



Domestic Fundamentals:

- Commodities linked to China will be under stress in near term including palm oil. China is second largest importer of palm oil and its influence to palm and soy oil is very high.
Fall in exports of palm oil and expectation of rise in production on seasonal uptrend of production will underpin prices in near term. Stocks of palm oil are expected to rise in June on lower exports and increase in production.
Demand from India is weak and there is no seasonal uptrend of 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, global selloff in commodities and Britain exit from EU are additional bearish factors in near term. Competitive oils will support prices in near term.
Prices of palm oil are in range.
- China's commodity market concerns on slowdown of Chinese manufacturing have led to fall of prices on global commodities. Commodities linked to China will be hit in near term. Britain exit from EU has led policy makers guessing about future course of action to support their economies.
USDA reported higher stocks of soy oil in US in May due to higher crush of soybean. USDA reported record area under soybean in US and if area and yield holds then soybean crop will be record in history. Better weather in soybean growing areas in US will improve yields and recovery of soybean.
Expectation of higher stocks of soy oil on higher production of soy oil in US due to higher soybean crush 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.
Fall in crude oil prices and strength in dollar will underpin prices in near term. Prices of soy oil are in range.
- US processors have crushed 4.83 million tons of soybean during May which is up from 4.75 million during the month of April, said USDA. Crush in May 2015 was 4.68 million tons. Market was expecting the May soybean crush at 4.874 million tons. Soy meal inventories at the end of the month May stood at 343,411 tons down from 365,653 tons in April, while crude soy oil inventories stood at 2.063 billion pounds at May end compared to 2.049 billion pounds at April end. Refined soy oil stocks are at 402.9 million pounds.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June palm oil exports fell 11.2 percent to 1,111,413 tons compared to 1,251,695 tons in May 2016. Top buyers were European Union at 203,251 tons (186,277 tons), India at 195,105 tons (362,980 tons), China at 134,675 tons (112,750 tons), United States at 69,560 tons (105,591 tons) and Pakistan at 50,000 tons (47,850 tons). Values in brackets are figures of last May 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	-1.55	642.00	645.70	642.00	644.25
Aug-16	-1.60	651.20	653.65	650.00	651.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	17,570	-1460	50020	-6000
Aug-16	31,240	-7400	97730	2980

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	-4.25	-11.80
July-16		7.55
Aug-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
July-16	-3.30	507.60	508.10	505.60	507.00
Aug-16	-3.60	504.00	506.00	503.10	504.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-16	1460	-131	4785	-163
Aug-16	347	-1	2414	-10

Vol-OI are taken at 5:05 PM

Spread	July-16	Aug-16
Basis	0	2.7
July-16		-2.7
Aug-16		

* CPO Kandla prices taken for spread calculated as at 5:30 PM

July 7, 2016
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-July	0.37	31.38	31.76	31.27	31.75
15-Aug	0.34	31.53	31.91	31.41	31.87
15-Sep	0.35	31.66	32.05	31.53	32.01
15-Oct	0.34	31.73	32.13	31.73	32.12
15-Dec	0.33	32.1	32.44	31.92	32.4

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-July	-51	2420	2420	2400	2409
15-Aug	-47	2395	2404	2373	2383
15-Sep	-42	2382	2383	2350	2355
15-Oct	-45	2370	2370	2336	2340

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/07/2016	6.67	13095	4.02	15.01	67.45	3.28	95.55	47.77

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Jul-16	5-Jul-16	
Refined Soybean Oil	Indore	640	640	Unch
	Indore (Soy Solvent Crude)	605	610	-5
	Mumbai	635	640	-5
	Mumbai (Soy Degum)	590	590	Unch
	Kandla/Mundra	620	620	Unch
	Kandla/Mundra (Soy Degum)	595	598	-3
	Kolkata	625	625	Unch
	Delhi	670	670	Unch
	Nagpur	Closed	638	-
	Rajkot	Closed	614	-
	Kota	645	645	Unch
	Hyderabad	641	641	Unch
	Akola	Closed	677	-
	Amrawati	Closed	676	-
	Bundi	638	640	-2
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	506	507	-1
	Kandla (RBD Palm oil)	525	530	-5
	Kandla RBD Pamolein	550	555	-5
	Kakinada (Crude Palm Oil)	505	505	Unch
	Kakinada RBD Pamolein	550	550	Unch
	Haldia Pamolein	555	555	Unch

	Chennai RBD Pamolein	555	555	Unch
	KPT (krishna patnam) Pamolein	545	545	Unch
	Mumbai RBD Pamolein	555	560	-5
	Delhi	610	610	Unch
	Rajkot	Closed	550	-
	Hyderabad	557	565	-8
	Mangalore RBD Pamolein	555	555	Unch
	PFAD (Kandla)	420	420	Unch
	Refined Palm Stearin (Kandla)	455	455	Unch
Refined Sunflower Oil	Chennai	695	695	Unch
	Mumbai	750	750	Unch
	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	750	750	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	708	713	-5
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	725	725	Unch
Groundnut Oil	Rajkot	Closed	1400	-
	Chennai	1120	1180	-60
	Delhi	1200	1200	Unch
	Hyderabad *	1130	1130	Unch
	Mumbai	1400	1400	Unch
	Gondal	Closed	1375	-
	Jamnagar	Closed	1400	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	835	841	-6
	Jaipur (Kacchi Ghani Oil)	895	898	-3
	Kota (Expeller Oil)	775	785	-10
	Kota (Kacchi Ghani Oil)	895	880	15
	Neewai (Expeller Oil)	835	835	Unch
	Neewai (Kacchi Ghani Oil)	875	875	Unch
	Bharatpur (Kacchi Ghani Oil)	920	940	-20
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	840	830	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	880	10
	Mumbai (Expeller Oil)	870	870	Unch
	Kolkata(Expeller Oil)	970	970	Unch
	New Delhi (Expeller Oil)	860	860	Unch

	Hapur (Expeller Oil)	Closed	1020	-
	Hapur (Kacchi Ghani Oil)	Closed	1100	-
	Agra (Kacchi Ghani Oil)	925	945	-20
Refined Cottonseed Oil	Rajkot	Closed	712	-
	Hyderabad	645	650	-5
	Mumbai	705	700	5
	New Delhi	655	655	Unch
Coconut Oil	Kangayan (Crude)	730	730	Unch
	Cochin	790	790	Unch
	Trissur	730	730	Unch
Sesame Oil	New Delhi	750	750	Unch
	Mumbai	740	740	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	460	460	Unch
Rice Bran Oil (4%)	Punjab	570	570	Unch
Rice Bran Oil (4%)	Uttar Pradesh	570	570	Unch
Malaysia Palmolein USD/MT	FOB	Closed	633	-
	CNF India	643	643	Unch
Indonesia CPO USD/MT	FOB	Closed	620	-
	CNF India	643	648	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	628	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	620	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1380	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	563	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1330	-
Ukraine Origin CSFO USD/MT Kandla	CIF	858	850	8
Rapeseed Oil Rotterdam Euro/MT	FOB	682	690	-8
Argentina FOB (\$/MT)		5-Jul-16	4-Jul-16	Change
Crude Soybean Oil Ship		680	Unq	-
Refined Soy Oil (Bulk) Ship		704	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		660	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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