

Domestic Fundamentals:

- Most of the key spot edible oil markets were remained sluggish amid weak international cues, Monday.
- Soybean traded lower in physical market as traders and stakeholders believe that new government will take strong initiatives to curb the inflation which will make prices of all agriculture commodities to fall down.
- 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.
- 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.
- 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:

- Palm oil, Malaysia fell to its lowest level, recorded around three months back, on losses in soyoil 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.
- 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 with weak biasness in the near-term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
14-May	-1.5	722.50	723.00	720.20	721.50
14-Jun	-12.3	694.10	694.25	682.55	683.60
14-Jul	-12.45	681.40	681.40	668.20	669.50

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
14-May	12,220	7,010	38690	-10770
14-Jun	97,990	55,910	156780	6560
14-Jul	37,490	24,420	105910	2940

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	-0.70			
14-May		-37.90	-52.00	
14-Jun			-14.10	
14-Jul				

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

MCX CPO:

Contract	+/-	Open	High	Low	Close
14-May	-8.7	543.10	545.00	537.30	538.40
14-Jun	-9.9	543.00	543.00	534.50	535.50
14-Jul	-9.4	542.40	542.40	533.00	534.80

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
14-May	880	15	2119	5
14-Jun	2306	452	3399	264
14-Jul	953	-12	2443	580

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	14.6			
14-May		-2.9	-3.6	
14-Jun			-0.7	
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	-40	2618	2623	2589	2589
Jul-14	-41	2580	2587	2550	2551
Aug-14	-44	2563	2574	2536	2536
Sep-14	-42	2557	2568	2532	2532

Monday's Quotes

Edible Oil Prices at Key Market as on 19 May 2014

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-May-14	17-May-14	
Refined Soybean Oil	Kota(Loose)	665	665	Unch
	Rajkot (Loose)	650	660	-10
	Jaipur (Loose)	NA	NA	-
	Hyderabad+ VAT	NA	NA	-
	New Delhi (Loose)	710	710	Unch
	Kakinada	NA	NA	-
	Mumbai +VAT	678	678	Unch
	Indore	695	695	Unch
	Soy Degum Mumbai+VAT	628	630	-2
	SoyDegum Kandla/Mundra+VAT	628	630	-2
	Haldiya Port (Loose)	NA	NA	-
	Akola (Loose)	691	695	-4
	Amrawati (Loose)	690	694	-4
	Jalna	NR	NR	-
	Nagpur	NR	NR	-
Palm Oil	Chennai.RBD.Palmolein.(Loose)	590	595	-5
	Hyd. RBD Palmolein VAT	600	600	Unch
	New Delhi RBD Palmolein (Loose)	635	650	-15
	Kandla CPO (5%FFA)	547	549	-2
	Kakinada.RBD.Palmolein(Loose)	585	585	Unch
	Mumbai RBD Pamolein+ VAT	600	600	Unch
	Kandla RBD Palmolein +VAT	585	585	Unch
Sunflower Oil	Mumbai + VAT	680	680	Unch
	Kandla/Mundra	605	605	Unch
	Erode (Exp. Oil)+VAT	665	665	Unch
	Hyderabad Exp +VAT	NR	NR	-
	Chennai (Loose)	645	645	Unch
	Bellary (Exp. Oil)+VAT	NR	NR	-
	Latur (Exp. Oil)+VAT	NR	NR	-
	Chellakere (Exp. Oil)+VAT	600	600	Unch
Groundnut Oil	Rajkot (Loose)	690	700	-10
	Chennai (Loose)	750	760	-10
	New Delhi (Loose)	720	730	-10
	Hyderabad Exp +VAT	NR	NR	-
	Mumbai + VAT	760	760	Unch



	Gondal+VAT	NR	NR	-
	Jamnagar +VAT	710	700	10
	Narsarropeth+VAT	NR	NR	-
	Prodattour+VAT	NR	NR	-
Rapeseed Oil	Mumbai (Exp. Oil) +VAT	665	665	Unch
	Alwar (Expeller Oil)(Loose)	NR	NR	-
	Kota (Expeller Oil) (Loose)	635	635	Unch
	Jaipur (Expeller Oil) (Loose)	655	658	-3
	New Delhi (Exp. Oil) (Loose)	668	680	-12
	Sri-GangaNagar(ExpOil-Loose)	637	637	Unch
	Hapur +VAT	700	Closed	-
	Kolkata	NA	NA	-
	Agra (Kacchi Ghani Oil) + VAT	705	710	-5
Refined Cottonseed Oil	Mumbai +VAT	660	665	-5
	Rajkot (Loose)	645	640	5
	New Delhi (Loose)	625	642	-17
	Hyderabad (Loose)	590	585	5
Coconut Oil	Kangayan (Crude)	1525	1540	-15
	Cochin	1530	1530	Unch
	Trissur	1595	1590	5
Sesame Oil	New Delhi	900	930	-30
	Mumbai	945	945	Unch
Kardi	Mumbai	930	930	Unch
Rice Bran Oil (40%)	New Delhi	NA	NA	-
Rice Bran Oil (4%)	Punjab	535	525	10
Malaysia Palmolein USD/MT	FOB	843	848	-5
	CNF India	880	875	5
Indonesia CPO USD/MT	FOB	858	850	8
	CNF India	885	885	Unch
Argentina FOB (\$/MT)		17-May-14	16-May-14	Change
Crude Soybean Oil Ship		NA	861	-
Refined Soy Oil (Bulk) Ship		NA	891	-
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		NA	841	-
Refined Linseed Oil (Bulk) Ship		NA	NA	-

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