

**Domestic Fundamentals:**

- Weak sentiment featured in various edible oils at various centers on Tuesday.
- Fall in prices of soy oil CBOT and weak exports from Malaysia will underpin palm oil prices in near term. Demand is weak especially from India and China with seasonal downtrend of demand expected ahead which will decrease demand in medium term and underpin prices. Production will rise in September and October but at a lower rate due to lagged effect of El Nino which hit earlier this year. Exports are weak in first 25 days of September as shown by SGS/ITS by 15-16 percent primarily from India and China. Demand is weak at the moment and major price correction is needed to induce demand in medium term. However, demand has firmed from India in near term due to cut in import duty of palm oils. Aggressive pricing by Malaysia will support demand from India. Prices are in range
- Soybean crop harvest in US is slow compared to corresponding period last year due to rains in US Midwest which slowed harvest. However, weather is forecasted to be dry in next 10 days which will improve harvest. Supply pressure of soybean in US will underpin soybean complex prices in medium term. Soy oil production is expected to improve in US as soybean harvest picks up pace.  
CNF prices of soy oil in India have remained stable despite fall in global benchmark due to rise in basis. Demand of soy oil has weakened due to cut in import duty of palm oil. Fall in crude oil prices underpin soy oil prices in near term.
- About 68% of the US soybean crop is dropping leaves which down from 69% during the corresponding period last year but above from 64% with the 5 year average. Harvesting is reported at 10% down compared to 17% during the corresponding period last year and from 13% from 5 year average. About 73% of the newly planted US soybean crop is under good to excellent conditions which is up from 62% during the same period last year, reported in the US crop progress report dated 26 Sept. 2016.
- In a major event Brazil's 2016/17 soybean planting has commenced and it is 1.2% complete in Mato Grosso by September 22. Brazil's rise in soybean area is likely to slow down in 2016/17 with cost of planting soybean up 8% and high price of corn, the cultivators are buying corn acres. Earlier, AgRural had forecast Brazil's 2016/17 soybean area at 33.54 million hectares, up just 1% from 2015/16.
- According to Indian government, India reduced import duty on palm oils by 5 basis points on both crude palm oil and refined palm oil. Import duty on crude palm oil (CPO) has been reduced to 7.5 percent from 12.5 percent. Import duty on refined palm oils has been reduced from 20 percent to 15 percent. Import duties on other imported oils were left unchanged.
- According to cargo surveyor Societe Generale de Surveillance, Malaysia's September 1-25 palm oil exports fell 15.8 percent to 1,108,829 tons compared to 1,316,245 tons in the corresponding period last month. Top buyers were European Union at 215,605 tons (249,915 tons), India at 209,480 tons (392,416 tons), China at 186,030 tons (216,550 tons), Pakistan at 45,000 tons (17,000 tons) and United States at 30,635 tons (60,385 tons). Values in brackets are figures of corresponding period last month.

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

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
Oct-16	<b>-6.70</b>	659.20	659.75	653.30	654.55
Nov-16	<b>-6.40</b>	661.20	662.95	656.90	657.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Oct-16	36,510	-16070	56720	-2090
Nov-16	17,060	-13290	52380	2340

Vol-OI are taken at 5:05 PM

Spread	Oct-16	Nov-16
Basis	0.45	-2.30
Oct-16		2.75
Nov-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
Sep-16	<b>-2.50</b>	576.00	578.50	574.60	576.70
Oct-16	<b>-14.30</b>	551.90	552.00	538.70	539.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Sep-16	596	-1255	3419	-124
Oct-16	2955	-430	3619	384

Vol-OI are taken at 5:05 PM

Spread	Sep-16	Oct-16
Basis	3.3	40.5
Sep-16		-37.2
Oct-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	-0.24	33.17	33.25	32.84	32.88
15-Dec	-0.23	33.37	33.49	33.06	33.12
15-Jan	-0.24	33.62	33.71	33.3	33.35
15-May	-0.24	33.9	33.91	33.55	33.59
15-July	-0.23	33.97	33.99	33.72	33.76

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Oct	-54	2890	2890	2841	2849
15-Nov	-50	2754	2764	2720	2724
15-Dec	-52	2700	2705	2657	2663
15-Jan	-52	2665	3673	3624	3635

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
26/09/2016	6.668	12923	4.13	15.23	66.48	3.24	95.39	45.08

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		27-Sep-16	26-Sep-16	
Refined Soybean Oil	Indore	655	660	-5
	Indore (Soy Solvent Crude)	625	625	Unch
	Mumbai	665	665	Unch
	Mumbai (Soy Degum)	618	620	-2
	Kandla/Mundra	650	650	Unch
	Kandla/Mundra (Soy Degum)	615	618	-3
	Kolkata	650	650	Unch
	Delhi	690	690	Unch
	Nagpur	672	675	-3
	Rajkot	640	640	Unch
	Kota	665	660	5
	Hyderabad	670	670	Unch
	Akola	710	712	-2
	Amrawati	710	712	-2
	Bundi	660	660	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	580	592	-12
	Kandla (RBD Palm oil)	600	600	Unch
	Kandla RBD Pamolein	620	625	-5
	Kakinada (Crude Palm Oil)	565	565	Unch
	Kakinada RBD Pamolein	615	620	-5



	Haldia Pamolein	625	630	-5
	Chennai RBD Pamolein	620	625	-5
	KPT (krishna patnam) Pamolein	610	615	-5
	Mumbai RBD Pamolein	630	630	Unch
	Delhi	670	675	-5
	Rajkot	620	620	Unch
	Hyderabad	603	603	Unch
	Mangalore RBD Pamolein	620	625	-5
	PFAD (Kandla)	480	480	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	740	745	-5
	Mumbai(Expeller Oil)	675	675	Unch
	Kandla	740	745	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	675	675	Unch
	Erode (Expeller Oil)	745	745	Unch
Groundnut Oil	Rajkot	1200	1225	-25
	Chennai	1000	1000	Unch
	Delhi	950	950	Unch
	Hyderabad *	950	1030	-80
	Mumbai	1260	1260	Unch
	Gondal	1200	1250	-50
	Jamnagar	1200	1250	-50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	832	840	-8
	Jaipur (Kacchi Ghani Oil)	893	901	-8
	Kota (Expeller Oil)	833	835	-2
	Kota (Kacchi Ghani Oil)	902	908	-6
	Neewai (Expeller Oil)	830	830	Unch
	Neewai (Kacchi Ghani Oil)	880	880	Unch
	Bharatpur (Kacchi Ghani Oil)	925	925	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	850	850	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	895	-5
	Mumbai (Expeller Oil)	860	860	Unch
	Kolkata(Expeller Oil)	1030	1030	Unch



	New Delhi (Expeller Oil)	880	880	Unch
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	960	970	-10
	Agra (Kacchi Ghani Oil)	930	930	Unch
Refined Cottonseed Oil	Rajkot	690	695	-5
	Hyderabad	680	680	Unch
	Mumbai	715	715	Unch
	New Delhi	660	655	5
Coconut Oil	Kangayan (Crude)	930	935	-5
	Cochin	790	790	Unch
	Trissur	930	930	Unch
Sesame Oil	New Delhi	700	700	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	495	495	Unch
Rice Bran Oil (4%)	Punjab	600	600	Unch
Rice Bran Oil (4%)	Uttar Pradesh	600	600	Unch
Malaysia Palmolein USD/MT	FOB	740	748	-8
	CNF India	760	763	-3
Indonesia CPO USD/MT	FOB	728	730	-2
	CNF India	753	753	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	735	743	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	728	728	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1600	1595	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	633	633	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1520	-
Ukraine Origin CSFO USD/MT Kandla	CIF	840	840	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	753	763	-10
Argentina FOB (\$/MT)		26-Sep-16	24-Sep-16	Change
Crude Soybean Oil Ship		765	Closed	-
Refined Soy Oil (Bulk) Ship		792	Closed	-
Sunflower Oil Ship		Unq	Closed	-
Cottonseed Oil Ship		745	Closed	-
Refined Linseed Oil (Bulk) Ship		785	Closed	-
* 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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