

Domestic Fundamentals:

- Bearish markets amid lethargic demand and sentiments of timely monsoon and start of upcoming Kharif season has forced the edible oil market to fall downwards.
- Refined soy oil remained flat in most of the spot markets on weak buying activities.
- India mustard seed future opened higher on improved demand. Depreciation in India Rupee and lower arrival has also provided support to the prices.
- Cottonseed oil traded lower amid lackluster demand from traders, stockiest and brands.
- 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.

International Market Fundamentals:

- 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.
- 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.

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	-3.45	686.50	690.70	682.00	683.50
Jul-14	-3.2	667.50	672.65	664.90	665.50
Aug-14	-4.4	662.00	665.40	658.70	659.50
Sep-14	-4.15	657.05	660.05	654.50	654.60

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Jun-14	56,540	-8,740	143310	-8570
Jul-14	33,880	-3,940	127510	12610
Aug-14	9,200	-1,320	28120	4020
Sep-14	1,190	410	5270	670

Vol-OI are taken at 5:30 PM

Spread	Jun-14	Jul-14	Aug-14	Sep-14
Basis	30.35	48.35		
Jun-14		-18.00		
Jul-14			-6.00	
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	-4.1	538.50	538.70	532.50	533.00
Jun-14	-3	534.80	535.00	529.50	529.80
Jul-14	-3.1	533.40	534.00	528.70	528.70
Aug-14	-3.2	528.50	528.50	527.70	527.80

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-14	1043	384	1194	-685
Jun-14	1824	90	3243	238
Jul-14	790	110	2820	448
Aug-14	3	2	20	0

Vol-OI are taken at 5:30 PM

Spread	May-14	Jun-14	Jul-14	Aug-14
Basis	20			
May-14		-3.2		
Jun-14			-1.1	
Jul-14				-0.9

* 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	-13	2561	2562	2529	2546
Jul-14	-18	2533	2537	2506	2518
Aug-14	-19	2521	2525	2492	2505
Sep-14	-17	2518	2522	2490	2502

Wednesday's Quotes

Edible Oil Prices at Key Market as on 21 May 2014

Commodity	Centre	Prices(Per 10 Kg)		Change
		21-May-14	20-May-14	
Refined Soybean Oil	Kota(Loose)	660	660	Unch
	Rajkot (Loose)	650	660	-10
	Jaipur (Loose)	NA	NA	-
	Hyderabad+ VAT	NA	NA	-
	New Delhi (Loose)	705	700	5
	Kakinada	NA	NA	-
	Mumbai +VAT	675	675	Unch
	Indore	690	690	Unch
	Soy Degum Mumbai+VAT	620	625	-5
	SoyDegum Kandla/Mundra+VAT	620	625	-5
	Haldiya Port (Loose)	NA	NA	-
	Akola (Loose)	691	691	Unch
	Amrawati (Loose)	687	687	Unch
	Jalna	NR	NR	-
	Nagpur	NR	NR	-
Palm Oil	Chennai.RBD.Palmolein.(Loose)	585	585	Unch
	Hyd. RBD Palmolein VAT	605	600	5
	New Delhi RBD Palmolein (Loose)	635	630	5
	Kandla CPO (5%FFA)	537	538	-1
	Kakinada.RBD.Palmolein(Loose)	575	578	-3
	Mumbai RBD Pamolein+ VAT	593	593	Unch
	Kandla RBD Palmolein +VAT	575	578	-3
Sunflower Oil	Mumbai + VAT	680	680	Unch
	Kandla/Mundra	585	600	-15
	Erode (Exp. Oil)+VAT	660	660	Unch
	Hyderabad Exp +VAT	NR	NR	-
	Chennai (Loose)	640	650	-10
	Bellary (Exp. Oil)+VAT	NR	NR	-
	Latur (Exp. Oil)+VAT	NR	NR	-
	Chellakere (Exp. Oil)+VAT	595	595	Unch
Groundnut Oil	Rajkot (Loose)	700	690	10
	Chennai (Loose)	740	750	-10
	New Delhi (Loose)	720	720	Unch
	Hyderabad Exp +VAT	NR	NR	-
	Mumbai + VAT	750	750	Unch



	Gondal+VAT	NR	NR	-
	Jamnagar +VAT	710	710	Unch
	Narsarropeth+VAT	NR	NR	-
	Prodattour+VAT	NR	NR	-
Rapeseed Oil	Mumbai (Exp. Oil) +VAT	656	660	-4
	Alwar (Expeller Oil)(Loose)	NR	NR	-
	Kota (Expeller Oil) (Loose)	630	625	5
	Jaipur (Expeller Oil) (Loose)	652	649	3
	New Delhi (Exp. Oil) (Loose)	670	668	2
	Sri-GangaNagar(ExpOil-Loose)	630	635	-5
	Hapur +VAT	690	700	-10
	Kolkata	NA	NA	-
	Agra (Kacchi Ghani Oil) + VAT	695	695	Unch
Refined Cottonseed Oil	Mumbai +VAT	655	660	-5
	Rajkot (Loose)	640	640	Unch
	New Delhi (Loose)	610	620	-10
	Hyderabad (Loose)	590	595	-5
Coconut Oil	Kangayan (Crude)	1540	1520	20
	Cochin	1550	1540	10
	Trissur	1585	1590	-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	550	Unch
Malaysia Palmolein USD/MT	FOB	825	835	-10
	CNF India	860	865	-5
Indonesia CPO USD/MT	FOB	840	845	-5
	CNF India	873	880	-7
Argentina FOB (\$/MT)		20-May-14	19-May-14	Change
Crude Soybean Oil Ship		846	854	-8
Refined Soy Oil (Bulk) Ship		876	884	-8
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		826	834	-8
Refined Linseed Oil (Bulk) Ship		NA	NA	-

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