

Domestic Fundamentals:

- Edible oils witnessed weak sentiment at various market centers on Wednesday.
- 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 have increased their pace of crushing as soybean is arriving at steady pace as farmers run out of storage. Demand of soy meal has improved in near term.
Yields of soybean 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	2.30	664.00	667.50	662.25	666.70
Dec-16	2.55	670.00	673.60	669.00	673.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Nov-16	38,010	-9320	65860	4970
Dec-16	6,910	-5110	48970	-1240

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	-11.70	-18.00
Nov-16		6.30
Dec-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Oct-16	8.90	527.00	536.50	526.00	535.90
Nov-16	5.00	505.00	511.10	503.70	510.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Oct-16	1319	-639	5835	-48
Nov-16	1644	-616	5396	95

Vol-OI are taken at 5:05 PM

Spread	Oct-16	Nov-16
Basis	24.1	49.7
Oct-16		-25.6
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	0.15	35.34	35.53	34.97	35.22
15-Jan	0.16	35.48	35.77	35.25	35.49
15-Mar	0.15	35.75	35.99	35.46	35.71
15-May	0.13	35.89	36.16	35.65	35.87
15-July	0.13	36.05	36.32	35.82	36.03

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Nov	29	2743	2760	2720	2750
15-Dec	20	2727	2749	2705	2732
15-Jan	19	2729	2752	2707	2732
15-Feb	17	2725	2750	2708	2731

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
19/10/2016	6.735	12991	4.18	15.20	66.72	3.19	97.77	50.95

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-Oct-16	18-Oct-16	
Refined Soybean Oil	Indore	655	660	-5
	Indore (Soy Solvent Crude)	622	620	2
	Mumbai	680	680	Unch
	Mumbai (Soy Degum)	628	630	-2
	Kandla/Mundra	655	660	-5
	Kandla/Mundra (Soy Degum)	620	625	-5
	Kolkata	650	650	Unch
	Delhi	695	675	20
	Nagpur	668	670	-2
	Rajkot	645	650	-5
	Kota	660	660	Unch
	Hyderabad	679	679	Unch
	Akola	702	705	-3
	Amrawati	703	705	-2
	Bundi	660	660	Unch
	Jalna	714	715	-1
	Alwar	NA	NA	-
	Solapur	711	714	-3
	Dhule	713	716	-3
Palm Oil	Kandla (Crude Palm Oil)	560	565	-5
	Kandla (RBD Palm oil)	590	600	-10
	Kandla RBD Pamolein	615	620	-5
	Kakinada (Crude Palm Oil)	525	540	-15
	Kakinada RBD Pamolein	575	585	-10



	Haldia Pamolein	580	590	-10
	Chennai RBD Pamolein	575	585	-10
	KPT (krishna patnam) Pamolein	560	560	Unch
	Mumbai RBD Pamolein	600	600	Unch
	Delhi	655	660	-5
	Rajkot	608	610	-2
	Hyderabad	580	580	Unch
	Mangalore RBD Pamolein	575	585	-10
	PFAD (Kandla)	460	480	-20
	Refined Palm Stearin (Kandla)	510	520	-10
Refined Sunflower Oil	Chennai	715	717	-2
	Mumbai	740	740	Unch
	Mumbai(Expeller Oil)	670	675	-5
	Kandla	740	740	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	735	735	Unch
Groundnut Oil	Rajkot	925	1000	-75
	Chennai	980	1000	-20
	Delhi	980	980	Unch
	Hyderabad *	980	1020	-40
	Mumbai	1100	1100	Unch
	Gondal	950	1000	-50
	Jamnagar	950	1000	-50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	832	837	-5
	Jaipur (Kacchi Ghani Oil)	875	879	-4
	Kota (Expeller Oil)	810	810	Unch
	Kota (Kacchi Ghani Oil)	878	880	-2
	Neewai (Expeller Oil)	835	830	5
	Neewai (Kacchi Ghani Oil)	855	848	7
	Bharatpur (Kacchi Ghani Oil)	890	890	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	840	840	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	880	880	Unch
	Mumbai (Expeller Oil)	830	830	Unch
	Kolkata(Expeller Oil)	1050	1050	Unch

	New Delhi (Expeller Oil)	860	865	-5
	Hapur (Expeller Oil)	880	890	-10
	Hapur (Kacchi Ghani Oil)	960	970	-10
	Agra (Kacchi Ghani Oil)	895	895	Unch
Refined Cottonseed Oil	Rajkot	735	740	-5
	Hyderabad	695	690	5
	Mumbai	735	730	5
	New Delhi	690	695	-5
Coconut Oil	Kangayan (Crude)	905	905	Unch
	Cochin	790	790	Unch
	Trissur	920	925	-5
Sesame Oil	New Delhi	700	700	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	485	520	-35
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	706	718	-12
Indonesia CPO USD/MT	FOB	688	688	Unch
	CNF India	705	713	-8
RBD Palm oil (Malaysia Origin USD/MT)	FOB	685	693	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	700	705	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1470	1465	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	635	635	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1385	-
Ukraine Origin CSFO USD/MT Kandla	CIF	835	833	2
Rapeseed Oil Rotterdam Euro/MT	FOB	795	840	-45
Argentina FOB (\$/MT)		18-Oct-16	17-Oct-16	Change
Crude Soybean Oil Ship		793	797	-4
Refined Soy Oil (Bulk) Ship		821	825	-4
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		773	777	-4
Refined Linseed Oil (Bulk) Ship		813	817	-4
* 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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2016 Indian Agribusiness Systems Pvt Ltd.