

Domestic Fundamentals:

- Weak trend featured in various edible oils at different centers Friday on weakness in global oils and fats markets.
- Imports of edible oils in April was reported higher by 12 percent y-o-y to 12.30 lakh tons. Higher imports are primarily due to surge in imports of RBD palmolein and soy oil. In first six months of oil year 2015-16 RBD palmolein imports has registered a increase of 168 percent y-o-y. Primary reason of higher exports is low duty differential between import duty of crude and refined edible oils. At present the difference is 7.5 percent while industry is asking government for the differential to be increased to 15 percent. Imported RBD palmolein is arriving at rate of CPO. Processed oil is available at rate of raw material. Edible oil industry is reeling due to this. Soy oil imports have surged due to low premium of soy oil over CPO. This is the primary reason for fall in imports of CPO which registered a fall of 35.5 percent y-o-y in April.
- Palm oil prices have plunged in BMD on weaker cues from CBOT and sharp fall in RBD palmolein on Dalian. China debt fuelled commodities markets may affect commodities market in near term. Heavy speculation in commodities in China has caused this situation. Palm oil fundamentals are not as weak as markets are behaving. New crop of palm in Malaysia and Indonesia. Stocks may fall further in May on higher exports due to low prices, seasonal uptrend of demand, marriage season in India, demand ahead of Ramadan and depreciation of Ringgit. However China commodity market turmoil could fan further trouble for markets. Prices of palm are expected to get support on aggressive pricing by Malaysia by offering lower RBD palmolein prices compared to Indonesia CPO. Prices of palm oil are in range.
- Soy oil fell on fall in palm oil prices and spreading of soy oil with soy meal. US farmers are expected to plant higher acreage of soybean on higher soybean/corn ratio. Soy oil stocks of US are estimated to be lower in 2016/17 on higher use in biodiesel, food, feed and other industrial use. Soybean production of Argentina and Brazil was reduced less than estimated by their state agencies raising expectations of decrease in future. Lower crop has raised expectation of higher exports from US. US end stocks of soybean were reduced for 2015/16 on higher exports. US soybean crop is lower in 2016/17 on lower harvested area and lower yield. Lower premium of soy oil with palm oil will increase demand of soy oil from top consuming
Rise in crude oil prices are expected to support soy oil prices in near term. Prices of soy oil are in range.
- India imported 12.30 lakh tons of edible oil in April 2016 compared to 10.98 lakh tons in April 2015, higher by 12 percent y-o-y. CPO imports slowed to 3.92 lakh tons in April compared to 5.31 lakh tons in April 2015, lower by 35.5 percent y-o-y. RBD palmolein imports surged to 3.26 lakh tons from 1.88 lakh tons in April 2015, higher by 73.4 percent y-o-y. Soy oil again registered robust imports of 3.48 lakh tons in April compared to 1.89 lakh tons of imports in April 2015, higher by 84 percent y-o-y. Sunflower oil imports slowed to 1.01 lakh tons in April compared to 1.52 lakh tons in April 2015, lower by 50.5 percent y-o-y. Rapeseed (Canola) oil imports in April were 0.51 lakh tons compared to 0.34 lakh tons in April 2015, higher by 50 percent y-o-y.

Outlook: Edible oil basket is expected to feature firm soy, palm and rapeseed oil in the spot market, in near-term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
June-16	-2.00	649.50	652.50	647.50	651.75
July-16	-2.55	654.50	656.50	651.25	655.25

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	57,920	22880	121640	90
July-16	21,730	13230	81000	5320

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-11.75	-15.25
June-16		3.50
July-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-16	-3.10	544.60	545.00	539.00	544.00
June-16	-3.00	535.00	537.80	531.30	536.60

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	2127	676	3129	-539
June-16	1445	555	4526	334

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	13	20.4
May-16		-7.4
June-16		

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

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-July	-0.31	32.6	32.67	32.11	32.26
15-Aug	-0.32	32.68	32.76	32.23	32.36
15-Sep	-0.3	32.89	32.89	32.37	32.49
15-Oct	-0.27	32.9	32.94	32.48	32.63
15-Dec	-0.29	33.14	33.22	32.73	32.86

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-58	2610	2614	2589	2604
15-July	-62	2599	2603	2576	2587
15-Aug	-60	2569	2575	2546	2560
15-Sep	-60	2547	2547	2512	2528

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
13/05/2016	6.52	13346	4.03	14.20	66.76	3.47	94.30	46.22

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-May-16	12-May-16	
Refined Soybean Oil	Indore	640	645	-5
	Indore (Soy Solvent Crude)	612	615	-3
	Mumbai	660	665	-5
	Mumbai (Soy Degum)	597	605	-8
	Kandla/Mundra	635	640	-5
	Kandla/Mundra (Soy Degum)	600	605	-5
	Kolkata	630	635	-5
	Delhi	670	680	-10
	Nagpur	633	638	-5
	Rajkot	625	630	-5
	Kota	640	655	-15
	Akola	672	677	-5
	Amrawati	671	677	-6
	Bundi	643	648	-5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	557	563	-6
	Kandla (RBD Palm oil)	565	595	-30
	Kandla RBD Pamolein	595	605	-10
	Kakinada (Crude Palm Oil)	535	535	Unch
	Kakinada RBD Pamolein	580	590	-10
	Haldia Pamolein	580	590	-10

	Chennai RBD Pamolein	580	595	-15
	KPT (krishna patnam) Pamolein	580	590	-10
	Mumbai RBD Pamolein	605	610	-5
	Delhi	635	640	-5
	Rajkot	590	605	-15
	Hyderabad	618	627	-9
	Mangalore RBD Pamolein	590	595	-5
	PFAD (Kandla)	420	420	Unch
	Refined Palm Stearin (Kandla)	480	480	Unch
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	770	770	Unch
	Mumbai(Expeller Oil)	670	680	-10
	Kandla	775	775	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	722	722	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1175	1180	-5
	Chennai	1160	1150	10
	Delhi	1150	1150	Unch
	Hyderabad *	1180	1180	Unch
	Mumbai	1200	1210	-10
	Gondal	1175	1175	Unch
	Jamnagar	1175	1200	-25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	801	805	-4
	Jaipur (Kacchi Ghani Oil)	831	835	-4
	Kota (Expeller Oil)	750	770	-20
	Kota (Kacchi Ghani Oil)	835	835	Unch
	Neewai (Kacchi Ghani Oil)	775	820	-45
	Bharatpur (Kacchi Ghani Oil)	845	855	-10
	Alwar (Expeller Oil)	805	815	-10
	Sri-Ganga Nagar(Exp Oil)	760	760	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	815	Unch
	Mumbai (Expeller Oil)	820	830	-10
	New Delhi (Expeller Oil)	788	800	-12
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	1000	1000	Unch
	Agra (Kacchi Ghani Oil)	850	860	-10

Refined Cottonseed Oil	Rajkot	670	660	10
	Hyderabad	670	670	Unch
	Mumbai	670	670	Unch
	New Delhi	645	638	7
Coconut Oil	Kangayan (Crude)	785	785	Unch
	Cochin	820	820	Unch
	Trissur	790	790	Unch
Sesame Oil	New Delhi	825	825	Unch
	Mumbai	720	710	10
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	475	470	5
Rice Bran Oil (4%)	Punjab	565	565	Unch
Rice Bran Oil (4%)	Uttar Pradesh	565	565	Unch
Malaysia Palmolein USD/MT	FOB	700	710	-10
	CNF India	713	730	-17
Indonesia CPO USD/MT	FOB	683	683	Unch
	CNF India	713	730	-17
RBD Palm oil (Malaysia Origin USD/MT)	FOB	698	700	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	635	640	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1315	1325	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	585	590	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	890	895	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	718	718	Unch
Argentina FOB (\$/MT)		12-May-16	11-May-16	Change
Crude Soybean Oil Ship		720	731	-11
Refined Soy Oil (Bulk) Ship		745	756	-11
Sunflower Oil Ship		805	Unq	-
Cottonseed Oil Ship		700	711	-11
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* 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).

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