

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various centers on Friday.
- 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 15 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.
- Soy oil stocks fell in US in August on lower production of soy oil due to lower crush of soybean. Fall in soybean crush was below market expectations. Soy oil stocks in US are has fallen consecutively for past three months and a rebound is not expected in September. Crushers are waiting for new crop to start crushing while demand for soy meal is low.
- According to National Oilseed Processors Association (NOPA), U.S. August soybean crush fell to 131.822 million bushels from 143.715 million bushels in July, down by 7.9 percent m-o-m. Crush of soybean in August 2015 was 135.304 million bushels. Production of soy oil in U.S. in August fell to 1.557 billion lbs from 1.687 billion lbs in July 2016. Production in August 2015 was 1.534 billion lbs. Soy oil stocks in U.S. at the end of August fell by 7.00 percent to 1.620 billion lbs compared to 1.743 billion lbs in July 2016. Stocks of soy oil in August 2015 were higher by 9.46 percent compared to August 2015, which was reported at 1.480 million lbs. Yield rose to 11.81 lbs/bushel in August from 11.74 lbs/bushel in July. Yield in August 2015 was reported at 11.33 lbs/bushel.
- According to Solvent Extractors Association (SEA), India's August edible oil stocks at ports and pipelines was lower by 4.65 m-o-m at 20.50 lakh tons from 21.50 lakh tons in July 2016. Stocks of edible oil at ports were at 755,000 tons (CPO 215,000 tons, RBD palmolein 110,000 tons, Degummed Soybean Oil 300,000 tons, Crude Sunflower Oil 105,000 tons and 25,000 tons of Rapeseed (Canola) Oil) and about 1,300,000 tons in pipelines. India is presently holding 37 days of edible oil requirement on 1st September, 2016 at 20.5 lakh tons compared to 39 days of requirements last month. India's monthly edible oil requirement is 16.5 lakh tons.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Oct-16	6.50	645.40	653.00	645.40	651.80
Nov-16	4.60	648.00	654.10	648.00	652.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Oct-16	49,140	-3300	56410	-290
Nov-16	9,220	-2220	36110	370

Vol-OI are taken at 5:05 PM

Spread	Oct-16	Nov-16
Basis	-4.80	-5.70
Oct-16		0.90
Nov-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Aug-16	6.80	556.20	565.40	556.20	563.60
Sep-16	4.70	542.30	548.00	540.30	546.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Aug-16	2226	-507	3837	-72
Sep-16	1156	-232	1659	51

Vol-OI are taken at 5:05 PM

Spread	Aug-16	Sep-16
Basis	11.4	28.5
Aug-16		-17.1
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	0.16	32.09	32.25	32.06	32.2
15-Dec	0.16	32.33	32.48	32.29	32.44
15-Jan	0.15	32.54	32.71	32.53	32.66
15-May	0.14	32.79	32.95	32.77	32.9
15-July	0.11	33.05	33.15	33.05	33.06

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)
16/09/2016	6.67	13153	4.14	15.06	66.98	3.30	95.48	43.21

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-Sep-16	15-Sep-16	
Refined Soybean Oil	Indore	647	645	2
	Indore (Soy Solvent Crude)	615	620	-5
	Mumbai	655	650	5
	Mumbai (Soy Degum)	605	608	-3
	Kandla/Mundra	630	630	Unch
	Kandla/Mundra (Soy Degum)	600	600	Unch
	Kolkata	645	645	Unch
	Delhi	675	690	-15
	Nagpur	654	Closed	-
	Rajkot	630	625	5
	Kota	655	650	5
	Hyderabad	665	Closed	-
	Akola	694	Closed	-
	Amrawati	694	Closed	-
	Bundi	655	Closed	-
	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	595	Unch
	Kandla RBD Pamolein	620	615	5
	Kakinada (Crude Palm Oil)	550	Closed	-
	Kakinada RBD Pamolein	615	620	-5



	Haldia Pamolein	620	625	-5
	Chennai RBD Pamolein	620	625	-5
	KPT (krishna patnam) Pamolein	610	615	-5
	Mumbai RBD Pamolein	630	625	5
	Delhi	665	660	5
	Rajkot	615	610	5
	Hyderabad	608	Closed	-
	Mangalore RBD Pamolein	620	625	-5
	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)	713	Closed	-
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	Closed	740	-
Groundnut Oil	Rajkot	1150	1150	Unch
	Chennai	980	1080	-100
	Delhi	980	1100	-120
	Hyderabad *	1120	Closed	-
	Mumbai	1200	1210	-10
	Gondal	1150	1150	Unch
	Jamnagar	1150	1150	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	840	840	Unch
	Jaipur (Kacchi Ghani Oil)	918	909	9
	Kota (Expeller Oil)	830	830	Unch
	Kota (Kacchi Ghani Oil)	900	920	-20
	Neewai (Expeller Oil)	845	845	Unch
	Neewai (Kacchi Ghani Oil)	893	893	Unch
	Bharatpur (Kacchi Ghani Oil)	940	935	5
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	840	860	-20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	880	890	-10
	Mumbai (Expeller Oil)	860	850	10
	Kolkata(Expeller Oil)	1030	1030	Unch



	New Delhi (Expeller Oil)	880	875	5
	Hapur (Expeller Oil)	900	900	Unch
	Hapur (Kacchi Ghani Oil)	1000	1000	Unch
	Agra (Kacchi Ghani Oil)	945	940	5
Refined Cottonseed Oil	Rajkot	690	680	10
	Hyderabad	680	Closed	-
	Mumbai	700	700	Unch
	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	590	580	10
Rice Bran Oil (4%)	Uttar Pradesh	590	580	10
Malaysia Palmolein USD/MT	FOB	Closed	730	-
	CNF India	748	740	8
Indonesia CPO USD/MT	FOB	Closed	710	-
	CNF India	740	735	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	715	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	698	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1585	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	600	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1520	-
Ukraine Origin CSFO USD/MT Kandla	CIF	825	825	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	750	746	4
Argentina FOB (\$/MT)		15-Sep-16	14-Sep-16	Change
Crude Soybean Oil Ship		735	Unq	-
Refined Soy Oil (Bulk) Ship		761	Unq	-
Sunflower Oil Ship		Unq	765	-
Cottonseed Oil Ship		715	Unq	-
Refined Linseed Oil (Bulk) Ship		755	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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