

Fryer's Oilseed Report

Close			Premiums (¢/bu)			Fob (\$/mt)			
Beans	30-Oct		US	Brazil	Arg/Parag*	US	Brazil	Argentina	
Futures	¢/bu	+/-							
Jan	984.50	-2.00	Dec 43	n/a	n/a	Dec 377.55	n/a	n/a	
Mar	995.00	-1.75	Jan 48	n/a	n/a	Jan 379.39	n/a	n/a	
May	1'004.00	-2.00	Feb 48	80	n/a	Feb 383.25	395.01	n/a	
*Basis 33 pro									
SoyMeal			Premiums (\$/st)			Fob (\$/mt)			
Futures	\$/st	+/-	US HiPro	Brazil 48	Argentine 46.5	US	Brazil	Argentina	
Dec	312.30	0.20	Dec -3	-24	-26	Dec 340.94	317.79	315.59	
Jan	314.30	0.20	Jan -4	-22	-21	Jan 342.04	322.20	323.30	
Mar	317.40	0.20	Feb -4	-22	-21	Feb 345.46	325.62	326.72	
BeanOil			Premiums (¢/lb)			Fob (\$/mt)			
Futures	¢/lb	+/-	US	Brazil	Argentine	US	Brazil	Argentina	
Dec	34.68	-0.16	Dec 2.50	1.25	1.15	Dec 817.96	790.46	788.26	
Jan	34.84	-0.17	Jan -	1.15	1.00	Jan n/a	791.78	788.48	
Mar	35.05	-0.16	Feb -	1.00	0.80	Feb n/a	793.10	788.70	
CBOT crush Oil Share			Dalian			Malaysian Palm			
¢/bu	90.20	35.70%	Beans (F)	Meal (F)	Beanoil (F)	Rapeoil (F)	Olein (F)	KL (F)	Fob\$ Dec
+/-	0.57	-0.12%	3'631	2792	6'128	6'858	5728	2'816	692.50
			1	-13	-18	-52	6	-23	-2.50
				US\$/CNY	6.6475			US\$/MYR	4.2375
SX8/CZ8			Rapeseed/ Canola		Sunseed	Sunoil			
Previous	2.528		Matif (G)	W'peg (F)	France Dec	Argie	Close	Peso	Real
Close Oct 30	2.526		375.75	516.90	325.00	735-770	Previous	17.600	3.237
Change	-0.002		0.25	-2.30	0.00	0.00	Change	0.23%	0.88%

Crops/Weather: The S American forecast maintains unwanted intermittent rains across Argentina, but brings a favorable expansion of precip in central and N Brazil along with drier conditions in the south. However La Nina conditions continue to build which will raise dryness concerns for S Brazil and Argentina December onwards. Mostly dry conditions in the US will allow further harvest progress this week which as of Sunday was put at 83% complete against 85% last year and 84% average. Following weekend storms and flooding in NE Europe, the rain is now pushing into the Baltics. Australia is dry except for northern NSW.

Trade: US weekly export inspections were again large at 2.51 Mmt, but the season total of 453 Mbu remains 10% down on last year's 501 Mbu, against just 8% a week ago (and the USDA's projected 3.5% increase).

Markets: A 10¢ trading range and a 2¢ lower close for beans (which the overnight session has taken back) marked another dull start to the week for the CBOT soy complex as funds sold an estimated 6,000 beans, 2,000 meal and 4,000 oil. News during the session was limited to the weekly shipments which continue to run behind the USDA's projection due to ongoing volume exports from Brazil, and whilst anecdotal yield data continued to suggest the USDA could lower the bean yield next week, this was offset by another more favorable S American weather outlook. Meal futures showed no reaction to ongoing reports that protein from this year's crop was up to one percentage point below normal. Oil ended lower ahead of the August bio-diesel report and end Sep stocks report.

S American bean premiums were little changed, meal was slightly lower, oil was slightly higher with Argentine domestic values unchanged in the nearby but weaker in the deferreds. The Peso continued to hover near the all-time lows set back in early August, whilst the Brazilian Real is creeping closer to the mid-summer 2017 lows. Basis the current forecast, Brazilian plantings will start to accelerate, but this rain is very necessary with national plantings just 30% complete and the major states well behind (Goias, which is the N^o4 state, was just 6% complete as of the weekend against 42% last year and 28% over the 5-year average). Brazil continues to ship volume old crop beans with over 800kt being moved last week, and the pace is now ahead of the USDA's projection (but there is still no quoted Fob line-up for old crop Brazilian beans).

Matif rapeseed made near 3-month highs early in the session but gave almost all of it back by the close following the US reversal, and it was a similar story for Canadian canola which actually ended lower on the day (although the overnight session has taken back those losses).

Asian markets are trading lower this morning (with the exception of Dalian beans which is little changed), with meal extending yesterday's losses whilst beanoil has given back yesterday's gains. And after making 6-week highs Monday, palmoil has also given back yesterday's gains. Chinese crush margins remain a subject of debate and largely a function of who is doing the calculation, but the trade expects another increase in China's 2017/18 imports in next week's USDA report, with the current projection of 95 Mmt just 1.6% above the official 2016/17 figure (which was up 12% on the previous year).

Outlook: It's still the same cocktail of next week's US yield, the coming months' S American weather/La Nina, S American currencies and Chinese demand. Overnight is up 2¢.