

Domestic Fundamentals:

- Weak sentiment featured in various edible oils at different centers Wednesday.
- 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. Demand is expected to stay firm for the rest of the month. Production of palm will improve in this month but the rise in production will lower than rise in exports. 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.
- Concerns over Argentina crop and expected shifting of buyers to US will support soybean complex prices in near term. Soy oil stocks in US rose as reported by NOPA rose in April from a month ago is bearish for soy oil. Stocks of soy oil are 35 percent above last year level in corresponding period. However, soy oil production on lower in April compared to a month ago on lower crush if soybean. Processors did not get better margins for higher crush. Sowing picked up in US last week above 5-year average but below last year's planting in corresponding period. More soybeans are expected to be planted in US on higher soybean/corn ratio. Upward revision of area is expected in July area report.
Soy oil share in crush has fallen to 31 percent which will support prices in near term.
Rise in crude oil prices are expected to support soy oil prices in near term. Prices of soy oil are in range.
- According to Malaysia Palm Oil Board (MPOB), Malaysia raised June Crude Palm Oil (CPO) export duty to 5.5 percent from 5 percent in May. Duty is calculated with reference price of 2625.18 ringgit (\$654) per ton for June. Tax is calculated at price above 2,550 ringgit starting from 4.5 percent to a maximum of 8.5 percent.
- According to National Oilseed Processors Association (NOPA), U.S. April soybean crush slowed to 147.614 billion bushels from 156.690 billion bushels in March, down by 6.15 percent m-o-m. Crush of soybean in April 2015 was 150.363 billion bushels which was record in history. April crush is second best in history. Production of soy oil in U.S. in April fell to 1.729 billion lbs from 1.841 billion lbs, down by 6.5 percent m-o-m. Production in April 2015 was 1.698 billion lbs. Lower production in April was due to lower crush of soybean. Soy oil stocks in U.S. at the end of April rose by 4.5 percent m-o-m to 1.942 billion lbs compared to 1.858 billion lbs in March 2016. Stocks of soy oil in April were higher by 35 percent compared to April 2015 which was reported at 1.441 million lbs. Yield fell to 11.72 lbs/bushel in April from 11.75 lbs/bushel in March. Yield in April 2015 was reported at 11.30 lbs/bushel.
- Soybean planting in U.S. reached 36 percent in week ended 15 May compared to 23 percent week ago and above 5-year average of 32 percent. Soybean planting was reported at 41 percent in the corresponding period last year. Soybeans were 10 percent emerged compared to 11 percent in the corresponding period last year and above 5-year average of 9 percent.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
June-16	-6.05	650.20	650.60	644.40	646.80
July-16	-7.35	657.00	658.00	651.10	653.00

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	64,680	25880	122480	-2910
July-16	14,360	2880	83190	2160

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-11.80	-18.00
June-16		6.20
July-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-16	-9.10	544.80	544.80	537.10	538.80
June-16	-10.00	540.00	540.00	530.10	532.50

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	1890	1148	2381	-610
June-16	3028	1809	4689	-166

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	6.2	12.5
May-16		-6.3
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	-0.32	32.79	33.05	32.29	32.46
15-Aug	-0.32	33	33.13	32.41	32.57
15-Sep	-0.32	32.99	33.21	32.53	32.69
15-Oct	-0.33	33.11	33.31	32.66	32.8
15-Dec	-0.33	33.38	33.63	32.89	33.06

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-40	2642	2646	2577	2591
15-July	-33	2635	2639	2563	2582
15-Aug	-36	2612	2616	2541	2561
15-Sep	-36	2580	2583	2512	2530

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
18/05/2016	6.53	13358	4.05	14.14	66.81	3.49	94.74	48.40

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-May-16	17-May-16	
Refined Soybean Oil	Indore	635	640	-5
	Indore (Soy Solvent Crude)	605	610	-5
	Mumbai	650	655	-5
	Mumbai (Soy Degum)	590	595	-5
	Kandla/Mundra	625	630	-5
	Kandla/Mundra (Soy Degum)	595	595	Unch
	Kolkata	630	630	Unch
	Delhi	670	670	Unch
	Nagpur	627	631	-4
	Rajkot	615	620	-5
	Kota	640	640	Unch
	Akola	665	672	-7
	Amrawati	666	671	-5
	Bundi	640	640	Unch
	Jalna	NA	NA	-
Alwar	NA	NA	-	
Solapur	NA	NA	-	
Dhule	NA	NA	-	
Palm Oil	Kandla (Crude Palm Oil)	545	550	-5
	Kandla (RBD Palm oil)	565	570	-5
	Kandla RBD Pamolein	595	600	-5
	Kakinada (Crude Palm Oil)	525	530	-5
	Kakinada RBD Pamolein	575	580	-5
	Haldia Pamolein	580	585	-5

	Chennai RBD Pamolein	585	590	-5
	KPT (krishna patnam) Pamolein	575	580	-5
	Mumbai RBD Pamolein	595	600	-5
	Delhi	640	645	-5
	Rajkot	585	595	-10
	Hyderabad	594	599	-5
	Mangalore RBD Pamolein	585	590	-5
	PFAD (Kandla)	410	405	5
	Refined Palm Stearin (Kandla)	475	470	5
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	760	770	-10
	Mumbai(Expeller Oil)	660	670	-10
	Kandla	765	770	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	670	670	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1140	1175	-35
	Chennai	1160	1160	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1180	-10
	Mumbai	1180	1200	-20
	Gondal	1150	1160	-10
	Jamnagar	1150	1175	-25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	801	804	-3
	Jaipur (Kacchi Ghani Oil)	832	835	-3
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	835	835	Unch
	Neewai (Kacchi Ghani Oil)	770	780	-10
	Bharatpur (Kacchi Ghani Oil)	850	860	-10
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	760	755	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	810	5
	Mumbai (Expeller Oil)	820	820	Unch
	New Delhi (Expeller Oil)	788	788	Unch
	Hapur (Expeller Oil)	950	950	Unch
	Hapur (Kacchi Ghani Oil)	995	1000	-5
	Agra (Kacchi Ghani Oil)	855	865	-10

Refined Cottonseed Oil	Rajkot	625	660	-35
	Hyderabad	640	660	-20
	Mumbai	655	655	Unch
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	780	790	-10
	Cochin	820	820	Unch
	Trissur	780	780	Unch
Sesame Oil	New Delhi	810	825	-15
	Mumbai	740	740	Unch
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	565	565	Unch
Rice Bran Oil (4%)	Uttar Pradesh	565	565	Unch
Malaysia Palmolein USD/MT	FOB	700	708	-8
	CNF India	713	723	-10
Indonesia CPO USD/MT	FOB	680	688	-8
	CNF India	708	718	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	693	700	-7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	635	643	-8
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1310	1320	-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	880	885	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	717	719	-2
Argentina FOB (\$/MT)	17-May-16	16-May-16	Change	
Crude Soybean Oil Ship	723	721	2	
Refined Soy Oil (Bulk) Ship	748	746	2	
Sunflower Oil Ship	Unq	Unq	-	
Cottonseed Oil Ship	703	701	2	
Refined Linseed Oil (Bulk) Ship	Unq	Unq	-	
<i>* indicates including VAT</i>				

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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