

Domestic Fundamentals:

- Mixed sentiments featured in edible oils at various markets on flat demand on Wednesday.
- 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. Indonesia's palm oil exports shot up in April on higher demand from India. India is the driving force for global palm demand. Demand from China has waned both from Malaysia and Indonesia due to shift in demand towards soy oil due to low soy oil premium over palm oil. Production of palm in Indonesia has touched bottom and is expected to improve since May. 33 percent drawdown of palm oil stocks in Indonesia helped price surge in BMD in May. However, due to weak global cues markets may correct. Worries emerging from China may prompt commodities markets lower. 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.
- Soybean planting in US has exceeded estimates and above 5-year average and crop condition is better than expected. Soy oil contribution in soybean products falling as low as 27 percent will help support rally due to spreading with soy meal. Soy oil stocks in US rose as reported by NOPA 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. Fall in crude oil prices and strength in dollar will underpin prices in near term. Prices of soy oil are in range with upward bias.
- US soybean planting is 73% complete as on 29 May 2016 which is up from 68% during corresponding period last year and also above from 5 year average of 66%. Further, about 45% of the newly planted US soybean has emerged which is slightly up from 44% during the corresponding period last year and also up from 5 year average of 40%.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's April palm and palm kernel oil exports rose by 20 percent to 2.09 MMT from 1.74 MMT in March. Top buyers were India at 568,120 tons (429,910 tons), European Union at 368,770 tons (313,060 tons) and China at 149,340 tons. Values in brackets are figures of March 2016.
- According to Indonesian Palm Oil Association (GAPKI), Indonesia's April palm and palm kernel oil production rose by 1 percent to 2.34 MMT from 2.32 MMT in March. Indonesia's stocks of palm oil fell by 33 percent to 2.27 million tons in April from 3.02 million tons in March.

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	-4.75	648.00	649.40	642.60	644.50
July-16	-4.65	656.00	656.60	650.00	652.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-16	25,770	5400	72460	-3440
July-16	39,850	18640	104500	3580

Vol-OI are taken at 5:05 PM

Spread	June-16	July-16
Basis	0.50	-7.30
June-16		7.80
July-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
June-16	-4.50	532.00	532.40	526.20	527.60
July-16	-3.10	526.00	526.20	521.60	522.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-16	906	-1027	5362	-6
July-16	517	-320	3106	144

Vol-OI are taken at 5:05 PM

Spread	June-16	July-16
Basis	7.4	12.4
June-16		-5
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	-0.26	31.78	31.94	31.5	31.56
15-Aug	-0.26	31.9	31.99	31.64	31.68
15-Sep	-0.29	32.05	32.13	31.73	31.76
15-Oct	-0.30	32.14	32.18	31.83	31.84
15-Dec	-0.28	32.41	32.5	32.08	32.13

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-15	2655	2657	2620	2624
15-July	-24	2634	2650	2613	2616
15-Aug	-22	2615	2634	2592	2598
15-Sep	-23	2590	2609	2569	2575

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
1/06/2016	6.58	13669	4.156	13.98	67.25	3.58	95.51	48.43

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		1-Jun-16	31-May-16	
Refined Soybean Oil	Indore	645	640	5
	Indore (Soy Solvent Crude)	610	605	5
	Mumbai	640	640	Unch
	Mumbai (Soy Degum)	592	592	Unch
	Kandla/Mundra	620	620	Unch
	Kandla/Mundra (Soy Degum)	595	595	Unch
	Kolkata	620	620	Unch
	Delhi	665	665	Unch
	Nagpur	619	619	Unch
	Rajkot	625	617	8
	Kota	635	635	Unch
	Hyderabad	641	641	Unch
	Akola	658	658	Unch
	Amrawati	658	658	Unch
	Bundi	635	635	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	537	540	-3
	Kandla (RBD Palm oil)	560	562	-2
	Kandla RBD Pamolein	585	585	Unch
	Kakinada (Crude Palm Oil)	525	515	10
	Kakinada RBD Pamolein	570	572	-2

	Haldia Pamolein	578	580	-2
	Chennai RBD Pamolein	575	580	-5
	KPT (krishna patnam) Pamolein	572	572	Unch
	Mumbai RBD Pamolein	590	590	Unch
	Delhi	625	625	Unch
	Rajkot	578	575	3
	Hyderabad	594	589	5
	Mangalore RBD Pamolein	575	580	-5
	PFAD (Kandla)	390	390	Unch
	Refined Palm Stearin (Kandla)	450	435	15
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)	717	720	-3
	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	1170	Unch
	Mumbai	1180	1180	Unch
	Gondal	1185	1170	15
	Jamnagar	1180	1170	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	790	785	5
	Jaipur (Kacchi Ghani Oil)	825	821	4
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	825	825	Unch
	Neewai (Kacchi Ghani Oil)	765	768	-3
	Neewai (Expeller Oil)	805	808	-3
	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)	760	765	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	810	Unch
	Mumbai (Expeller Oil)	825	825	Unch
	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	655	Unch
	Hyderabad	630	630	Unch
	Mumbai	650	650	Unch
	New Delhi	635	635	Unch
Coconut Oil	Kangayan (Crude)	760	755	5
	Cochin	790	790	Unch
	Trissur	765	755	10
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	688	683	5
	CNF India	693	685	8
Indonesia CPO USD/MT	FOB	670	660	10
	CNF India	693	683	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	683	673	10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	630	625	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1340	1340	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	585	583	2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	878	878	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	718	720	-2
Argentina FOB (\$/MT)		31-May-16	30-May-16	Change
Crude Soybean Oil Ship		715	Unq	-
Refined Soy Oil (Bulk) Ship		740	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		695	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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2016 Indian Agribusiness Systems Pvt Ltd.