

**Domestic Fundamentals:**

- Mixed sentiment featured in various edible oils at different centers Monday.
- 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.
- Better exports numbers of palm from Malaysia will push up prices of in coming days. 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. Recently palm oil prices have plunged on 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. 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.
- More soybeans is expected to be planted in US on higher soybean/corn ratio. Upward revision of area is expected in July area report.  
Soy oil fell on fall in palm oil prices and spreading of soy oil with soy meal. 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 destinations.  
Rise in crude oil prices are expected to support soy oil prices in near term. Prices of soy oil are in range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May 1-15 palm oil exports rose by 14.9 percent to 574,548 tons v/s 499,918 tons in corresponding period last month. Top buyers were India at 143,680 tons (79,500 tons), European Union at 93,885 tons (57,414 tons), Pakistan at 39,000 tons (16,500 tons), China at 36,150 tons (62,618 tons) and United States at 14,295 tons (25,810 tons). Values in brackets are figures of corresponding period last month.

**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	-2.60	655.50	655.85	651.30	652.90
July-16	0.30	661.00	661.90	655.60	659.25

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	41,470	-16450	123760	2120
July-16	10,730	-11000	81670	670

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-17.90	-24.25
June-16		6.35
July-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
May-16	-3.00	548.00	548.20	542.70	544.30
June-16	-1.90	541.20	541.60	536.70	538.30

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	865	-1262	3107	-22
June-16	890	-555	4844	318

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	4.7	10.7
May-16		-6
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	0.10	32.43	32.66	32.28	32.6
15-Aug	0.07	32.6	32.74	32.39	32.68
15-Sep	0.09	32.64	32.82	32.51	32.81
15-Oct	0.15	32.76	32.98	32.64	32.98
15-Dec	0.14	33.02	33.24	32.87	33.23

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	21	2633	2635	2599	2626
15-July	21	2605	2624	2585	2612
15-Aug	26	2583	2599	2562	2587
15-Sep	22	2540	2566	2532	2551

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
16/05/2016	6.52	13315	4.03	14.15	66.81	3.53	94.57	47.18

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-May-16	14-May-16	
Refined Soybean Oil	Indore	640	NR	-
	Indore (Soy Solvent Crude)	605	NR	-
	Mumbai	655	NR	-
	Mumbai (Soy Degum)	595	NR	-
	Kandla/Mundra	630	NR	-
	Kandla/Mundra (Soy Degum)	595	NR	-
	Kolkata	630	NR	-
	Delhi	670	670	Unch
	Nagpur	633	633	Unch
	Rajkot	620	625	-5
	Kota	640	640	Unch
	Akola	672	672	Unch
	Amrawati	671	671	Unch
	Bundi	640	643	-3
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	548	NR	-
	Kandla (RBD Palm oil)	575	NR	-
	Kandla RBD Pamolein	595	NR	-
	Kakinada (Crude Palm Oil)	530	535	-5
	Kakinada RBD Pamolein	575	NR	-
	Haldia Pamolein	585	NR	-

	Chennai RBD Pamolein	585	NR	-
	KPT (krishna patnam) Pamolein	575	NR	-
	Mumbai RBD Pamolein	600	NR	-
	Delhi	635	635	Unch
	Rajkot	595	590	5
	Hyderabad	599	618	-19
	Mangalore RBD Pamolein	585	NR	-
	PFAD (Kandla)	405	NR	-
	Refined Palm Stearin (Kandla)	470	NR	-
Refined Sunflower Oil	Chennai	Closed	720	-
	Mumbai	770	NR	-
	Mumbai(Expeller Oil)	670	NR	-
	Kandla	775	NR	-
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	722	-5
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	670	665	5
	Erode (Expeller Oil)	Closed	730	-
Groundnut Oil	Rajkot	1175	1175	Unch
	Chennai	Closed	1160	-
	Delhi	1150	1150	Unch
	Hyderabad *	1180	1180	Unch
	Mumbai	1200	NR	-
	Gondal	1160	1160	Unch
	Jamnagar	1175	1175	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	807	803	4
	Jaipur (Kacchi Ghani Oil)	838	831	7
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	835	NR	-
	Neewai (Kacchi Ghani Oil)	780	775	5
	Bharatpur (Kacchi Ghani Oil)	855	850	5
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	755	NR	-
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	NR	-
	Mumbai (Expeller Oil)	820	NR	-
	New Delhi (Expeller Oil)	788	788	Unch
	Hapur (Expeller Oil)	950	Closed	-
	Hapur (Kacchi Ghani Oil)	1000	Closed	-

	Agra (Kacchi Ghani Oil)	860	855	5
Refined Cottonseed Oil	Rajkot	655	660	-5
	Hyderabad	640	670	-30
	Mumbai	655	NR	-
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	Closed	785	-
	Cochin	820	NR	-
	Trissur	790	790	Unch
Sesame Oil	New Delhi	825	825	Unch
	Mumbai	840	NR	-
Kardi	Mumbai	730	NR	-
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	565	NR	-
Rice Bran Oil (4%)	Uttar Pradesh	565	NR	-
Malaysia Palmolein USD/MT	FOB	705	NR	-
	CNF India	718	NR	-
Indonesia CPO USD/MT	FOB	685	NR	-
	CNF India	713	NR	-
RBD Palm oil (Malaysia Origin USD/MT)	FOB	695	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	638	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1320	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	585	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	885	NR	-
Rapeseed Oil Rotterdam Euro/MT	FOB	NR	Closed	-
Argentina FOB (\$/MT)		14-May-16	13-May-16	Change
Crude Soybean Oil Ship		Unq	716	-
Refined Soy Oil (Bulk) Ship		Unq	741	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		Unq	696	-
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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