

**Domestic Fundamentals:**

- Mixed sentiments featured in edible oils at various markets on flat demand on Tuesday.
- Depreciation of Ringgit and better exports of palm oil ahead of Ramadan will support palm oil prices in near term. Export figures of May show that demand is expected to be strong in June. Lower prices of palm have enhanced demand especially from Malaysia. Aggressive pricing by refiners from Malaysia has led to buyers shifting from Indonesia to Malaysia. 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. Fall in stocks of palm in Malaysia is expected to be higher in May on higher exports and slow pace of growth of production. Malaysia has embarked on biodiesel mandate to increase the use of crude palm oil in domestic consumption. Malaysia imposed export duty to channel more CPO towards refining and biodiesel in place of exporting as raw product. Prices of palm oil are in range with upward bias.
- Soy oil contribution in soybean products falling as low as 27.2 percent will set the rally due to spreading with soy meal. Sowing picked up in US last week above 5-year average and equivalent to last year's planting in corresponding period. Yields are expected to be higher on good moisture in growing areas. 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 higher in May on higher realization due to higher price of soy meal which may increase soy oil stocks in US and underpin prices. Rise in crude oil prices will support soy oil prices in near term. Prices of soy oil are in range with upward bias.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May palm oil exports rose 15 percent to 1,251,695 tons from 1,088,052 tons in April. Top buyers were India at 362,980 tons (207,000 tons), European Union at 186,277 tons (134,452 tons), China at 112,750 tons (124,368 tons), United States at 105,591 tons (80,015 tons) and Pakistan at 47,850 tons (39,890 tons). Values in brackets are figures of April 2016.
- According to Indonesia trade ministry, Indonesia kept crude palm oil export duty unchanged at USD 3.00 per ton in June. Tax will be charged at reference price above USD 750 per ton. Indonesia imposed export duty on crude palm oil for first time since October 2014 in April.
- According to Malaysia's ministry of plantation industries and commodities, Malaysia will implement its biodiesel mandate and raise blending of bio content in biodiesel to 10 percent for transportation sector and 7 percent for industrial sector starting June. This program will use yearly domestic consumption of crude palm oil by 709,000 tons, according to the ministry.

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

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
June-16	-0.25	648.00	648.70	645.30	647.60
July-16	-1.45	655.40	656.10	652.25	653.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-16	20,370	-28920	75900	-10860
July-16	21,210	-14490	100920	2480

Vol-OI are taken at 5:05 PM

Spread	June-16	July-16
Basis	-7.60	-13.80
June-16		6.20
July-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
June-16	-1.30	532.40	532.40	527.20	530.30
July-16	-1.00	525.60	526.10	523.00	525.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-16	1933	-391	5368	273
July-16	837	-217	2962	679

Vol-OI are taken at 5:05 PM

Spread	June-16	July-16
Basis	9.7	14.5
June-16		-4.8
July-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	0.08	31.48	31.72	31.42	31.56
15-Aug	0.05	31.58	31.81	31.55	31.66
15-Sep	0.04	31.73	31.95	31.72	31.78
15-Oct	0.05	32.01	32.01	31.9	31.92
15-Dec	0.06	32.14	32.39	32.09	32.23

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	14	2600	2635	2595	2635
15-July	12	2621	2640	2602	2639
15-Aug	20	2602	2623	2580	2620
15-Sep	18	2574	2598	2555	2597

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
31/05/2016	6.58	13627	4.12	13.95	67.25	3.56	95.53	49.55

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-May-16	30-May-16	
Refined Soybean Oil	Indore	640	645	-5
	Indore (Soy Solvent Crude)	605	610	-5
	Mumbai	640	640	Unch
	Mumbai (Soy Degum)	592	590	2
	Kandla/Mundra	620	625	-5
	Kandla/Mundra (Soy Degum)	595	595	Unch
	Kolkata	620	620	Unch
	Delhi	665	665	Unch
	Nagpur	619	621	-2
	Rajkot	617	620	-3
	Kota	635	635	Unch
	Hyderabad	641	641	Unch
	Akola	658	660	-2
	Amrawati	658	659	-1
	Bundi	635	635	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	540	542	-2
	Kandla (RBD Palm oil)	562	565	-3
	Kandla RBD Pamolein	585	590	-5
	Kakinada (Crude Palm Oil)	515	515	Unch

	Kakinada RBD Pamolein	572	572	Unch
	Haldia Pamolein	580	575	5
	Chennai RBD Pamolein	580	580	Unch
	KPT (krishna patnam) Pamolein	572	572	Unch
	Mumbai RBD Pamolein	590	590	Unch
	Delhi	625	625	Unch
	Rajkot	575	580	-5
	Hyderabad	589	589	Unch
	Mangalore RBD Pamolein	580	580	Unch
	PFAD (Kandla)	390	400	-10
	Refined Palm Stearin (Kandla)	435	460	-25
Refined Sunflower Oil	Chennai	700	700	Unch
	Mumbai	740	740	Unch
	Mumbai(Expeller Oil)	660	660	Unch
	Kandla	745	745	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	720	713	7
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1160	10
	Mumbai	1180	1180	Unch
	Gondal	1170	1170	Unch
	Jamnagar	1170	1160	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	785	786	-1
	Jaipur (Kacchi Ghani Oil)	821	825	-4
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	825	825	Unch
	Neewai (Kacchi Ghani Oil)	768	768	Unch
	Neewai (Expeller Oil)	808	808	Unch
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Kacchi Ghani Oil)	780	780	Unch
	Alwar (Expeller Oil)	800	800	Unch
	Sri-Ganga Nagar(Exp Oil)	765	751	14
	Sri-Ganga Nagar (Kacchi	810	805	5

	Ghani Oil)			
	Mumbai (Expeller Oil)	825	810	15
	Kolkata (Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	777	777	Unch
	Hapur (Expeller Oil)	886	886	Unch
	Hapur (Kacchi Ghani Oil)	992	992	Unch
	Agra (Kacchi Ghani Oil)	845	845	Unch
Refined Cottonseed Oil	Rajkot	655	660	-5
	Hyderabad	630	630	Unch
	Mumbai	650	650	Unch
	New Delhi	635	635	Unch
Coconut Oil	Kangayan (Crude)	755	755	Unch
	Cochin	790	790	Unch
	Trissur	755	755	Unch
Sesame Oil	New Delhi	810	810	Unch
	Mumbai	790	790	Unch
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	480	480	Unch
Rice Bran Oil (4%)	Punjab	565	565	Unch
Rice Bran Oil (4%)	Uttar Pradesh	565	565	Unch
Malaysia Palmolein USD/MT	FOB	683	683	Unch
	CNF India	685	688	-3
Indonesia CPO USD/MT	FOB	660	675	-15
	CNF India	683	685	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	673	675	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	625	625	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1340	1340	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	583	583	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	878	885	-7
Rapeseed Oil Rotterdam Euro/MT	FOB	720	720	Unch
Argentina FOB (\$/MT)		30-May-16	28-May-16	Change
Crude Soybean Oil Ship		Unq	Unq	-
Refined Soy Oil (Bulk) Ship		Unq	Unq	-

Sunflower Oil Ship	Unq	Unq	-
Cottonseed Oil Ship	Unq	Unq	-
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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