

Fryer's Oilseed Report

Close			Premiums (¢/bu)			Fob (\$/mt)				
Beans	27-Sep		US	Brazil	Arg/Parag*	US	Brazil	Argentina		
Futures	¢/bu	+(-)								
Nov	855.00	5.00	Oct	8	250	210	Oct	317.11	406.03	391.33
Jan	869.00	5.25	Nov	12	260	220	Nov	318.58	409.71	395.01
Mar	882.00	5.50	Dec	15	255	-	Dec	324.83	413.01	-

*Basis 33 pro

SoyMeal			Premiums (\$/st)			Fob (\$/mt)				
Futures	\$/st	+(-)	US 46.5	Brazil 48	Argentina 46.5	US	Brazil	Argentina		
Oct	308.20	0.50	Oct	15	5	-2	Oct	356.26	345.24	337.52
Dec	311.80	0.90	Nov	15	3	-3	Nov	360.23	347.00	340.39
Jan	312.60	0.80	Dec	15	6	0	Dec	360.23	350.31	343.70

BeanOil			Premiums (¢/lb)			Fob (\$/mt)				
Futures	¢/lb	+(-)	US	Brazil	Argentina	US	Brazil	Argentina		
Oct	28.86	0.38	Oct	2.15	1.50	1.10	Oct	682.22	667.92	659.12
Dec	29.15	0.36	Nov	-	1.55	1.05	Nov	n/a	675.40	664.40
Jan	29.40	0.36	Dec	-	1.75	1.20	Dec	n/a	679.80	667.70

CBOT crush Oil Share			Dalian					Malaysian Palm	
¢/bu	151.61	31.89%	Beans (F)	Meal (F)	Beanoil (F)	Rapeoil (F)	Olein (F)	KL (X)	Fob\$ Nov
+(-)	0.94	0.25%	3749	3366	5854	6647	4698	2139	547.50
			32	68	2	-24	-20	-3	-2.50

SX19/CZ19			Rapeseed/ Canola		US\$/CNY		Sunseed		Sunoil		Peso		Real		
Previous	2.306		Matif (X)	W'peg (X)	France Oct	Argentina	Close	40.000	4.002	Previous	38.750	4.049	Change	3.23%	-1.16%
Close Sep 27	2.312		372.25	498.40	315.00	650-680									
Change	0.006		1.00	3.70	0.00	0.00									

Crops/Weather: This morning's maps have US precip mostly confined to the upper Midwest, and they have also backed away from yesterday's much colder outlook with any risk of frost/freeze now confined to the N Plains. Cold temps do persist across Canada however with ongoing snow, whilst Europe remains dry everywhere except the Baltic. Temps are cooling somewhat but remain above seasonal norms. Argentina and S Brazil continue to see showers, Australia has rain in the west but the east remains dry.

Trade: US weekly export sales on beans were 871kt taking the season total to 691 Mbu although this remains 15% down on last year against the USDA's projected 3% decline. Meal sales for old and new crop combined were a huge 659kt whilst oil was 11kt (combined). USDA also announced a very hefty 672kt sale of 18/19 beans to Mexico.

Markets: The CBOT soy complex was very quiet ahead of tonight's report with the only fresh news coming from what was a good week of export sales. Funds bought an estimated 4,000 beans, 2,000 meal and 5,000 oil, average trade guesses for the September stocks stand at 400 Mbu (just 5 Mbu away from the USDA's September number), and the US still appears to be heading for a record crop. But this market essentially continues to revolve around a) whether or not there is a US-China trade agreement and b) whether or not the Chinese Govt's 10 Mmt reduction in their 2018/19 import number is realistic or just politics.

In S America, Argentine bean premiums rose another 10¢ as business to China appeared to continue, but whilst Argentina reportedly secured additional IMF financing, the Peso is back below 40 this morning, and at the current level this would be a new all-time low weekly close. Brazilian bean premiums were unchanged, products were lower, and unlike the Peso, the Brazilian Real continues to firm and a close at the current level would be the highest for 6 weeks.

Matif rapeseed rose for the 3rd straight day to a near 3-week high with no end in sight to the ongoing dry planting conditions, and estimates of acreage declines in France are now running from 10-15%.

Canadian canola rose to its highest intra-day close for 5 weeks on ongoing weather concerns. The Saskatchewan crop update reported harvest being slowed by cold wet weather, with canola just 48% complete and much of the remaining crop now lodged with quality in decline amidst an ongoing cold wet forecast.

Asian markets are higher on beans and meal but lower on the vegoils, but with the exception of cash palmoil, they will all end the week higher.

Outlook: As we pointed out yesterday, the S Hemisphere crop is not yet in the ground and China's 10 Mmt drop in bean imports may be very tough to achieve. But if the current projected production and import numbers turn out to be correct, that is a near 40 Mmt swing compared to this year, which will make rallies very hard fought. Overnight is up a penny.