

**Domestic Fundamentals:**

- Mixed sentiment featured in edible oils at various market centers on Tuesday.
- Weakening of demand of palm oil and rise in production on seasonal uptrend of production will underpin prices in near term. Exports fell 10.2 percent in first 25 days of June from Malaysia. Indonesia recorded fall of 16 percent in palm oil exports in May. Weak exports from Indonesia have led to abolition of export duty. Ramadan demand is already covered and fresh demand will only rise when the prices fall sharply. Otherwise demand is slow ahead. Stocks of palm are expected to remain stable if they do not fall. Demand from India is weak and there is no seasonal demand before festivals after monsoons. Demand of palm from China has weakened in recent months due to shift towards domestically crushed soy oil. Shift is due to low premium of soy oil over palm oil. Ringgit appreciation and global selloff in commodities and risk arising out of China and Britain exit from EU will adversely affect prices in near term. Prices of palm oil are in range.
- Better weather in soybean growing areas in US will improve yields and recovery of soybean. However, dry weather is expected in second half of July. China's commodity market concerns and concerns from Britain exit from EU is expected to adversely affect soy oil prices in near term. Expectation of higher stocks of soy oil on higher production of soy oil in US due to higher soybean crush on improving crush margins will underpin soy oil prices in near term. US June soy oil stocks are expected to rise on higher production of soy oil due to higher crush of soybean by crushers. Stocks of soy oil in US are higher by 26 percent from a year ago. If production of soy oil rises then stocks will rise further and underpin prices. Spreading of soy oil with soy meal may support soy oil prices in near term. Fall in crude oil prices and strength in dollar will underpin prices in near term. Prices of soy oil are in range.
- US soybean planting is complete as on 26 June 2016. Further, about 95% of the newly planted US soybean has emerged which is up from 88% during the corresponding period last year and also up from 5 year average of 91%. About 9% of the newly planted US soybean is blooming which is up from 7% during the corresponding period last year and 5-year average. Also 72% of the newly planted US soybean crop is under good to excellent conditions which is up from 63% during the same period last year.
- According to Indonesia's trade ministry, Indonesia's will not charge export duty on export of crude palm oil (CPO) in July compared to \$3/ton duty above reference prices of \$750/ton for June. Uncompetitive exports of palm oil from Indonesia compared to Malaysia's palm products have led to this step.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's May palm and palm kernel oil exports fell by 16 percent to 1.76 MMT from 2.09 MMT in March. Top buyers were India at 471,530 tons (568,120 tons), European Union at 270,190 tons (368,770 tons) and China at 119,320 tons (149,340 tons). Values in brackets are figures of April 2016.

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

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
July-16	-0.40	646.65	647.80	644.30	646.75
Aug-16	3.05	647.95	651.60	647.05	651.15

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	31,380	4450	72990	-4480
Aug-16	30,720	-1730	94660	-2490

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	-6.75	-11.15
July-16		4.40
Aug-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
July-16	3.10	508.40	511.80	507.00	511.10
Aug-16	3.20	505.50	509.90	505.00	509.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	1509	-118	5386	416
Aug-16	300	27	1787	137

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	0.9	2.5
July-16		-1.6
Aug-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	0.18	31.27	31.47	31.22	31.44
15-Aug	0.16	31.4	31.59	31.35	31.56
15-Sep	0.15	31.55	31.7	31.52	31.68
15-Oct	0.18	31.64	31.86	31.6	31.83
15-Dec	0.17	31.94	32.13	31.86	32.1

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-July	-27	2467	2467	2438	2440
15-Aug	-3	2424	2430	2402	2411
15-Sep	-3	2389	2396	2368	2378
15-Oct	-2	2370	2381	2352	2362

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
28/06/2016	6.64	13178	4.07	15.29	67.95	3.39	95.94	47.59

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Jun-16	27-Jun-16	
Refined Soybean Oil	Indore	640	640	Unch
	Indore (Soy Solvent Crude)	610	610	Unch
	Mumbai	635	635	Unch
	Mumbai (Soy Degum)	588	588	Unch
	Kandla/Mundra	625	625	Unch
	Kandla/Mundra (Soy Degum)	592	592	Unch
	Kolkata	620	620	Unch
	Delhi	670	670	Unch
	Nagpur	638	638	Unch
	Rajkot	620	620	Unch
	Kota	640	640	Unch
	Hyderabad	641	641	Unch
	Akola	674	677	-3
	Amrawati	677	677	Unch
	Bundi	640	640	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	512	510	2
	Kandla (RBD Palm oil)	535	535	Unch
	Kandla RBD Pamolein	558	560	-2
	Kakinada (Crude Palm Oil)	510	510	Unch
	Kakinada RBD Pamolein	555	555	Unch



	Haldia Pamolein	560	560	Unch
	Chennai RBD Pamolein	560	560	Unch
	KPT (krishna patnam) Pamolein	550	555	-5
	Mumbai RBD Pamolein	560	560	Unch
	Delhi	610	610	Unch
	Rajkot	555	555	Unch
	Hyderabad	580	580	Unch
	Mangalore RBD Pamolein	560	560	Unch
	PFAD (Kandla)	415	415	Unch
	Refined Palm Stearin (Kandla)	450	450	Unch
Refined Sunflower Oil	Chennai	695	695	Unch
	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	745	740	5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	717	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	720	720	Unch
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1175	1170	5
	Mumbai	1300	1290	10
	Gondal	1300	1300	Unch
	Jamnagar	1300	1300	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	824	824	Unch
	Jaipur (Kacchi Ghani Oil)	874	873	1
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	870	875	-5
	Neewai (Expeller Oil)	810	810	Unch
	Neewai (Kacchi Ghani Oil)	855	855	Unch
	Bharatpur (Kacchi Ghani Oil)	890	890	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	815	820	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	865	860	5
	Mumbai (Expeller Oil)	860	860	Unch
	Kolkata(Expeller Oil)	970	970	Unch



	New Delhi (Expeller Oil)	835	835	Unch
	Hapur (Expeller Oil)	920	920	Unch
	Hapur (Kacchi Ghani Oil)	980	980	Unch
	Agra (Kacchi Ghani Oil)	895	895	Unch
Refined Cottonseed Oil	Rajkot	695	690	5
	Hyderabad	635	635	Unch
	Mumbai	682	680	2
	New Delhi	655	655	Unch
Coconut Oil	Kangayan (Crude)	745	765	-20
	Cochin	790	790	Unch
	Trissur	750	780	-30
Sesame Oil	New Delhi	750	750	Unch
	Mumbai	740	740	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	570	570	Unch
Rice Bran Oil (4%)	Uttar Pradesh	570	570	Unch
Malaysia Palmolein USD/MT	FOB	633	633	Unch
	CNF India	648	648	Unch
Indonesia CPO USD/MT	FOB	618	620	-2
	CNF India	650	650	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	625	625	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	608	608	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1370	1380	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	553	555	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1305	-
Ukraine Origin CSFO USD/MT Kandla	CIF	860	860	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	693	695	-2
Argentina FOB (\$/MT)		27-Jun-16	25-Jun-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	-
* 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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