

**Domestic Fundamentals:**

- Veg oil prices noticed mostly steady amid sluggish buying activities in domestic market.
- Refined soybean oil moved flat with weak biasness following lethargic demand.
- Crude palm oil at Kandla traded steady to weak on timid international cues.
- Demand of edible oil has improved slightly on recovery of rupee, which has made imports cheaper.
- Area under soybean cultivation is expected to rise by 4 percent in India in upcoming season on price rally. The prices have risen to 28 per cent since the commencement of season 2013/14, started from Oct. 1. It is believed that increased production, derived by higher acreage would lessen the dependency on overseas market for edible oil and it will also increase the oilmeal export to Asian countries from India, the world's top importer of edible oil.
- According to the third advance estimates released by Ministry of Agriculture soybean production would be around 11.95 million tonnes this year compared to 14.66 million tonnes previous year whereas production of total nine oilseed would be around 32.41 million tonnes compared to 30.94 million tonnes in 2012-13.

**International Market Fundamentals:**

- China will offer 300,000 tonnes of soybean to sell from its state reserve on Tuesday, May 27, the National Grain and Oil Trade Center said in a statement on Friday.
- Malaysian palm oil future noticed a biggest weekly drop in 3 week following stronger ringgit. Demand from overseas investors and refiners got diminished on the strong currency on one hand and the competitive prices of soybean oil on the other.
- China has sold around 80.93 percent of the 300,877 tonnes reserve soybean at Tuesday auction.
- Malaysian palm oil and products export during May 1-20 rose by 18.5 percent to the level 856,128 tonnes as compared to 722,170 tonnes exported in April 1-20, 2014
- Palm oil, Malaysia fell to its lowest level, recorded around three months back, on losses in soy oil market overseas and strong ringgit.
- Malaysian palm oil export during the initial 15 days of May 2014 rose to 28.0 percent to 640,101 tonnes from 500,057 tonnes exported during April 1-15, 2014 as reported by Reuters.
- Global Sunflower seed oil production is likely to decline in upcoming season, 2014/15 by 1.95 percent on reduced planting in EU Russia and Turkey. The production of same is expected around 15.52 million metric tonnes in 2014/15 which was 15.83 million metric tonnes in 2013/14, as estimated by USDA
- Palm oil in European vegetable oil market rose slightly on Monday following larger than expected export of Palm oil from Malaysia. Malaysian palm oil exports for May 1-10 rose 27.7 percent to 391,856 tonnes from 306,765 tonnes for April 1-10.
- Iraq has issued a tender on Monday to buy minimum 10,000 tonnes of sunflower oil, said trade ministry in a statement. The deadline of tender is 26 May, 2014 and offers must remain valid till 30 May, 2014. As per the ministry's statement oil could be sourced from any origin apart from China.
- As per the USDA latest report, Soybean production on global front is likely to be around 300 million tonnes, higher than 284 million tonnes in 2013/14, which is adding weight to the global soybean stocks and ultimately hurting the prices.
- Soybean crop in Brazil, which is in the end phase of harvesting will produce 86.57 million tonnes of oilseed, which was earlier expected to be around 86.08 million tonnes, as forecasted in April, said Conab, the Agriculture Ministry's crop supply agency.
- Ukraine, the major producer of sunflower oil in the world, is likely to produce 4.25 MMT of sunflower oil by the end of MY 2013/14, which is around 14 percent higher than the previous season. In My 2014-15 the country is expected to produce 4.3 MMT of sunflower oil, recording another growth of 3 percent.
- Argentina soy crop production is likely to touch the level of 55.5 million tonnes this season. Earlier it was estimated to be around 54.5 million tonnes. Reason for the same is the yield, which stood higher what was expected earlier.
- Soybean imports in China during April 2014 is estimated around 6.5 million tons, nearly 40.6% higher than the imports in March 2014, which stood around 4.62 million tons.

**Outlook:** Edible oil basket is expected to feature steady tone with firm biasness in the near-term.

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
Jun-14	--	--	--	--	--
Jul-14	--	--	--	--	--
Aug-14	--	--	--	--	--
Sep-14	--	--	--	--	--

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Jun-14	--	--	--	--
Jul-14	--	--	--	--
Aug-14	--	--	--	--
Sep-14	--	--	--	--

Vol-OI are taken at 5:30 PM

Spread	Jun-14	Jul-14	Aug-14	Sep-14
Basis	--			
Jun-14		--		
Jul-14			--	
Aug-14				--

\* Indore spot market prices taken for spread calculated as at 5:30 PM

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
May-14	--	--	--	--	--
Jun-14	--	--	--	--	--
Jul-14	--	--	--	--	--
Aug-14	--	--	--	--	--

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-14	--	--	--	--
Jun-14	--	--	--	--
Jul-14	--	--	--	--
Aug-14	--	--	--	--

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	--			
May-14		--		
Jun-14			--	
Jul-14				--

\* CPO Kandla prices taken for spread calculated as at 5:30 PM

**BMD CPO Futures:**

(Values in MYR/tons)

Contract	+/-	Open	High	Low	Close
Jun-14	<b>-15</b>	2554	2560	2534	2535
Jul-14	<b>-8</b>	2540	2548	2519	2523
Aug-14	<b>-7</b>	2528	2537	2509	2515
Sep-14	<b>-6</b>	2525	2532	2506	2512

Friday's Quotes

**Edible Oil Prices at Key Market as on 24 May 2014**

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-May-14	23-May-14	
Refined Soybean Oil	Kota(Loose)	660	660	Unch
	Rajkot (Loose)	640	650	-10
	Jaipur (Loose)	NA	NA	-
	Hyderabad+ VAT	NA	NA	-
	New Delhi (Loose)	700	700	Unch
	Kakinada	NA	NA	-
	Mumbai +VAT	668	672	-4
	Indore	690	690	Unch
	Soy Degum Mumbai+VAT	625	625	Unch
	SoyDegum Kandla/Mundra+VAT	625	625	Unch
	Haldiya Port (Loose)	NA	NA	-
	Akola (Loose)	682	691	-9
	Amrawati (Loose)	681	687	-6
	Jalna	NR	NR	-
Nagpur	NR	NR	-	
Palm Oil	Chennai.RBD.Palmolein.(Loose)	578	580	-2
	Hyd. RBD Palmolein VAT	610	605	5
	New Delhi RBD Palmolein (Loose)	625	625	Unch
	Kandla CPO (5%FFA)	530	535	-5
	Kakinada.RBD.Palmolein(Loose)	565	572	-7
	Mumbai RBD Pamolein+ VAT	580	590	-10
	Kandla RBD Palmolein +VAT	565	572	-7
Sunflower Oil	Mumbai + VAT	675	680	-5
	Kandla/Mundra	585	585	Unch
	Erode (Exp. Oil)+VAT	660	660	Unch
	Hyderabad Exp +VAT	NR	NR	-
	Chennai (Loose)	635	640	-5
	Bellary (Exp. Oil)+VAT	NR	NR	-
	Latur (Exp. Oil)+VAT	NR	NR	-
	Chellakere (Exp. Oil)+VAT	595	590	5
Groundnut Oil	Rajkot (Loose)	690	700	-10
	Chennai (Loose)	740	740	Unch
	New Delhi (Loose)	720	720	Unch
	Hyderabad Exp +VAT	NR	NR	-

	Mumbai + VAT	750	750	Unch
	Gondal+VAT	NR	NR	-
	Jamnagar +VAT	700	700	Unch
	Narsarropeth+VAT	NR	NR	-
	Prodattour+VAT	NR	NR	-
<b>Rapeseed Oil</b>	Mumbai (Exp. Oil) +VAT	653	655	-2
	Alwar (Expeller Oil)(Loose)	NR	NR	-
	Kota (Expeller Oil) (Loose)	630	630	Unch
	Jaipur (Expeller Oil) (Loose)	651	653	-2
	New Delhi (Exp. Oil) (Loose)	670	665	5
	Sri-GangaNagar(ExpOil-Loose)	640	640	Unch
	Hapur +VAT	Closed	700	-
	Kolkata	NA	NA	-
	Agra (Kacchi Ghani Oil) + VAT	695	695	Unch
<b>Refined Cottonseed Oil</b>	Mumbai +VAT	650	655	-5
	Rajkot (Loose)	630	635	-5
	New Delhi (Loose)	635	630	5
	Hyderabad (Loose)	600	600	Unch
<b>Coconut Oil</b>	Kangayan (Crude)	1530	1530	Unch
	Cochin	1560	1560	Unch
	Trissur	1570	1570	Unch
<b>Sesame Oil</b>	New Delhi	910	915	-5
	Mumbai	930	930	Unch
<b>Kardi</b>	Mumbai	930	930	Unch
<b>Rice Bran Oil (40%)</b>	New Delhi	NR	525	-
<b>Rice Bran Oil (4%)</b>	Punjab	550	550	Unch
<b>Malaysia Palmolein USD/MT</b>	FOB	820	825	-5
	CNF India	860	865	-5
<b>Indonesia CPO USD/MT</b>	FOB	843	845	-2
	CNF India	870	875	-5
<b>Argentina FOB (\$/MT)</b>		<b>23-May-14</b>	<b>22-May-14</b>	<b>Change</b>
Crude Soybean Oil Ship		869	879	-10
Refined Soy Oil (Bulk) Ship		899	909	-10
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		849	859	-10
Refined Linseed Oil (Bulk) Ship		NA	NA	-

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