

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at different centers Tuesday.
- Depreciation of Ringgit and better exports of palm oil ahead of Ramadan will support prices of palm in near term. 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.
Fall in stocks of palm in Malaysia in May 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 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 above estimates and equivalent to last year's planting in corresponding period. More soybeans are expected to be planted in US on higher soybean/corn ratio.
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. Production is expected to be better in May on higher realization due to higher price of soy meal.
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 China's General Administration of Customs, China's palm oil imports fell 42.76 percent in April to 274,264 tons. Year to date imports fell 0.06 percent to 1,433,672 tons. Imports from Indonesia fell by 47.93 percent to 135,408 tons. Year to date imports from Indonesia grew by 33.42 percent to 999,602 tons. Imports from Malaysia fell 38.92 percent in April to 133,856 tons. Year to date imports from Malaysia fell 36.86 percent to 429,042 tons.
- US soybean planting is 56% complete as on 22 May 2016 which is at par with the corresponding period last year, but up from 5 year average of 52%. Further, about 22% of the newly planted US soybean has emerged which is slightly below from 27% during the corresponding period last year, but up from 5 year average of 21%.

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	-0.45	639.10	643.40	637.30	638.50
July-16	0.15	645.00	649.00	643.05	644.00

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
June-16	50,820	11280	102320	-6010
July-16	16,400	-5570	86100	-2610

Vol-OI are taken at 5:30 PM

Spread	June-16	July-16
Basis	-3.50	-9.00
June-16		5.50
July-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
May-16	-0.80	532.00	534.90	529.30	530.00
June-16	-1.50	523.90	526.60	520.10	520.80

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
May-16	591	102	1865	-69
June-16	1635	-481	4428	-190

Vol-OI are taken at 5:30 PM

Spread	May-16	June-16
Basis	4	13.2
May-16		-9.2
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	-0.04	31.13	31.26	31	31.11
15-Aug	-0.04	31.26	31.35	31.11	31.22
15-Sep	-0.01	31.38	31.46	31.26	31.37
15-Oct	-0.05	31.5	31.56	31.38	31.45
15-Dec	-0.06	31.8	31.85	31.61	31.71

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	21	2544	2554	2539	2540
15-July	8	2536	2540	2522	2525
15-Aug	11	2510	2519	2499	2502
15-Sep	11	2490	2491	2472	2474

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
24/05/2016	6.555	13616	4.12	13.99	67.49	3.57	95.38	47.97

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-May-16	23-May-16	
Refined Soybean Oil	Indore	635	632	3
	Indore (Soy Solvent Crude)	600	600	Unch
	Mumbai	640	640	Unch
	Mumbai (Soy Degum)	585	582	3
	Kandla/Mundra	615	620	-5
	Kandla/Mundra (Soy Degum)	587	592	-5
	Kolkata	610	620	-10
	Delhi	660	660	Unch
	Nagpur	620	620	Unch
	Rajkot	612	615	-3
	Kota	630	630	Unch
	Akola	660	660	Unch
	Amrawati	659	659	Unch
	Bundi	630	630	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	534	535	-1
	Kandla (RBD Palm oil)	555	555	Unch
	Kandla RBD Pamolein	575	580	-5
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	570	570	Unch
	Haldia Pamolein	572	572	Unch

	Chennai RBD Pamolein	578	580	-2
	KPT (krishna patnam) Pamolein	565	570	-5
	Mumbai RBD Pamolein	595	595	Unch
	Delhi	630	630	Unch
	Rajkot	575	570	5
	Hyderabad	589	589	Unch
	Mangalore RBD Pamolein	578	580	-2
	PFAD (Kandla)	395	400	-5
	Refined Palm Stearin (Kandla)	465	470	-5
Refined Sunflower Oil	Chennai	700	700	Unch
	Mumbai	740	745	-5
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	745	750	-5
	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	1175	1150	25
	Chennai	1150	1150	Unch
	Delhi	1140	1140	Unch
	Hyderabad *	1170	1170	Unch
	Mumbai	1180	1180	Unch
	Gondal	1160	1155	5
	Jamnagar	1150	1150	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	807	807	Unch
	Jaipur (Kacchi Ghani Oil)	838	838	Unch
	Kota (Expeller Oil)	740	740	Unch
	Kota (Kacchi Ghani Oil)	825	825	Unch
	Neewai (Kacchi Ghani Oil)	767	767	Unch
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	760	755	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	815	-5
	Mumbai (Expeller Oil)	810	810	Unch
	New Delhi (Expeller Oil)	770	770	Unch
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	994	994	Unch
	Agra (Kacchi Ghani Oil)	845	845	Unch

Refined Cottonseed Oil	Rajkot	648	650	-2
	Hyderabad	630	630	Unch
	Mumbai	648	640	8
	New Delhi	630	640	-10
Coconut Oil	Kangayan (Crude)	760	750	10
	Cochin	800	800	Unch
	Trissur	770	770	Unch
Sesame Oil	New Delhi	810	810	Unch
	Mumbai	780	770	10
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	673	678	-5
	CNF India	688	690	-2
Indonesia CPO USD/MT	FOB	653	650	3
	CNF India	685	688	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	668	673	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	615	618	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1290	1290	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	573	575	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	880	880	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	715	722	-7
Argentina FOB (\$/MT)		23-May-16	21-May-16	Change
Crude Soybean Oil Ship		701	Unq	-
Refined Soy Oil (Bulk) Ship		725	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		681	Unq	-
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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