

**Domestic Fundamentals:**

- Weak sentiment featured in various edible oils at different centers Thursday.
- Cascading impact of contagion in Chinese commodity markets is affecting palm oil prices in near term. Fall in prices in Dalian and depreciation of Chinese Yuan will affect commodity markets across globe. Chinese debt fuelled economy and artificial stimulus to boost markets and support asset prices are expected to fall flat. Palm will not be left behind this trap. Rise in US dollar on expected FED hike expected in June will depresses asset prices across globe. Export numbers of first 20 days of May will be reported tomorrow which will show modest rate of rise in exports. Demand is expected to be firm in near term. Fall in stocks of palm will be limited on rising production. However, palm fundamentals are not as bad as markets are behaving. Market participants should remain conscious of the impact of Chinese contagion on emerging markets and ability of dollar to affect asset prices. Prices of palm oil are in range.
- Chinese contagion and expected dollar rally in coming days will affect soy oil prices. Soy oil prices cannot escape both the external factors.  
Losses of Argentina soybean crop are expected to support soybean complex prices in near term. Markets can become tight on supply shortage from Argentina and expectation of lower crop in 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.  
Fall in crude oil prices and rally in dollar will depress prices of soy oil 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.

**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	-2.30	646.75	646.75	640.20	641.50
July-16	-2.55	652.00	653.35	647.00	648.50

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	43,340	-21340	120790	-1690
July-16	12,510	-1850	85110	1920

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-13.50	-20.50
June-16		7.00
July-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
May-16	-5.00	536.40	537.20	527.70	529.50
June-16	-5.20	530.00	530.80	521.70	523.30

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	1575	-315	2196	-185
June-16	1860	-1168	4530	-159

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	10.5	16.7
May-16		-6.2
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	-0.22	32.48	32.54	32.11	32.23
15-Aug	-0.21	32.6	32.6	32.23	32.35
15-Sep	-0.22	32.72	32.72	32.35	32.46
15-Oct	-0.27	32.84	32.85	32.46	32.54
15-Dec	-0.24	33.1	33.17	32.72	32.84

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-39	2600	2600	2548	2552
15-July	-45	2587	2597	2534	2537
15-Aug	-42	2566	2576	2517	2519
15-Sep	-37	2533	2544	2491	2493

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
19/05/2016	6.55	13600	4.09	14.12	67.36	3.55	95.27	47.28

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-May-16	18-May-16	
Refined Soybean Oil	Indore	628	635	-7
	Indore (Soy Solvent Crude)	600	605	-5
	Mumbai	640	650	-10
	Mumbai (Soy Degum)	585	590	-5
	Kandla/Mundra	625	625	Unch
	Kandla/Mundra (Soy Degum)	590	595	-5
	Kolkata	630	630	Unch
	Delhi	670	670	Unch
	Nagpur	622	627	-5
	Rajkot	615	615	Unch
	Kota	630	640	-10
	Akola	661	665	-4
	Amrawati	661	666	-5
	Bundi	638	640	-2
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	540	545	-5
	Kandla (RBD Palm oil)	565	565	Unch
	Kandla RBD Pamolein	590	595	-5
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	575	575	Unch
	Haldia Pamolein	575	580	-5

	Chennai RBD Pamolein	582	585	-3
	KPT (krishna patnam) Pamolein	575	575	Unch
	Mumbai RBD Pamolein	600	595	5
	Delhi	640	640	Unch
	Rajkot	585	585	Unch
	Hyderabad	594	594	Unch
	Mangalore RBD Pamolein	582	585	-3
	PFAD (Kandla)	405	410	-5
	Refined Palm Stearin (Kandla)	470	475	-5
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	745	760	-15
	Mumbai(Expeller Oil)	655	660	-5
	Kandla	765	765	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	670	-5
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1140	1140	Unch
	Chennai	1160	1160	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1170	Unch
	Mumbai	1180	1180	Unch
	Gondal	1150	1150	Unch
	Jamnagar	1150	1150	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	801	801	Unch
	Jaipur (Kacchi Ghani Oil)	832	832	Unch
	Kota (Expeller Oil)	740	750	-10
	Kota (Kacchi Ghani Oil)	825	835	-10
	Neewai (Kacchi Ghani Oil)	770	770	Unch
	Bharatpur (Kacchi Ghani Oil)	850	850	Unch
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	755	760	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	815	Unch
	Mumbai (Expeller Oil)	820	820	Unch
	New Delhi (Expeller Oil)	788	788	Unch
	Hapur (Expeller Oil)	950	950	Unch
	Hapur (Kacchi Ghani Oil)	995	995	Unch
	Agra (Kacchi Ghani Oil)	855	855	Unch

Refined Cottonseed Oil	Rajkot	655	655	Unch
	Hyderabad	640	640	Unch
	Mumbai	650	655	-5
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	780	780	Unch
	Cochin	820	820	Unch
	Trissur	780	780	Unch
Sesame Oil	New Delhi	810	810	Unch
	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	693	700	-7
	CNF India	708	713	-5
Indonesia CPO USD/MT	FOB	680	680	Unch
	CNF India	703	708	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	688	693	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	633	635	-2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1290	1310	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	583	585	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	885	880	5
Rapeseed Oil Rotterdam Euro/MT	FOB	717	717	Unch
Argentina FOB (\$/MT)		18-May-16	17-May-16	Change
Crude Soybean Oil Ship		716	723	-7
Refined Soy Oil (Bulk) Ship		741	748	-7
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		696	703	-7
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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