

**Domestic Fundamentals:**

- Weak tone featured in palm oil at various cash markets on Friday.
- Soybean oil cash prices featured weak tone across the key markets on Friday.
- Surging imports of Palm oil, high stock at ports and in pipelines and expectation of further increase of imports has severely affected price. Due to positive refining margins, imports are surging and it will continue to surge till margins remain positive. MPOB data release is on Monday along with Malaysia's 1-10 August export numbers which will set future course of Palm oil prices. It is expected that ending stocks will increase marginally due to higher production in July despite loss of production due to Ramzan. Slowdown of exports of Palm oil from Malaysia's and looming high third quarter production season has led to sharp fall in international Palm oil prices. Indonesia's Palm oil production is expected to rise due to peak production season. China's ability to consume commodity is under threat as the economy is headed towards slower growth and structural flaw witnessed in Chinese financial sector will impact Palm oil imports. Chinese economic problem is expected to continue and is going to last longer than previously expected. If El Nino do impact production of Palm oil in Indonesia and Malaysia then Palm oil prices are heading towards its cost of production. Crude oil is headed to its worst situation comparable to 1987 fall and it is not expected to recover immediately. Dollar is strengthening and is headed towards its record level not seen since the last decade.
- Domestic soybean oil prices are under pressure due to price surging imports and stocks at ports and in pipelines. Demand is weak at the moment it will pick up in coming months due to stocking ahead of Indian festival season. Increase in import processing margins and low spread with Palm oil and high spread with sunflower oil will lead to surge in imports of Soy oil. High carryover stocks of domestic soybean due to negative crush margins and prospects of good soybean crop are underpinning prices. If the crush margins will continue to remain negative and high import of soybean oil continues then it will seriously affect domestic soybean crushing sector leading to higher imports of soybean oil or crash in prices of domestic soybean. US soybean crop is progressing well, but August USDA estimates of soybean crop is going to be smaller than July USDA estimate. The August report is expected on 12 August 2015. China is the epicenter of faltering soybean complex prices coupled with record global soybean crops leading to higher production of soybean oil globally. With the global surplus in soybean oil faltering Chinese economy has lead to sharp fall in commodity prices and the worst is yet to come, while crude is heading to its worst situation since 1987. Markets are yet to digest the new situation. Strengthening dollar has added to bearishness of edible oils.
- According to SGS, Malaysia's July 2015 Palm oil exports fell by 9.2 percent to 1,539,583 tons (1,696,096 tons). Top buyers were India 358,200 tons (411,930 tons), China 299,947 tons (272,320 tons), European Union 257,983 tons (360,354 tons), United States 115,104 tons (59,170 tons), Pakistan 30,300 tons, (49,850 tons). Values in brackets are figures of June 2015.

**Outlook:** Edible oil basket is expected to feature mixed tone with weak soy and palm and firm rapeseed/mustard oil in the spot market, in near-term.

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
15-Aug	1.45	564.75	569.50	564.10	568.00
15-Oct	1.70	551.75	555.80	550.50	554.90

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
15-Aug	27,300	-8805	89325	-7185
15-Oct	25,185	-7505	97830	4465

Vol-OI are taken at 5:30 PM

Spread	Aug-15	Oct-15
Basis	7.00	20.10
15-Aug		-13.10
15-Oct		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
30-Aug	-3.10	399.50	400.40	397.40	398.50
30-Sep	-2.70	400.00	401.00	397.80	399.40

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
30-Aug	1230	-513	6724	-467
30-Sep	914	-356	3641	401

Vol-OI are taken at 5:30 PM

Spread	Jun-15	Jul-15
Basis	-1.5	-2.4
30-Aug		0.9
30-Sep		

\* CPO Kandla prices taken for spread calculated as at 5:30 PM

**CBOT Soy Oil Futures:**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Sep	<b>-0.03</b>	29.79	29.89	29.57	29.72
15-Oct	<b>-0.03</b>	29.84	29.99	29.7	29.83
15-Dec	<b>-0.03</b>	30.07	30.21	29.88	30.04
15-Jan	<b>-0.04</b>	30.35	30.41	30.2	30.28
15-Mar	<b>-0.05</b>	30.54	30.60	30.35	30.45

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Aug	<b>-5</b>	2039	2044	2022	2038
15-Sep	<b>-3</b>	2046	2051	2024	2042
15-Oct	<b>-5</b>	2054	2062	2038	2055
15-Nov	<b>unch</b>	2080	2082	2060	2078

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index
6/08/2015	6.199	13513	3.90	9.20	63.81	3.5029	98.17

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Aug-15	6-Aug-15	
Refined Soybean Oil	Kota	570	575	<b>-5</b>
	Rajkot	547	540	<b>7</b>
	Delhi	605	610	<b>-5</b>
	Mumbai	566	568	<b>-2</b>
	Indore	575	578	<b>-3</b>
	Kandla/Mundra	550	550	<b>Unch</b>
	Kolkata	535	540	<b>-5</b>
	Indore (Soy Solvent Crude)	550	553	<b>-3</b>
	Mumbai (Soy Degum)	520	520	<b>Unch</b>
	Kandla/Mundra (Soy Degum)	520	520	<b>Unch</b>
	Akola	606	608	<b>-2</b>
	Amrawati	605	607	<b>-2</b>
	Jalna	615	618	<b>-3</b>
	Nagpur	607	608	<b>-1</b>
	Alwar	NR	NR	<b>-</b>
	Solapur	615	617	<b>-2</b>
	Bundi	575	580	<b>-5</b>
	Dhule	614	616	<b>-2</b>
Palm Oil	Rajkot	455	455	<b>Unch</b>
	Hyderabad	466	470	<b>-4</b>
	Delhi	505	525	<b>-20</b>
	Kandla (Crude Palm Oil)	397	400	<b>-3</b>
	Kandla (RBD Palm oil)	430	430	<b>Unch</b>
	Mumbai RBD Pamolein	462	465	<b>-3</b>
	Kandla RBD Pamolein	450	460	<b>-10</b>

	Mangalore RBD Pamolein	462	462	Unch
	Chennai RBD Pamolein	462	462	Unch
	Kakinada RBD Pamolein	452	452	Unch
	KPT (krishna patnam)	450	450	Unch
	Haldia	452	458	-6
	PFAD (Kandla)	350	350	Unch
	Refined Palm Stearin (Kandla)	340	340	Unch
Refined Sunflower Oil	Mumbai	690	690	Unch
	Mumbai(Expeller Oil)	630	630	Unch
	Kandla/Mundra (Crude)	625	625	Unch
	Erode (Expeller Oil)	700	700	Unch
	Hyderabad (Ref)	665	665	Unch
	Chennai	670	670	Unch
	Latur (Expeller Oil)	620	620	Unch
	Chellakere (Expeller Oil)	620	615	5
Groundnut Oil	Rajkot	1030	1030	Unch
	Chennai	1000	1000	Unch
	Delhi	940	940	Unch
	Hyderabad *	1030	1030	Unch
	Mumbai	1000	1000	Unch
	Gondal	1050	1050	Unch
	Jamnagar	1025	1050	-25
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	820	820	Unch
	Sri-GangaNagar(Exp Oil)	810	810	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	770	775	-5
	Jaipur (Expeller Oil)	823	825	-2
	New Delhi (Expeller Oil)	805	810	-5
	Hapur (Expeller Oil)	840	840	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	870	870	Unch
	Kota (Kacchi Ghani Oil)	865	865	Unch
	Jaipur (Kacchi Ghani Oil)	877	877	Unch
	Agra (Kacchi Ghani Oil)	885	895	-10
	Bharatpur (Kacchi Ghani Oil)	880	890	-10
	Neewai (Kacchi Ghani Oil)	852	870	-18
	Hapur (Kacchi Ghani Oil)	880	880	Unch
Refined Cottonseed Oil	Mumbai	600	605	-5
	Rajkot	590	595	-5



	New Delhi	580	590	-10
	Hyderabad	560	565	-5
Coconut Oil	Kangayan (Crude)	1100	1110	-10
	Cochin	1010	1010	Unch
	Trissur	1230	1230	Unch
Sesame Oil	New Delhi	730	730	Unch
	Mumbai	740	740	Unch
Kardi	Mumbai	860	860	Unch
Rice Bran Oil (40%)	New Delhi	445	450	-5
Rice Bran Oil (4%)	Punjab	500	500	Unch
Rice Bran Oil (4%)	Uttar Pradesh	500	500	Unch
Malaysia Palmolein USD/MT	FOB	560	565	-5
	CNF India	585	590	-5
Indonesia CPO USD/MT	FOB	550	545	5
	CNF India	555	560	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	555	556	-1
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	475	485	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	820	835	-15
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	830	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	465	473	-8
Ukraine Origin CSFO USD/MT Kandla	CIF	905	905	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	695	695	Unch
Argentina FOB (\$/MT)		6-Aug-15	5-Aug-15	Change
Crude Soybean Oil Ship		630	629	1
Refined Soy Oil (Bulk) Ship		652	651	1
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		610	609	1
Refined Linseed Oil (Bulk) Ship		NA	NA	-
* indicates including VAT				

**Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons)**

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2015 Indian Agribusiness Systems Pvt Ltd.