

Domestic Fundamentals:

- Most of the key spot edible oil markets were remained sluggish amid weak international cues, Tuesday.
- 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
Jun-14	2.1	685.50	689.60	683.70	688.65
Jul-14	-0.9	670.50	674.00	668.10	670.70
Aug-14	-2.4	662.05	667.90	661.50	664.50
Sep-14	-2.1	657.05	662.15	657.00	659.60

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Jun-14	65,280	53,060	151880	113190
Jul-14	37,820	-60,170	114900	-41880
Aug-14	10,520	-26,970	24100	-81810
Sep-14	780	--	4600	--

Vol-OI are taken at 5:30 PM

Spread	Jun-14	Jul-14	Aug-14	Sep-14
Basis	29.95			
Jun-14		-17.95		
Jul-14			-6.20	
Aug-14				-4.90

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

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-14	-0.7	536.80	539.50	536.50	537.10
Jun-14	-0.7	534.00	536.20	532.20	533.30
Jul-14	-0.6	532.00	534.90	530.60	532.00
Aug-14	-4.8	531.00	531.00	531.00	531.00

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-14	659	-221	1879	-240
Jun-14	1734	-572	3005	-394
Jul-14	680	-273	2372	-71
Aug-14	1	1	20	20

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	15.9			
May-14		-3.8		
Jun-14			-1.3	
Jul-14				-1

* 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	-30	2597	2597	2555	2560
Jul-14	-14	2559	2560	2528	2537
Aug-14	-14	2546	2547	2514	2523
Sep-14	-12	2542	2543	2510	2520

Monday's Quotes

Edible Oil Prices at Key Market as on 20 May 2014

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-May-14	19-May-14	
Refined Soybean Oil	Kota(Loose)	660	665	-5
	Rajkot (Loose)	660	650	10
	Jaipur (Loose)	NA	NA	-
	Hyderabad+ VAT	NA	NA	-
	New Delhi (Loose)	700	710	-10
	Kakinada	NA	NA	-
	Mumbai +VAT	675	678	-3
	Indore	690	695	-5
	Soy Degum Mumbai+VAT	625	628	-3
	SoyDegum Kandla/Mundra+VAT	625	628	-3
	Haldiya Port (Loose)	NA	NA	-
	Akola (Loose)	691	691	Unch
	Amrawati (Loose)	687	690	-3
	Jalna	NR	NR	-
	Nagpur	NR	NR	-
Palm Oil	Chennai.RBD.Palmolein.(Loose)	585	590	-5
	Hyd. RBD Palmolein VAT	600	600	Unch
	New Delhi RBD Palmolein (Loose)	630	635	-5
	Kandla CPO (5%FFA)	538	547	-9
	Kakinada.RBD.Palmolein(Loose)	578	585	-7
	Mumbai RBD Pamolein+ VAT	593	600	-7
	Kandla RBD Palmolein +VAT	578	585	-7
Sunflower Oil	Mumbai + VAT	680	680	Unch
	Kandla/Mundra	600	605	-5
	Erode (Exp. Oil)+VAT	660	665	-5
	Hyderabad Exp +VAT	NR	NR	-
	Chennai (Loose)	650	645	5
	Bellary (Exp. Oil)+VAT	NR	NR	-
	Latur (Exp. Oil)+VAT	NR	NR	-
	Chellakere (Exp. Oil)+VAT	595	600	-5
Groundnut Oil	Rajkot (Loose)	690	690	Unch
	Chennai (Loose)	750	750	Unch
	New Delhi (Loose)	720	720	Unch
	Hyderabad Exp +VAT	NR	NR	-
	Mumbai + VAT	750	760	-10



	Gondal+VAT	0	NR	-
	Jamnagar +VAT	710	710	Unch
	Narsarropeth+VAT	NR	NR	-
	Prodattour+VAT	NR	NR	-
Rapeseed Oil	Mumbai (Exp. Oil) +VAT	660	665	-5
	Alwar (Expeller Oil)(Loose)	0	NR	-
	Kota (Expeller Oil) (Loose)	625	635	-10
	Jaipur (Expeller Oil) (Loose)	649	655	-6
	New Delhi (Exp. Oil) (Loose)	668	668	Unch
	Sri-GangaNagar(ExpOil-Loose)	635	637	-2
	Hapur +VAT	700	700	Unch
	Kolkata	NA	NA	-
	Agra (Kacchi Ghani Oil) + VAT	695	705	-10
Refined Cottonseed Oil	Mumbai +VAT	660	660	Unch
	Rajkot (Loose)	640	645	-5
	New Delhi (Loose)	620	625	-5
	Hyderabad (Loose)	595	590	5
Coconut Oil	Kangayan (Crude)	1520	1525	-5
	Cochin	1540	1530	10
	Trissur	1590	1595	-5
Sesame Oil	New Delhi	900	900	Unch
	Mumbai	945	945	Unch
Kardi	Mumbai	930	930	Unch
Rice Bran Oil (40%)	New Delhi	NA	515	-
Rice Bran Oil (4%)	Punjab	550	535	15
Malaysia Palmolein USD/MT	FOB	835	843	-8
	CNF India	865	880	-15
Indonesia CPO USD/MT	FOB	845	858	-13
	CNF India	880	885	-5
Argentina FOB (\$/MT)		19-May-14	17-May-14	Change
Crude Soybean Oil Ship		854	NA	-
Refined Soy Oil (Bulk) Ship		884	NA	-
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		834	NA	-
Refined Linseed Oil (Bulk) Ship		NA	NA	-

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