

Domestic Fundamentals:

- Mostly sideways to weak sentiment featured in various edible oils at various centers on Thursday.
- India's import of edible oils fell 8.2 percent on higher import duty imposed on import. Higher base prices and exchange rate contributed to weak margins leading to weak imports. CPO imports were the major casualty of increase in import duty on edible oils. Soy oil was the major beneficiary of current import duty regime. Imports of soft oils increased from 34% to 42% while palm oil products share decreased to 58% from 66%. Shift of consumption pattern and inverted duty structure by palm oil exporting countries have led to record RBD palmolein imports in the current oil year. Palm oil industry is struggling from idle capacity while better monsoon after drought for two consecutive years have softened domestic crushed edible oils and crush has turned positive. With record US soybean crop, higher soy oil supply from Argentina and good domestic oilseed crop, prices of edible oil in domestic market is expected to soften which will dampen imports in coming months.
- Weak exports in first ten days of September primarily from India and China coupled with weak CBOT soy oil and DALIAN RBD palmolein has underpin prices of palm oil in near term. Demand from India is weak as imports surged in August and stocks are 60-70 percent covered for demand season starting October. Market is adjusting to slowdown in demand. However, weak Ringgit is expected to support palm oil prices in near term. Ringgit depreciation will support prices in near term. Competitive oils will underpin prices in near term. Stability in Chinese financial markets has helped palm oil prices in near term and is expected to stable in near term.
- According to Solvent Extractors Association (SEA), India's August edible oil imports fell 8.2 percent y-o-y to 12.49 lakh tons from 13.65 lakh tons in August 2015. Palm oil imports fell 6.9 percent y-o-y to 7.55 lakh tons y-o-y from 8.1 lakh tons in August 2015. CPO Imports fell by 16.25 percent y-o-y to 5.41 lakh tons from 6.46 lakh tons in August 2015. RBD palmolein imports rose by 34.18 percent y-o-y to 2.12 lakh tons from 1.58 lakh tons in August 2015. Soy oil imports were down 17.7 y-o-y to 3.34 lakh tons from 4.06 lakh tons in August 2015. Sunflower oil imports rose by 10.8 percent y-o-y to 1.13 lakh tons from 1.02 lakh ton in August 2015. Rapeseed (Canola) oil imports rose by 6.7 percent y-o-y to 0.48 lakh tons from 0.45 lakh tons in August 2015.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's September 1-15 palm oil exports fell 11 percent to 668,288 tons compared to 750,942 tons in the corresponding period last month. Top buyers were China at 125,060 tons (130,050 tons), India at 120,300 tons (207,900 tons), European Union at 92,930 tons (131,771 tons), Pakistan at 30,000 tons (12,000 tons) and US at 13,335 tons (17,685 tons). Values in brackets are figures of corresponding period last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia increased October crude palm oil export duty to 6.5 percent from 5 percent in September. Tax is calculated at reference price of 2879.47 ringgit (USD 698) per ton. Prices above 2,250 ringgit are taxed with tax starting from 4.5 percent to a maximum of 8.5 percent.

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
Oct-16	-0.35	647.40	648.10	640.00	646.50
Nov-16	-0.45	646.30	650.90	643.20	649.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Oct-16	52,440	22220	56700	-3000
Nov-16	11,440	440	35740	240

Vol-OI are taken at 5:05 PM

Spread	Oct-16	Nov-16
Basis	-1.50	-4.30
Oct-16		2.80
Nov-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Aug-16	-1.50	562.70	563.00	552.50	559.50
Sep-16	-1.80	546.50	549.00	538.00	544.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Aug-16	2733	1653	3909	-547
Sep-16	1388	1021	1608	-230

Vol-OI are taken at 5:05 PM

Spread	Aug-16	Sep-16
Basis	15.5	30.4
Aug-16		-14.9
Sep-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-Oct	0.18	31.7	31.85	31.55	31.8
15-Dec	0.19	31.94	32.13	31.77	32.05
15-Jan	0.21	32.18	32.32	32.02	32.3
15-May	0.20	32.47	32.58	32.3	32.55
15-July	0.18	32.66	32.78	32.48	32.74

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Oct	55	2650	2737	2643	2718
15-Nov	30	2553	2610	2553	2594
15-Dec	30	2520	2581	2520	2565
15-Jan	30	2520	2571	2520	2558

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
15/09/2016	6.675	13187	4.137	15.02	67.02	3.34	95.40	45.16

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-Sep-16	14-Sep-16	
Refined Soybean Oil	Indore	645	645	Unch
	Indore (Soy Solvent Crude)	620	618	2
	Mumbai	650	660	-10
	Mumbai (Soy Degum)	608	608	Unch
	Kandla/Mundra	630	640	-10
	Kandla/Mundra (Soy Degum)	600	605	-5
	Kolkata	645	645	Unch
	Delhi	690	690	Unch
	Nagpur	Closed	654	-
	Rajkot	625	625	Unch
	Kota	650	650	Unch
	Hyderabad	Closed	665	-
	Akola	Closed	692	-
	Amrawati	Closed	693	-
	Bundi	Closed	645	-
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	575	575	Unch
	Kandla (RBD Palm oil)	595	600	-5
	Kandla RBD Pamolein	615	615	Unch
	Kakinada (Crude Palm Oil)	Closed	565	-
	Kakinada RBD Pamolein	620	625	-5



	Haldia Pamolein	625	625	Unch
	Chennai RBD Pamolein	625	625	Unch
	KPT (krishna patnam) Pamolein	615	615	Unch
	Mumbai RBD Pamolein	625	625	Unch
	Delhi	660	665	-5
	Rajkot	610	615	-5
	Hyderabad	Closed	632	-
	Mangalore RBD Pamolein	625	625	Unch
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	520	520	Unch
Refined Sunflower Oil	Chennai	715	715	Unch
	Mumbai	735	735	Unch
	Mumbai(Expeller Oil)	645	645	Unch
	Kandla	740	740	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	Closed	722	-
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	740	740	Unch
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	1080	1080	Unch
	Delhi	1100	1100	Unch
	Hyderabad *	Closed	1145	-
	Mumbai	1210	1240	-30
	Gondal	1150	1150	Unch
	Jamnagar	1150	1200	-50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	840	840	Unch
	Jaipur (Kacchi Ghani Oil)	909	905	4
	Kota (Expeller Oil)	830	830	Unch
	Kota (Kacchi Ghani Oil)	920	920	Unch
	Neewai (Expeller Oil)	845	845	Unch
	Neewai (Kacchi Ghani Oil)	893	893	Unch
	Bharatpur (Kacchi Ghani Oil)	935	930	5
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	860	860	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	890	Unch
	Mumbai (Expeller Oil)	850	860	-10
	Kolkata(Expeller Oil)	1030	1030	Unch

	New Delhi (Expeller Oil)	875	875	Unch
	Hapur (Expeller Oil)	900	900	Unch
	Hapur (Kacchi Ghani Oil)	1000	1000	Unch
	Agra (Kacchi Ghani Oil)	940	935	5
Refined Cottonseed Oil	Rajkot	680	685	-5
	Hyderabad	Closed	695	-
	Mumbai	700	705	-5
	New Delhi	660	660	Unch
Coconut Oil	Kangayan (Crude)	890	890	Unch
	Cochin	785	785	Unch
	Trissur	910	910	Unch
Sesame Oil	New Delhi	700	700	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	480	480	Unch
Rice Bran Oil (4%)	Punjab	580	570	10
Rice Bran Oil (4%)	Uttar Pradesh	580	570	10
Malaysia Palmolein USD/MT	FOB	730	723	7
	CNF India	740	735	5
Indonesia CPO USD/MT	FOB	710	710	Unch
	CNF India	735	740	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	715	718	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	698	698	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1585	1590	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	600	598	2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1525	-
Ukraine Origin CSFO USD/MT Kandla	CIF	825	830	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	746	753	-7
Argentina FOB (\$/MT)		14-Sep-16	13-Sep-16	Change
Crude Soybean Oil Ship		Unq	725	-
Refined Soy Oil (Bulk) Ship		Unq	750	-
Sunflower Oil Ship		765	Unq	-
Cottonseed Oil Ship		Unq	705	-
Refined Linseed Oil (Bulk) Ship		Unq	745	-
* 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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