

**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 | -15 | 2554 | 2560 | 2534 | 2535 |
| Jul-14 | -8 | 2540 | 2548 | 2519 | 2523 |
| Aug-14 | -7 | 2528 | 2537 | 2509 | 2515 |
| Sep-14 | -6 | 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 | - |
| | | | | |
| Rapeseed Oil | 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 |
| | | | | |
| Refined Cottonseed Oil | Mumbai +VAT | 650 | 655 | -5 |
| | Rajkot (Loose) | 630 | 635 | -5 |
| | New Delhi (Loose) | 635 | 630 | 5 |
| | Hyderabad (Loose) | 600 | 600 | Unch |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1530 | 1530 | Unch |
| | Cochin | 1560 | 1560 | Unch |
| | Trissur | 1570 | 1570 | Unch |
| | | | | |
| Sesame Oil | New Delhi | 910 | 915 | -5 |
| | Mumbai | 930 | 930 | Unch |
| Kardi | Mumbai | 930 | 930 | Unch |
| Rice Bran Oil (40%) | New Delhi | NR | 525 | - |
| Rice Bran Oil (4%) | Punjab | 550 | 550 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 820 | 825 | -5 |
| | CNF India | 860 | 865 | -5 |
| Indonesia CPO USD/MT | FOB | 843 | 845 | -2 |
| | CNF India | 870 | 875 | -5 |
| | | | | |
| Argentina FOB (\$/MT) | | 23-May-14 | 22-May-14 | Change |
| 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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