

**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       | -      |
| * 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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