

Domestic Fundamentals:

- Mostly weak sentiment featured in edible oils at various market centers on Wednesday.
- Expectation of slowdown of demand and rise in production in Malaysia has underpinned prices in near term. Fall in exports in first 15 days of June indicates demand is already covered and demand is low ahead. Markets have to find new triggers to support prices otherwise market weakness is not ruled out.
Weather has improved in Southeast Asia and conditions have improved for palm production.
Demand from India is weak in June due to lower demand due to summers.
Factors supporting palm oil bulls are waning, while global selloff in commodities and risk arising out of China will adversely affect prices in near term.
Prices of palm oil are in range.
- Soybean crop condition is very good in US and crop yield is expected to be higher than USDA estimates. Informa upgraded soybean yield projection higher. Area report on June 30 is expected to show higher area of soybean in US. USDA kept soybean production of Argentina unchanged at 56 MMT while it reduced Brazil's soybean crop by 2 MMT to 97 MMT.
US is benefiting from losses in Argentina and lower crop in Brazil. New crop sales are expected to be robust in US in 2016/17, according to USDA.
Stocks of soy oil in US are high and with higher crush in May and June, stocks of soy oil will rise and underpin prices.
Fall in crude oil prices and strength in dollar will underpin prices.
China's commodity markets concerns and global selloff in commodities will adversely affect soy oil prices.
Prices of soy oil are in range.
- Malaysia raised export duty on crude palm oil from 5.5 percent to 6 percent for July. Tax is calculated at a reference rate of 2,730.51 ringgit (\$665.73) per ton. Price above 2,250 incurs a tax starting from 4.5 percent to a maximum of 8.5 percent.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June 1-15 palm oil exports fell by 3.4 percent to 555,116 tons compared to 574,548 tons in the corresponding period last month. Top buyers were European Union at 86,220 tons (93,885 tons), China at 74,675 tons (36,150 tons), India at 55,070 tons (143,680 tons), Pakistan at 50,000 tons (39,000 tons) and United States at 2,000 tons (14,295 tons). Values in brackets are figures of corresponding period last month.
- US soybean planting is 92% complete as on 12 June 2016 which is up from 85% during corresponding period last year and also above from 5 year average of 87%. Further, about 79% of the newly planted US soybean has emerged which is up from 72% during the corresponding period last year and also up from 5 year average of 72%. About 74% of the newly planted US soybean crop is under good to excellent conditions which up 67% during the same period last year.

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
July-16	-1.20	646.00	647.65	643.00	645.50
Aug-16	-1.25	653.55	655.00	650.50	653.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	45,140	-14020	118160	-650
Aug-16	19,820	4530	94560	12730

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	-5.50	-13.00
July-16		7.50
Aug-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
June-16	-2.80	516.10	517.90	514.20	515.80
July-16	-2.40	513.00	514.70	509.60	512.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-16	1650	345	2083	-200
July-16	1264	59	4210	324

Vol-OI are taken at 5:05 PM

Spread	June-16	July-16
Basis	4.2	7.3
June-16		-3.1
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	-0.23	32.52	32.56	32.21	32.29
15-Aug	-0.24	32.65	32.7	32.37	32.43
15-Sep	-0.24	32.72	32.83	32.53	32.57
15-Oct	-0.26	32.91	32.92	32.66	32.7
15-Dec	-0.24	33.24	33.29	32.94	33.02

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	-11	2489	2507	2444	2477
15-July	-14	2485	2502	2437	2468
15-Aug	-10	2470	2490	2427	2460
15-Sep	-5	2453	2474	2417	2448

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
15/06/2016	6.58	13349	4.10	13.74	67.14	3.48	94.75	48.10

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-Jun-16	14-Jun-16	
Refined Soybean Oil	Indore	640	638	2
	Indore (Soy Solvent Crude)	605	600	5
	Mumbai	635	640	-5
	Mumbai (Soy Degum)	585	595	-10
	Kandla/Mundra	625	620	5
	Kandla/Mundra (Soy Degum)	600	600	Unch
	Kolkata	620	625	-5
	Delhi	670	670	Unch
	Nagpur	625	625	Unch
	Rajkot	625	625	Unch
	Kota	640	640	Unch
	Hyderabad	641	641	Unch
	Akola	671	671	Unch
	Amrawati	664	664	Unch
	Bundi	638	643	-5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	520	522	-2
	Kandla (RBD Palm oil)	545	548	-3
	Kandla RBD Pamolein	568	575	-7
	Kakinada (Crude Palm Oil)	520	520	Unch
	Kakinada RBD Pamolein	563	565	-2

	Haldia Pamolein	570	575	-5
	Chennai RBD Pamolein	565	570	-5
	KPT (krishna patnam) Pamolein	560	560	Unch
	Mumbai RBD Pamolein	570	585	-15
	Delhi	620	625	-5
	Rajkot	565	568	-3
	Hyderabad	580	580	Unch
	Mangalore RBD Pamolein	575	578	-3
	PFAD (Kandla)	395	400	-5
	Refined Palm Stearin (Kandla)	465	470	-5
Refined Sunflower Oil	Chennai	695	700	-5
	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	745	745	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	717	Unch
	Latur (Expeller Oil)	725	722	3
	Chellakere (Expeller Oil)	670	675	-5
	Erode (Expeller Oil)	725	730	-5
Groundnut Oil	Rajkot	1250	1250	Unch
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1170	Unch
	Mumbai	1250	1250	Unch
	Gondal	1250	1250	Unch
	Jamnagar	1250	1250	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	821	825	-4
	Jaipur (Kacchi Ghani Oil)	859	861	-2
	Kota (Expeller Oil)	780	790	-10
	Kota (Kacchi Ghani Oil)	865	872	-7
	Neewai (Expeller Oil)	800	800	Unch
	Neewai (Kacchi Ghani Oil)	845	845	Unch
	Bharatpur (Kacchi Ghani Oil)	880	890	-10
	Alwar (Expeller Oil)	780	780	Unch
	Alwar (Kacchi Ghani Oil)	800	800	Unch
	Sri-Ganga Nagar(Exp Oil)	810	810	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	860	860	Unch
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	940	940	Unch

	New Delhi (Expeller Oil)	840	820	20
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	1000	1000	Unch
	Agra (Kacchi Ghani Oil)	885	895	-10
Refined Cottonseed Oil	Rajkot	665	665	Unch
	Hyderabad	635	635	Unch
	Mumbai	670	672	-2
	New Delhi	650	650	Unch
Coconut Oil	Kangayan (Crude)	780	780	Unch
	Cochin	790	780	10
	Trissur	795	795	Unch
Sesame Oil	New Delhi	750	780	-30
	Mumbai	750	760	-10
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	475	480	-5
Rice Bran Oil (4%)	Punjab	570	570	Unch
Rice Bran Oil (4%)	Uttar Pradesh	570	570	Unch
Malaysia Palmolein USD/MT	FOB	645	660	-15
	CNF India	660	670	-10
Indonesia CPO USD/MT	FOB	635	645	-10
	CNF India	660	670	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	650	653	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	610	623	-13
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1430	1450	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	563	565	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	870	870	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	720	711	9
Argentina FOB (\$/MT)		14-Jun-16	13-Jun-16	Change
Crude Soybean Oil Ship		718	720	-2
Refined Soy Oil (Bulk) Ship		743	745	-2
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		698	700	-2
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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