

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at different centers Monday.
- Exports of palm oil are firm ahead of Ramadan. Exports of palm increased in first 20 days of May. Demand from India has increased on higher imports of RBD palmolein. Lower differential between Malaysia RBD Palm and CPO Indonesia has prompted India to purchase more from Malaysia. However, demand from China has waned on decrease of demand due to higher imports of soybean for crushing. Demand is expected to be firm in near term. Fall in stocks of palm in Malaysia of palm will be limited on rising production.
Cascading impact of contagion in Chinese commodity markets is affecting palm oil prices in near term. Fall in commodity 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. 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.
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.
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.
Soy oil value in soy products has fallen below 29 percent which will support prices in near term.
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 cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May 1-20 palm oil exports rose 9.4 percent to 792,393 tons compared to 724,169 tons in the corresponding period last month. Top buyers were India at 259,680 tons (96,500 tons), European Union at 94,885 tons (88,774 tons), China at 62,650 tons (102,218 tons), Pakistan at 47,850 tons (16,500 tons) and United States at 35,265 tons (41,115 tons). Values in brackets are figures of corresponding period last month.

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	-1.60	635.80	639.45	634.65	637.00
July-16	-3.55	643.40	646.30	640.10	641.60

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	39,540	-5130	108330	-9350
July-16	21,970	3710	88710	5390

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-7.00	-11.60
June-16		4.60
July-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-16	-1.80	528.90	531.20	526.10	528.80
June-16	-1.10	516.60	519.60	512.70	519.50

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	489	-622	1934	39
June-16	2116	-318	4618	11

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	6.2	15.5
May-16		-9.3
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	-0.2	31.38	31.41	30.79	31.07
15-Aug	-0.2	31.5	31.5	30.9	31.18
15-Sep	-0.25	31.61	31.61	31.06	31.25
15-Oct	-0.27	31.75	31.75	31.16	31.36
15-Dec	-0.25	31.98	32.03	31.42	31.65

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-37	2537	2537	2507	2519
15-July	-25	2519	2525	2496	2515
15-Aug	-33	2502	2506	2475	2492
15-Sep	-28	2479	2479	2449	2463

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
23/05/2016	6.55	13616	4.09	14.08	67.49	3.52	95.30	47.81

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-May-16	21-May-16	
Refined Soybean Oil	Indore	632	625	7
	Indore (Soy Solvent Crude)	600	595	5
	Mumbai	640	640	Unch
	Mumbai (Soy Degum)	582	582	Unch
	Kandla/Mundra	620	620	Unch
	Kandla/Mundra (Soy Degum)	592	592	Unch
	Kolkata	620	620	Unch
	Delhi	660	670	-10
	Nagpur	620	Closed	-
	Rajkot	615	610	5
	Kota	630	620	10
	Akola	660	Closed	-
	Amrawati	659	Closed	-
	Bundi	630	635	-5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	535	535	Unch
	Kandla (RBD Palm oil)	555	555	Unch
	Kandla RBD Pamolein	580	580	Unch
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	570	575	-5
	Haldia Pamolein	572	575	-3

	Chennai RBD Pamolein	580	582	-2
	KPT (krishna patnam) Pamolein	570	575	-5
	Mumbai RBD Pamolein	595	595	Unch
	Delhi	630	640	-10
	Rajkot	570	578	-8
	Hyderabad	589	589	Unch
	Mangalore RBD Pamolein	580	582	-2
	PFAD (Kandla)	400	400	Unch
	Refined Palm Stearin (Kandla)	470	470	Unch
Refined Sunflower Oil	Chennai	700	695	5
	Mumbai	745	750	-5
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	750	760	-10
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1150	1140	10
	Chennai	1150	1150	Unch
	Delhi	1140	1150	-10
	Hyderabad *	1170	1170	Unch
	Mumbai	1180	1180	Unch
	Gondal	1155	1150	5
	Jamnagar	1150	1150	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	807	802	5
	Jaipur (Kacchi Ghani Oil)	838	831	7
	Kota (Expeller Oil)	740	730	10
	Kota (Kacchi Ghani Oil)	825	825	Unch
	Neewai (Kacchi Ghani Oil)	767	775	-8
	Bharatpur (Kacchi Ghani Oil)	840	850	-10
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	755	755	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	815	Unch
	Mumbai (Expeller Oil)	810	817	-7
	New Delhi (Expeller Oil)	770	788	-18
	Hapur (Expeller Oil)	880	Closed	-
	Hapur (Kacchi Ghani Oil)	994	Closed	-
	Agra (Kacchi Ghani Oil)	845	855	-10

Refined Cottonseed Oil	Rajkot	650	650	Unch
	Hyderabad	630	635	-5
	Mumbai	640	648	-8
	New Delhi	640	645	-5
Coconut Oil	Kangayan (Crude)	750	775	-25
	Cochin	800	810	-10
	Trissur	770	775	-5
Sesame Oil	New Delhi	810	810	Unch
	Mumbai	770	760	10
Kardi	Mumbai	840	845	-5
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	678	688	-10
	CNF India	690	698	-8
Indonesia CPO USD/MT	FOB	650	658	-8
	CNF India	688	695	-7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	673	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	618	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1290	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	575	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	880	880	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	722	Closed	-
Argentina FOB (\$/MT)		21-May-16	20-May-16	Change
Crude Soybean Oil Ship		Unq	702	-
Refined Soy Oil (Bulk) Ship		Unq	726	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		Unq	682	-
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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