

Domestic Fundamentals:

- Edible oils witnessed sideways and weak sentiment at various market centers on Tuesday.
- Weak exports of palm oil from Malaysia are expected to adversely affect palm oil prices in near term. Exports for first 15 days of October suggest weak demand from China which was purchased less due to National Day holidays. Demand from India is also weak as stocks are covered for festivals and new demand will arise when prices correct. Winter is expected to arrive early in North hemisphere which is expected to adversely affect demand of palm in medium term.
Palm oil prices are influenced by DALIAN RBD palmolein and CBOT soy oil. Production is expected to decline in October in Malaysia in October. Production is expected to rise in Indonesia in October. Both countries are struggling to raise production due to lagged effect of El Nino.
India unexpectedly lowered base import prices of CPO and RBD palmolein setting stage for improvement of imports from Malaysia which will support prices in medium term.
Weak ringgit is expected to support palm oil prices in near term. Prices are in range
- NOPA reported lower soy oil stocks in September in US on lower production of soy oil and higher usage. Recovery rate was also low. Stocks are just 1.5 percent higher than last September. Stocks were lower than estimates which supported soy oil prices. Lower stocks of soy oil will support soy oil prices in near term. Crushers are still not crushing as they expect prices to fall and demand of soy meal is weak as buyers expect lower prices on record crops in US. Yields are reported to be very high in top producing states in US on harvest. USDA is expected to increase yield of soybean in November estimate which will further raise record crops.
Rise in crude oil prices will support soy oil prices in near term. Prices are in range.
- According to National Oilseed Processors Association (NOPA), U.S. September soybean crush fell to 129.405 million bushels from 131.822 million bushels in August, down by 1.8 percent m-o-m. Crush of soybean in September 2015 was 126.704 million bushels. Production of soy oil in U.S. in September fell to 1.522 billion lbs from 1.557 billion lbs in August 2016. Production in September 2015 was 1.451 billion lbs. Soy oil stocks in U.S. at the end of September fell by 15.00 percent to 1.376 billion lbs compared to 1.620 billion lbs in August 2016. Stocks of soy oil in September were higher by 1.5 percent compared to September 2015, which was reported at 1.355 million lbs. Yield fell to 11.76 lbs/bushel in September from 11.81 lbs/bushel in August. Yield in September 2015 was reported at 11.45 lbs/bushel.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's October 1-15 palm oil exports fell 5.2 percent to 633,252 tons from 668,288 tons in corresponding period last month. Top buyers were European Union at 152,883 tons (92,930 tons), India at 126,024 tons (120,300 tons), China at 93,580 tons (125,060 tons), Pakistan at 18,750 tons (30,000 tons) and United States at 16,160 tons (13,335 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 |
|----------|-------|--------|--------|--------|--------|
| Nov-16 | -4.60 | 668.80 | 671.00 | 662.50 | 663.00 |
| Dec-16 | -5.40 | 681.95 | 677.50 | 669.00 | 669.10 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Nov-16 | 47,330 | -3190 | 60890 | 2270 |
| Dec-16 | 12,020 | 2070 | 50210 | 1000 |

Vol-OI are taken at 5:05 PM

| Spread | Nov-16 | Dec-16 |
|--------|--------|--------|
| Basis | -3.00 | -9.10 |
| Nov-16 | | 6.10 |
| Dec-16 | | |

MCX CPO:

| Contract | +/- | Open | High | Low | Close |
|----------|--------|--------|--------|--------|--------|
| Oct-16 | -9.00 | 538.00 | 540.70 | 525.50 | 529.00 |
| Nov-16 | -11.60 | 514.90 | 518.00 | 503.50 | 504.60 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Oct-16 | 1958 | 652 | 5883 | -241 |
| Nov-16 | 2260 | 826 | 5301 | -98 |

Vol-OI are taken at 5:05 PM

| Spread | Oct-16 | Nov-16 |
|--------|--------|--------|
| Basis | 36 | 60.4 |
| Oct-16 | | -24.4 |
| Nov-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-Dec | -0.48 | 35.41 | 35.69 | 34.96 | 34.96 |
| 15-Jan | -0.47 | 35.68 | 35.95 | 35.24 | 35.24 |
| 15-Mar | -0.46 | 35.89 | 36.16 | 35.48 | 35.48 |
| 15-May | -0.47 | 36.05 | 36.29 | 35.63 | 35.63 |
| 15-July | -0.39 | 36.21 | 36.43 | 35.87 | 35.87 |

BMD CPO Futures:

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|------------|------|------|------|-------|
| 15-Nov | -58 | 2787 | 2810 | 2722 | 2723 |
| 15-Dec | -59 | 2789 | 2802 | 2711 | 2713 |
| 15-Jan | -55 | 2788 | 2800 | 2712 | 2714 |
| 15-Feb | -55 | 2785 | 2798 | 2712 | 2714 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 18/10/2016 | 6.74 | 13031 | 4.19 | 15.22 | 66.72 | 3.19 | 97.74 | 50.44 |

Edible Oil Prices at Key Market

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|-------------|
| | | 18-Oct-16 | 17-Oct-16 | |
| Refined Soybean Oil | Indore | 660 | 665 | -5 |
| | Indore (Soy Solvent Crude) | 620 | 630 | -10 |
| | Mumbai | 680 | 680 | Unch |
| | Mumbai (Soy Degum) | 630 | 635 | -5 |
| | Kandla/Mundra | 660 | 655 | 5 |
| | Kandla/Mundra (Soy Degum) | 625 | 625 | Unch |
| | Kolkata | 650 | 650 | Unch |
| | Delhi | 675 | 680 | -5 |
| | Nagpur | 670 | 670 | Unch |
| | Rajkot | 650 | 660 | -10 |
| | Kota | 660 | 655 | 5 |
| | Hyderabad | 679 | 679 | Unch |
| | Akola | 705 | 705 | Unch |
| | Amrawati | 705 | 705 | Unch |
| | Bundi | 660 | 660 | Unch |
| | Jalna | NA | NA | - |
| | Alwar | NA | NA | - |
| | Solapur | NA | NA | - |
| | Dhule | NA | NA | - |
| Palm Oil | Kandla (Crude Palm Oil) | 565 | 575 | -10 |
| | Kandla (RBD Palm oil) | 600 | 600 | Unch |
| | Kandla RBD Pamolein | 620 | 620 | Unch |
| | Kakinada (Crude Palm Oil) | 540 | 570 | -30 |
| | Kakinada RBD Pamolein | 585 | 585 | Unch |



| | | | | |
|--------------------------|------------------------------------|------|------|------|
| | Haldia Pamolein | 590 | 590 | Unch |
| | Chennai RBD Pamolein | 585 | 585 | Unch |
| | KPT (krishna patnam) Pamolein | 560 | 560 | Unch |
| | Mumbai RBD Pamolein | 600 | 600 | Unch |
| | Delhi | 660 | 660 | Unch |
| | Rajkot | 610 | 615 | -5 |
| | Hyderabad | 580 | 575 | 5 |
| | Mangalore RBD Pamolein | 585 | 585 | Unch |
| | PFAD (Kandla) | 480 | 480 | Unch |
| | Refined Palm Stearin (Kandla) | 520 | 520 | Unch |
| Refined Sunflower Oil | Chennai | 717 | 717 | Unch |
| | Mumbai | 740 | 740 | Unch |
| | Mumbai(Expeller Oil) | 675 | 675 | Unch |
| | Kandla | 740 | 740 | Unch |
| | Kandla/Mundra (Crude) | NA | NA | - |
| | Hyderabad (Ref) | 713 | 717 | -4 |
| | Latur (Expeller Oil) | 725 | 725 | Unch |
| | Chellakere (Expeller Oil) | 665 | 665 | Unch |
| | Erode (Expeller Oil) | 735 | 735 | Unch |
| Groundnut Oil | Rajkot | 1000 | 1000 | Unch |
| | Chennai | 1000 | 1000 | Unch |
| | Delhi | 980 | 980 | Unch |
| | Hyderabad * | 1020 | 1020 | Unch |
| | Mumbai | 1100 | 1100 | Unch |
| | Gondal | 1000 | 1000 | Unch |
| | Jamnagar | 1000 | 950 | 50 |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 837 | 835 | 2 |
| | Jaipur (Kacchi Ghani Oil) | 879 | 878 | 1 |
| | Kota (Expeller Oil) | 810 | 810 | Unch |
| | Kota (Kacchi Ghani Oil) | 880 | 875 | 5 |
| | Neewai (Expeller Oil) | 830 | 835 | -5 |
| | Neewai (Kacchi Ghani Oil) | 848 | 855 | -7 |
| | Bharatpur (Kacchi Ghani Oil) | 890 | 900 | -10 |
| | Alwar (Expeller Oil) | NA | NA | - |
| | Alwar (Kacchi Ghani Oil) | NA | NA | - |
| | Sri-Ganga Nagar(Exp Oil) | 840 | 835 | 5 |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 880 | 865 | 15 |
| | Mumbai (Expeller Oil) | 830 | 830 | Unch |
| | Kolkata(Expeller Oil) | 1050 | 1050 | Unch |



| | | | | |
|---|--------------------------|-----------|-----------|--------|
| | New Delhi (Expeller Oil) | 865 | 855 | 10 |
| | Hapur (Expeller Oil) | 890 | 890 | Unch |
| | Hapur (Kacchi Ghani Oil) | 970 | 970 | Unch |
| | Agra (Kacchi Ghani Oil) | 895 | 905 | -10 |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 740 | 740 | Unch |
| | Hyderabad | 690 | 690 | Unch |
| | Mumbai | 730 | 730 | Unch |
| | New Delhi | 695 | 695 | Unch |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 905 | 910 | -5 |
| | Cochin | 790 | 790 | Unch |
| | Trissur | 925 | 930 | -5 |
| | | | | |
| Sesame Oil | New Delhi | 700 | 700 | Unch |
| | Mumbai | 730 | 730 | Unch |
| Kardi | Mumbai | 830 | 830 | Unch |
| Rice Bran Oil (40%) | New Delhi | 520 | 520 | Unch |
| Rice Bran Oil (4%) | Punjab | 600 | 600 | Unch |
| Rice Bran Oil (4%) | Uttar Pradesh | 600 | 600 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 695 | 695 | Unch |
| | CNF India | 718 | 710 | 8 |
| Indonesia CPO USD/MT | FOB | 688 | 685 | 3 |
| | CNF India | 713 | 710 | 3 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 693 | 690 | 3 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 705 | 700 | 5 |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 1465 | 1445 | 20 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 635 | 635 | Unch |
| Crude palm Kernel Oil India (USD/MT) | CNF India | NA | 1380 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 833 | 835 | -2 |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 840 | 850 | -10 |
| | | | | |
| Argentina FOB (\$/MT) | | 17-Oct-16 | 15-Oct-16 | Change |
| Crude Soybean Oil Ship | | 797 | Closed | - |
| Refined Soy Oil (Bulk) Ship | | 825 | Closed | - |
| Sunflower Oil Ship | | Unq | Closed | - |
| Cottonseed Oil Ship | | 777 | Closed | - |
| Refined Linseed Oil (Bulk) Ship | | 817 | 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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