted at USD 745 (USD 750) per ton and ND delivery is quoted at USD 740 (USD 745) per ton and Jan delivery is quoted at USD 745 per ton. CNF sun oil (Ukraine origin) July monthly average was at USD 797.23 per ton compared to USD 787.08 per ton in June. Values in brackets are figures of last week.
- Prices are likely to stay in the range of USD 730-780 per ton in the near term. CNF Sunflower oil premium over CDSO is hovering at USD 63 (USD 74 last week) per ton for Sep delivery. CNF sunflower oil premium over RBD palmolein is hovering around USD 177.5 (USD 200) per ton.
- Currently, refined sunflower oil at Chennai market is offered at Rs 810 (Rs 805) per 10 Kg, and at Kandla/Mudra market, it is offered at Rs 790 (Rs 785) per 10 kg as on Aug 24, 2018. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade sideways to firm tone in the coming days.

Price Outlook: Sunflower oil (without GST) prices in Chennai may stay in the range of Rs 770-850 per 10 Kg.

Groundnut oil Fundamental Review and Analysis-:
Domestic Front



- Groundnut oil prices featured weak trend in Rajkot due to weak demand.

  Prices fell in Chennai and Mumbai. Prices closed unchanged in New Delhi. Prices fell in Gondal and Jamnagar during the week. Prices of groundnut oil (expeller) fell in Hyderabad at the end of the week.
- Agriwatch view: Prices of groundnut oil featured downtrend in Rajkot on weak demand.

  Fall in groundnut prices supported the fall.

  Prices of groundnut rose from Rs 800 per 10 kg to Rs 950 per 10 kg which weakened demand. This rise took place in short span of time. Retail demand was hit by surge in prices groundnut oil prices.

  Sowing of groundnut is lagging by 4.15 percent as of 24.08.2018 on major fall in groundnut sowing in Gujarat due to late rains and shift away from groundnut due to high stocks of groundnut and lower prevailing prices of groundnut.

  Gujarat is selling 2017 groundnut crop with NAFED most of which is of crushing quality. NAFED decreased auction price of groundnut, on weak market conditions due to surge in prices of groundnut resulting in lower arrivals in the mandis.

  Crushing has slowed due to higher prices of groundnut which has led to weak demand of groundnut.

  There is around 6-7 lakh tons of groundnut with NAFED, around 1-2 lakh tons with farmers and trade has no stock of groundnut and whatever is arriving in market is consumed in ready markets.

  Groundnut auction has weakened due to weak demand on lower crushing demand. Prices could of groundnut oil may rebound as there is less stock with farmer and no stocks with trade.

  Demand of groundnut oil may increase due to fall in prices of groundnut oil.

  There is demand of groundnut oil at lower prices and hike in import duties on import of soy oil, sunflower oil and rapeseed oil is helping prices of groundnut oil.

  Exports of 2017 crop are less and most of groundnut is diverted towards crushing.

  Groundnut exports are very less, as prices of groundnut is higher than international markets.

  Crushers have no stocks and are dependent on ready markets. Groundnut oil and groundnut trade has weakened. However, the groundnuts arriving in mandis are consumed in ready markets.

  In Andhra Pradesh and Tamil Nadu prices of groundnut oil fell due to weak demand against good stock position. Prices of groundnut oil in both state fell due fall in groundnut oil prices in Gujarat. Retail demand of groundnut oil is weak. There is parity in crush of groundnut in Tamil Nadu and Andhra Pradesh.

  There is limited stocks of groundnut with farmers across India which may supported prices higher.

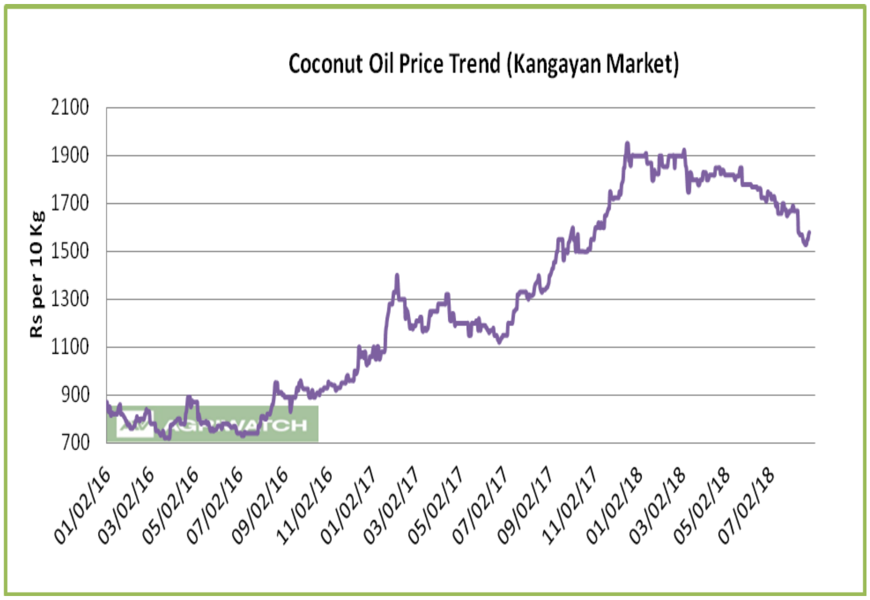
Expectation of lower groundnut crop may support groundnut prices leading to higher groundnut oil prices. Groundnut oil prices are expected to trade sideways to firm on expectation of rise in groundnut prices and firm demand at lower levels.

- All India groundnut sowing reached 37.18 lakh hectares as of 24.08.2018 compared to 38.80 lakh hectares in corresponding period last year, lower by 4.15 percent y-o-y. Sowing of groundnut is lagging in top produces Gujarat that has received late rainfall. Area in top producing state of Gujarat is reported at 14.67 lakh hectares as of 24.08.2018 compared to 16.26 lakh hectares in corresponding period last year, down 9.78 percent y-o-y.
- On the price front, currently the groundnut oil prices in Rajkot is quoted at Rs 8,500 (Rs 9,000) per quintal and it was quoted at Rs 9,600 (Rs 9,700) per quintal in Chennai market on Aug 24, 2018. Values in brackets are figures of last week.
- Groundnut oil prices are likely to trade sideways to firm in the coming days.

Price Outlook:

Groundnut oil (without GST) in Rajkot market is likely to trade in the price band of Rs 800-950 per 10 Kg.

Coconut Oil Fundamental Review and Analysis-:
Domestic Front



- Coconut oil featured firm trend in its benchmark market of Kangayam on weak demand and rise in prices of copra. Prices in Kochi remained unchanged at the end of the week.
- Agriwatch view: Coconut oil prices featured firm trend during the week on rise in prices of copra and supply disruptions arising out of floods which gripped Kerala.

  Coconut oil prices rose last week on rise in prices of copra. Higher prices of raw material translated in higher product prices.

  Demand of coconut oil has weakened on rise in prices of coconut oil in last one and half year.

  Stockists and retailers are not stocking in anticipation of weak demand.

  Corporate demand, which is one of the major contributors, is weak.

  Traders and upcountry buyers depending on ready market as they do not feel confident on prices.

  Due to good rains in 2017-18 in coconut growing regions of South India, production of coconut is expected to increase.

  Due to flood situation in Kerala, there is harvest problem of coconut.

  Production will increase 15-20% in 2018-19 underpinning prices of coconut oil. Yield will remain higher than last three years.

  Prices of coconut oil will not implode and prices will taper in coming months.

  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. There is good export demand of copra from West Asian markets and Chinese markets.

  Demand of coconut oil has shrunk due to higher prices of coconut oil 2017-18. Household consumption contracted and no other oil has replaced the gap.

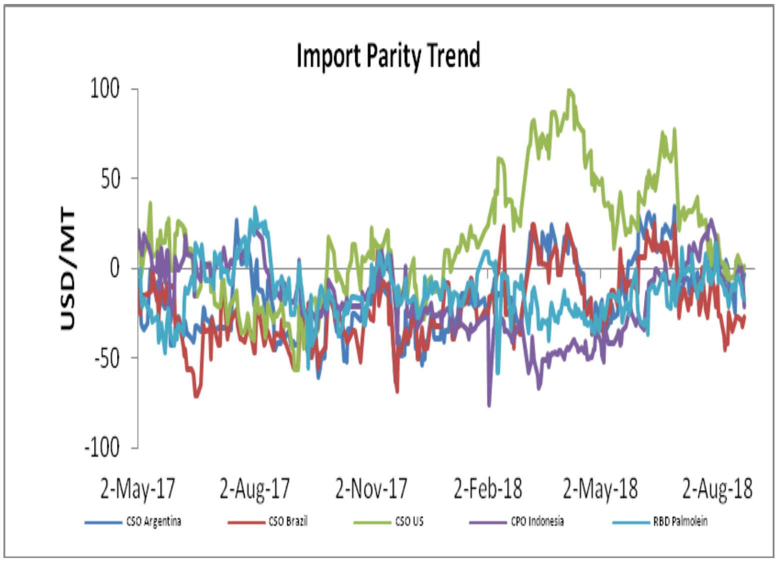
  Coconut oil prices is expected to fall on higher coconut oil production, fall in copra prices and seasonal downtrend of prices.

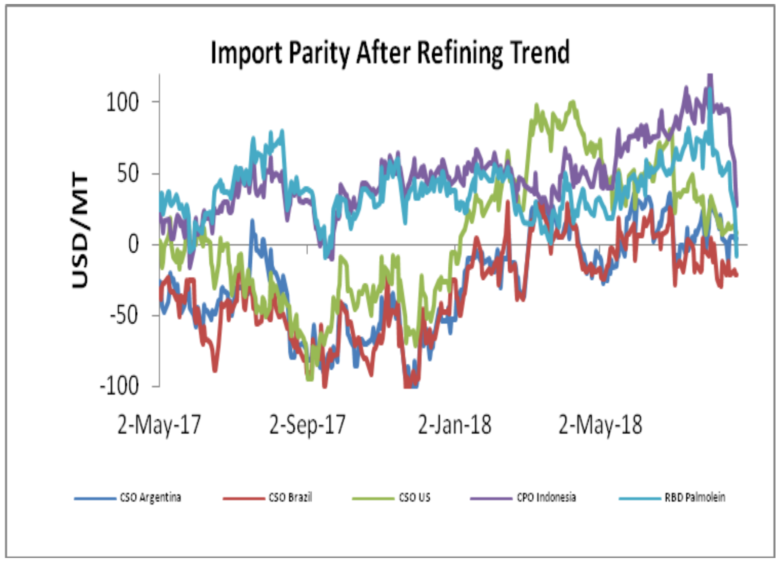
  Coconut oil prices are expected to be weak in days ahead.
- On the price front, currently the coconut oil prices in Kochi is hovering near Rs 16,800 (16,800) per quintal, and was quoting Rs 15,800 (Rs 15,400) per quintal in Erode market on Aug 24, 2018.

Price Outlook: Coconut oil (without GST) prices in Erode may stay in the range of Rs 1400-1650 per 10 Kg.

Import Parity Trend

Import Parity After Refining in US dollar per ton (Monthly Average)





	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
June, 2018	24.29	11.38	59.4	79.04	50.86
July, 2018	2.92	-10.31	33.11	94.05	68.10

Outlook-:

Import parity for crude soy oil from Argentina has returned to disparity due to depreciation of Rupee. We expect CDSO import parity to return to in parity in medium term. Parity on import of CPO from Indonesia is higher than import of RBD palmolein from Malaysia.

Technical Analysis (Refined soy oil)

Refined soy oil Futures (NCDEX, Daily Sep, Chart)	Refined soy oil (Weekly chart, Indore Rs/10 Kg Inclusive VAT)
	

Outlook – Refined soybean oil witnessed downtrend during the week in review and is likely to trade with a sideways to weak tone in the coming days.

- Weekly chart of refined soy oil at NCDEX depicts downtrend during the week in review. We expect prices to trade sideways to weak tone in the near term.
- Any close below 730 in weekly might take the prices below 720 levels.
- Expected price band for next week is 710-750 level in near to medium term. RSI and MACD is suggesting downtrend in the market.

Strategy: Market participants are advised to go short below 740 levels for a target of 725 and 720 with a stop loss at 750 on closing basis.

RSO NCDEX (Sep)

Support and Resistance				
S2	**S1**	**PCP**	**R1**	**R2**
720.00	732.00	733.6	756.00	768.00

Spot Market outlook: Refined soy oil Indore (without GST) is likely to stay in the range of Rs 710-760 per 10 Kg.

Technical Analysis (Crude Palm oil)

Crude palm oil Futures (MCX, Daily Sep, Chart)	Crude palm oil (Weekly chart, Kandla Rs/10 Kg)
	

Outlook - Prices show downtrend in prices during the week. We expect that CPO Sep contract may trade sideways to weak note.

- Candlestick in weekly chart of crude palm oil at MCX depicts downtrend in the prices. We expect prices to trade with a sideways to weak note in the near term.
- Any close below 590 in weekly chart may bring the prices to 580 levels.
- Expected price band for next week is 580-630 level. RSI and MACD are suggesting downtrend in prices in the coming week.

Strategy: Market participants are advised to go short in CPO below 600 for a target of 585 and 580 with a stop loss at 610 on closing basis.

CPO MCX (Sep)

Support and Resistance				
S2	**S1**	**PCP**	**R1**	**R2**
570.00	585.00	594.7	626.00	635.00

Spot Market outlook: Crude palm oil (without GST) is likely to stay in the range of Rs 570-630 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-Aug-18	17-Aug-18	
Refined Soybean Oil	Indore	738	740	-2
	Indore (Soy Solvent Crude)	700	700	Unch
	Mumbai	750	750	Unch
	Mumbai (Soy Degum)	695	697	-2
	Kandla/Mundra	720	720	Unch
	Kandla/Mundra (Soy Degum)	690	690	Unch
	Kolkata	722	724	-2
	Delhi	770	770	Unch
	Nagpur	752	753	-1
	Rajkot	715	720	-5
	Kota	735	735	Unch
	Hyderabad	770	775	-5
	Akola	756	755	1
	Amrawati	755	755	Unch
	Bundi	745	745	Unch
	Jalna	754	757	-3
	Alwar	Unq	0	-
	Solapur	743	747	-4
	Dhule	752	751	1
Palm Oil *	Kandla (Crude Palm Oil)	625	632.1	-7
	Kandla (RBD Palm oil)	662	661.5	Unch
	Kandla RBD Pamolein	701	703.5	-2
	Kakinada (Crude Palm Oil)	609	620.55	-12
	Kakinada RBD Pamolein	693	693	Unch
	Haldia Pamolein	714	708.75	5
	Chennai RBD Pamolein	698	698.25	Unch
	Chennai RBD Pamolein (Vitamin A&D Fortified)	777	782.25	-5
	KPT (krishna patnam) Pamolein	688	687.75	Unch
	Mumbai RBD Pamolein	709	708.75	Unch
	Mangalore RBD Pamolein	698	698.25	Unch
	Tuticorin (RBD Palmolein)	Closed	Closed	-
	Delhi	738	740	-2
	Rajkot	698	703.5	-5
	Hyderabad	705	712	-7
	PFAD (Kandla)	399	399	Unch
	Refined Palm Stearin (Kandla)	541	546	-5
	Superolien (Kandla)	746	750.75	-5

	Superolien (Mumbai)	777	782.25	-5
* Inclusive of GST				
Refined Sunflower Oil	Chennai	810	805	5
	Mumbai	820	820	Unch
	Mumbai(Expeller Oil)	760	755	5
	Kandla	790	785	5
	Kandla/Mundra (Crude)	Unq	0	-
	Hyderabad (Ref)	813	815	-2
	Latur (Expeller Oil)	790	800	-10
	Chellakere (Expeller Oil)	770	770	Unch
	Erode (Expeller Oil)	845	840	5
Groundnut Oil	Rajkot	850	910	-60
	Chennai	960	970	-10
	Delhi	925	925	Unch
	Hyderabad *	965	970	-5
	Mumbai	930	940	-10
	Gondal	860	900	-40
	Jamnagar	870	900	-30
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	860	855	5
	Jaipur (Kacchi Ghani Oil)	875	876	-1
	Kota (Expeller Oil)	835	835	Unch
	Kota (Kacchi Ghani Oil)	865	860	5
	Neewai (Kacchi Ghani Oil)	850	840	10
	Neewai (Expeller Oil)	865	860	5
	Bharatpur (Kacchi Ghani Oil)	865	875	-10
	Alwar (Kacchi Ghani Oil)	Unq	840	-
	Alwar (Expeller Oil)	Unq	860	-
	Sri-Ganga Nagar(Exp Oil)	840	840	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	860	860	Unch
	Mumbai (Expeller Oil)	860	870	-10
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	860	865	-5
	Hapur (Expeller Oil)	890	860	30
	Hapur (Kacchi Ghani Oil)	930	900	30
	Agra (Kacchi Ghani Oil)	870	880	-10
Refined Cottonseed Oil	Rajkot	810	810	Unch
	Hyderabad	800	800	Unch
	Mumbai	825	827	-2
	New Delhi	785	790	-5

Coconut Oil	Kangayan (Crude)	1580	1540	40
	Cochin	1680	1680	Unch
	Trissur	Unq	0	-
Sesame Oil	New Delhi	1200	1000	200
	Mumbai	Unq	0	-
Kardi	Mumbai	860	870	-10
Rice Bran Oil (40%)	New Delhi	670	675	-5
Rice Bran Oil (4%)	Punjab	660	660	Unch
Rice Bran Oil (4%)	Uttar Pradesh	Unq	0	-
Malaysia Palmolein USD/MT	FOB	560	558	2
	CNF India	580	580	Unch
Indonesia CPO USD/MT	FOB	538	538	Unch
	CNF India	560	565	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	558	560	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	555	558	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1040	1035	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	483	483	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	Unq	950	-
Ukraine Origin CSFO USD/MT Kandla	CIF	750	765	-15
Rapeseed Oil Rotterdam Euro/MT	FOB	740	755	-15
Argentina FOB ($/MT)		**23-Aug-18**	**17-Aug-18**	**Change**
Crude Soybean Oil Ship		637	640	-3
Refined Soy Oil (Bulk) Ship		659	662	-3
Sunflower Oil Ship		710	Unq	-
Cottonseed Oil Ship		617	620	-3
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
				*** indicates including GST**

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