

**Domestic Fundamentals:**

- Mixed sentiment featured in edible oils at various market centers on Wednesday.
- 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	<b>-6.10</b>	642.15	642.15	637.10	637.90
Aug-16	<b>-4.85</b>	645.60	646.00	641.35	642.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	34,420	3040	67170	-5820
Aug-16	47,220	16500	102070	7410

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	2.10	-2.60
July-16		4.70
Aug-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
July-16	<b>-6.10</b>	503.60	505.60	499.60	501.00
Aug-16	<b>-6.20</b>	502.00	504.00	498.90	499.40

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	3717	2208	5611	225
Aug-16	556	256	2253	466

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	9	10.6
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	-0.16	31.1	31.3	30.85	30.95
15-Aug	-0.15	31.15	31.44	31	31.1
15-Sep	-0.14	31.33	31.54	31.15	31.25
15-Oct	-0.2	31.46	31.57	31.3	31.3
15-Dec	-0.12	31.76	31.98	31.54	31.64

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-July	-68	2421	2421	2370	2383
15-Aug	-57	2393	2393	2346	2354
15-Sep	-57	2362	2365	2317	2323
15-Oct	-54	2347	2350	2303	2307

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
29/06/2016	6.65	13189	4.02	15.29	67.95	3.30	95.94	48.28

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		29-Jun-16	28-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	620	625	-5
	Kandla/Mundra (Soy Degum)	592	592	Unch
	Kolkata	620	620	Unch
	Delhi	670	670	Unch
	Nagpur	636	638	-2
	Rajkot	620	620	Unch
	Kota	640	640	Unch
	Hyderabad	641	641	Unch
	Akola	674	674	Unch
	Amrawati	674	677	-3
	Bundi	638	640	-2
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	510	512	-2
	Kandla (RBD Palm oil)	525	535	-10
	Kandla RBD Pamolein	555	558	-3
	Kakinada (Crude Palm Oil)	510	510	Unch
	Kakinada RBD Pamolein	555	555	Unch

	Haldia Pamolein	555	560	-5
	Chennai RBD Pamolein	560	560	Unch
	KPT (krishna patnam) Pamolein	545	550	-5
	Mumbai RBD Pamolein	558	560	-2
	Delhi	610	610	Unch
	Rajkot	550	555	-5
	Hyderabad	570	580	-10
	Mangalore RBD Pamolein	560	560	Unch
	PFAD (Kandla)	410	415	-5
	Refined Palm Stearin (Kandla)	450	450	Unch
Refined Sunflower Oil	Chennai	695	695	Unch
	Mumbai	750	745	5
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	750	745	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)	725	720	5
Groundnut Oil	Rajkot	1300	1300	Unch
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1175	1175	Unch
	Mumbai	1300	1300	Unch
	Gondal	1315	1300	15
	Jamnagar	1325	1300	25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	826	824	2
	Jaipur (Kacchi Ghani Oil)	878	874	4
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	870	870	Unch
	Neewai (Expeller Oil)	815	810	5
	Neewai (Kacchi Ghani Oil)	860	855	5
	Bharatpur (Kacchi Ghani Oil)	900	890	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	865	865	Unch
	Mumbai (Expeller Oil)	870	860	10
	Kolkata(Expeller Oil)	970	970	Unch



	New Delhi (Expeller Oil)	835	835	Unch
	Hapur (Expeller Oil)	930	920	10
	Hapur (Kacchi Ghani Oil)	1000	980	20
	Agra (Kacchi Ghani Oil)	905	895	10
Refined Cottonseed Oil	Rajkot	700	695	5
	Hyderabad	645	635	10
	Mumbai	684	682	2
	New Delhi	655	655	Unch
Coconut Oil	Kangayan (Crude)	740	745	-5
	Cochin	790	790	Unch
	Trissur	740	750	-10
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	628	633	-5
	CNF India	646	648	-2
Indonesia CPO USD/MT	FOB	613	618	-5
	CNF India	645	650	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	623	625	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	610	608	2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1360	1370	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	553	553	Unch
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	688	693	-5
Argentina FOB (\$/MT)		28-Jun-16	27-Jun-16	Change
Crude Soybean Oil Ship		685	Unq	-
Refined Soy Oil (Bulk) Ship		708	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		665	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.