

**Domestic Fundamentals:**

- Most of the key spot edible oil markets were remained mixed with weak biasness amid lackluster trading activities.
- Soybean oil traded weak today on timid global sentiments derived by record production expected in coming season.
- Prices of coconut oil surged a new high as drought in western districts of Tamil Nadu has created a big supply gap in copra. Only local coconut oil crushers procured copra whereas Kerala crushers are not buying much as they have ample stocks with them.
- Diminishing arrivals and lesser availability of mustard seed with crushers has boosted the mustard oil prices. It is believed that the traders and stockiest are developing inventories on expectation of lesser production this year.
- Palm oil noticed a weak movement on higher production prospects on global front in the upcoming season.
- As per the latest government notification, Indian Government has revised the tariff value for crude palm oil to US \$ 920, RBD palm oil to US \$943, Crude and refined palmolein to 961, 964 (US dollar per metric tons) respectively. Tariff value is the base price at which the customs duty is determined to prevent under-invoicing.

**International Market Fundamentals:**

- 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.
- Stock of palm oil in Malaysia is being reported a three month high in April. Palm oil stock reached to 1.70 MMT in April, which was 1.69 MMT in March. The stockpile in Malaysia, world second largest palm grower, is putting pressure on the benchmark prices i.e. FCPO.
- BMD CPO could move with slight fluctuation but any uptrend is not being gestured in near term due to Strong Ringgit, as reported by the market participants.
- 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.
- According to market participants, Palm oil production is expected to decline by 5-10% this year in Indonesia as a effect of El Nino. The country produced around 26 million tones of Palm oil in 2013.

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



### NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
14-May	0.5	720.00	723.65	720.00	723.40
14-Jun	0.4	695.10	698.30	691.00	696.50
14-Jul	-0.3	680.00	684.70	677.55	682.50

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
14-May	5,210	-3,690	49460	-4360
14-Jun	42,080	-48,070	150220	-1420
14-Jul	13,070	-12,360	102970	2570

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	0.60			
14-May		-26.90	-40.90	
14-Jun			-14.00	
14-Jul				

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

### MCX CPO:

Contract	+/-	Open	High	Low	Close
14-May	-1.9	547.50	548.30	542.00	546.50
14-Jun	-1.9	542.00	546.00	540.10	544.10
14-Jul	-1.2	538.00	544.80	538.00	542.30

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
14-May	865	-179	2114	-89
14-Jun	1854	903	3135	378
14-Jul	965	559	1863	504

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	6.5			
14-May		-2.4	-4.2	
14-Jun			-1.8	
14-Jul				

\* 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	-37	2642	2656	2623	2625
Jul-14	-35	2609	2622	2587	2592
Aug-14	-34	2595	2608	2573	2580
Sep-14	-31	2589	2598	2568	2574

Friday's Quotes

**Edible Oil Prices at Key Market as on 16 May 2014**

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-May-14	15-May-14	
Refined Soybean Oil	Kota(Loose)	670	670	Unch
	Rajkot (Loose)	660	655	5
	Jaipur (Loose)	NA	NA	-
	Hyderabad+ VAT	NA	NA	-
	New Delhi (Loose)	705	705	Unch
	Kakinada	NA	NA	-
	Mumbai +VAT	678	678	Unch
	Indore	695	695	Unch
	Soy Degum Mumbai+VAT	630	635	-5
	SoyDegum Kandla/Mundra+VAT	630	635	-5
	Haldiya Port (Loose)	NA	NA	-
	Akola (Loose)	695	NA	-
	Amrawati (Loose)	694	NA	-
	Jalna	NA	NA	-
	Nagpur	NA	NA	-
Palm Oil	Chennai.RBD.Palmolein.(Loose)	597	598	-1
	Hyd. RBD Palmolein VAT	600	600	Unch
	New Delhi RBD Palmolein (Loose)	648	648	Unch
	Kandla CPO (5%FFA)	551	553	-2
	Kakinada.RBD.Palmolein(Loose)	588	580	8
	Mumbai RBD Pamolein+ VAT	602	605	-3
	Kandla RBD Palmolein +VAT	588	595	-7
Sunflower Oil	Mumbai + VAT	680	675	5
	Kandla/Mundra	605	605	Unch
	Erode (Exp. Oil)+VAT	665	665	Unch
	Hyderabad Exp +VAT	NA	NA	-
	Chennai (Loose)	645	645	Unch
	Bellary (Exp. Oil)+VAT	NA	NA	-
	Latur (Exp. Oil)+VAT	NA	NA	-
	Chellakere (Exp. Oil)+VAT	600	600	Unch
Groundnut Oil	Rajkot (Loose)	700	710	-10
	Chennai (Loose)	760	760	Unch
	New Delhi (Loose)	730	730	Unch
	Hyderabad Exp +VAT	NA	NA	-
	Mumbai + VAT	760	760	Unch
	Gondal+VAT	NA	NA	-

	Jamnagar +VAT	700	700	Unch
	Narsarropeth+VAT	NA	NA	-
	Prodattour+VAT	NA	NA	-
Rapeseed Oil	Mumbai (Exp. Oil) +VAT	665	665	Unch
	Alwar (Expeller Oil)(Loose)	705	700	5
	Kota (Expeller Oil) (Loose)	640	635	5
	Jaipur (Expeller Oil) (Loose)	660	660	Unch
	New Delhi (Exp. Oil) (Loose)	680	680	Unch
	Sri-GangaNagar(ExpOil-Loose)	642	632	10
	Hapur +VAT	705	700	5
	Kolkata	NA	NA	-
	Agra (Kacchi Ghani Oil) + VAT	705	705	Unch
Refined Cottonseed Oil	Mumbai +VAT	665	665	Unch
	Rajkot (Loose)	640	645	-5
	New Delhi (Loose)	640	640	Unch
	Hyderabad (Loose)	590	595	-5
Coconut Oil	Kangayan (Crude)	1540	1533	7
	Cochin	1530	1530	Unch
	Trissur	1595	1590	5
Sesame Oil	New Delhi	930	930	Unch
	Mumbai	945	945	Unch
Kardi	Mumbai	950	950	Unch
Rice Bran Oil (40%)	New Delhi	515	520	-5
Rice Bran Oil (4%)	Punjab	525	525	Unch
Malaysia Palmolein USD/MT	FOB	850	855	-5
	CNF India	883	890	-7
Indonesia CPO USD/MT	FOB	862	865	-3
	CNF India	893	905	-12
Argentina FOB (\$/MT)		15-May-14	14-May-14	Change
Crude Soybean Oil Ship		866	872	-6
Refined Soy Oil (Bulk) Ship		896	902	-6
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		846	852	-6
Refined Linseed Oil (Bulk) Ship		NA	NA	-

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