

Domestic Fundamentals:

- Sideways trend featured in various edible oils at different centers Saturday.
- 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
		14-May-16	13-May-16	
Refined Soybean Oil	Indore	NR	640	-
	Indore (Soy Solvent Crude)	NR	612	-
	Mumbai	NR	660	-
	Mumbai (Soy Degum)	NR	597	-
	Kandla/Mundra	NR	635	-
	Kandla/Mundra (Soy Degum)	NR	600	-
	Kolkata	NR	630	-
	Delhi	670	670	Unch
	Nagpur	633	633	Unch
	Rajkot	625	625	Unch
	Kota	640	640	Unch
	Akola	672	672	Unch
	Amrawati	671	671	Unch
	Bundi	643	643	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	NR	557	-
	Kandla (RBD Palm oil)	NR	565	-
	Kandla RBD Pamolein	NR	595	-
	Kakinada (Crude Palm Oil)	535	535	Unch
	Kakinada RBD Pamolein	NR	580	-
	Haldia Pamolein	NR	580	-

	Chennai RBD Pamolein	NR	580	-
	KPT (krishna patnam) Pamolein	NR	580	-
	Mumbai RBD Pamolein	NR	605	-
	Delhi	635	635	Unch
	Rajkot	590	590	Unch
	Hyderabad	618	618	Unch
	Mangalore RBD Pamolein	NR	590	-
	PFAD (Kandla)	NR	420	-
	Refined Palm Stearin (Kandla)	NR	480	-
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	NR	770	-
	Mumbai(Expeller Oil)	NR	670	-
	Kandla	NR	775	-
	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	1175	Unch
	Chennai	1160	1160	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1180	1180	Unch
	Mumbai	NR	1200	-
	Gondal	1160	1175	-15
	Jamnagar	1175	1175	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	803	801	2
	Jaipur (Kacchi Ghani Oil)	831	831	Unch
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	NR	835	-
	Neewai (Kacchi Ghani Oil)	775	775	Unch
	Bharatpur (Kacchi Ghani Oil)	850	845	5
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	NR	760	-
	Sri-Ganga Nagar (Kacchi Ghani Oil)	NR	815	-
	Mumbai (Expeller Oil)	NR	820	-
	New Delhi (Expeller Oil)	788	788	Unch
	Hapur (Expeller Oil)	Closed	920	-
	Hapur (Kacchi Ghani Oil)	Closed	1000	-

	Agra (Kacchi Ghani Oil)	855	850	5
Refined Cottonseed Oil	Rajkot	660	670	-10
	Hyderabad	670	670	Unch
	Mumbai	NR	670	-
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	785	785	Unch
	Cochin	NR	820	-
	Trissur	790	790	Unch
Sesame Oil	New Delhi	825	825	Unch
	Mumbai	NR	720	-
Kardi	Mumbai	NR	840	-
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	NR	565	-
Rice Bran Oil (4%)	Uttar Pradesh	NR	565	-
Malaysia Palmolein USD/MT	FOB	NR	700	-
	CNF India	NR	713	-
Indonesia CPO USD/MT	FOB	NR	683	-
	CNF India	NR	713	-
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	698	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	635	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1315	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	585	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	NR	890	-
Rapeseed Oil Rotterdam Euro/MT	FOB	Closed	718	-
Argentina FOB (\$/MT)		13-May-16	12-May-16	Change
Crude Soybean Oil Ship		716	720	-4
Refined Soy Oil (Bulk) Ship		741	745	-4
Sunflower Oil Ship		Unq	805	-
Cottonseed Oil Ship		696	700	-4
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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