

Domestic Fundamentals:

- Edible oils witnessed mixed sentiment at various market centers on Thursday.
- Weak exports of palm oil from Malaysia are expected to adversely affect palm oil prices in near term. Exports for first 20 days of October showed that exports slowed by 12-13 percent. Export data suggest weak demand from India and China. China has 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 cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's October 1-20 palm oil exports fell 12.1 percent to 806,458 tons compared to 917,288 tons in the corresponding period last month. Top buyers were European Union at 182,873 tons (160,055 tons), India at 157,224 tons (173,300 tons), China at 104,276 tons (150,460 tons), Pakistan at 37,770 tons (45,000 tons) and United States at 17,610 tons (25,335 tons). Values in brackets are figures of corresponding period last month.
- Indonesia Estate Crop Fund raised biodiesel subsidy fund collection target of its biodiesel mandate for 2017 by 14 percent compared to 2016 on higher exports of palm oil in 2017. Exports are expected to rise 5 to 10 percent in 2017 compared to current year. Indonesia Estate Crop Fund has collection target of 10.7-10.8 trillion Rupiah (USD 830 million). Target for 2016 was 9.4 trillion Rupiah. Indonesia charges USD 50 levy for exports of crude palm oil (CPO) and USD 30 levy for export of crude palm kernel oil (CPKO). Indonesia has set 20 percent bio content in biodiesel production in 2016.

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	-1.20	671.50	675.40	668.10	669.55
Dec-16	-0.30	678.00	682.40	675.50	677.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Nov-16	56,560	18550	64870	-990
Dec-16	15,570	8660	52570	3600

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	-11.55	-19.50
Nov-16		7.95
Dec-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Oct-16	-2.40	540.00	540.50	535.20	536.20
Nov-16	0.70	513.20	518.70	508.00	513.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Oct-16	1276	-43	5829	-6
Nov-16	3091	1447	4778	-618

Vol-OI are taken at 5:05 PM

Spread	Oct-16	Nov-16
Basis	25.8	48.5
Oct-16		-22.7
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	-0.20	35.47	35.63	35.15	35.2
15-Jan	-0.21	35.67	35.88	35.43	35.46
15-Mar	-0.22	35.89	36.1	35.64	35.67
15-May	-0.25	36.07	36.25	35.82	35.82
15-July	-0.17	36.25	36.41	36.05	36.05

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Nov	-10	2738	2756	2701	2723
15-Dec	-12	2741	2756	2699	2718
15-Jan	-13	2741	2752	2697	2715
15-Feb	-13	2747	2751	2698	2718

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
20/10/2016	6.738	13002	4.17	15.21	66.80	3.16	97.88	51.29

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-Oct-16	19-Oct-16	
Refined Soybean Oil	Indore	658	655	3
	Indore (Soy Solvent Crude)	625	622	3
	Mumbai	680	680	Unch
	Mumbai (Soy Degum)	630	628	2
	Kandla/Mundra	655	655	Unch
	Kandla/Mundra (Soy Degum)	622	620	2
	Kolkata	650	650	Unch
	Delhi	695	695	Unch
	Nagpur	668	668	Unch
	Rajkot	645	645	Unch
	Kota	660	660	Unch
	Hyderabad	679	679	Unch
	Akola	702	702	Unch
	Amrawati	703	703	Unch
	Bundi	663	660	3
	Jalna	714	714	Unch
	Alwar	NA	NA	-
	Solapur	711	711	Unch
	Dhule	713	713	Unch
Palm Oil	Kandla (Crude Palm Oil)	562	560	2
	Kandla (RBD Palm oil)	595	590	5
	Kandla RBD Pamolein	615	615	Unch
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	570	575	-5



	Haldia Pamolein	582	580	2
	Chennai RBD Pamolein	575	575	Unch
	KPT (krishna patnam) Pamolein	555	560	-5
	Mumbai RBD Pamolein	595	600	-5
	Delhi	650	655	-5
	Rajkot	608	608	Unch
	Hyderabad	580	580	Unch
	Mangalore RBD Pamolein	575	575	Unch
	PFAD (Kandla)	460	460	Unch
	Refined Palm Stearin (Kandla)	510	510	Unch
Refined Sunflower Oil	Chennai	715	715	Unch
	Mumbai	730	740	-10
	Mumbai(Expeller Oil)	665	670	-5
	Kandla	745	740	5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	713	Unch
	Latur (Expeller Oil)	730	725	5
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	745	735	10
Groundnut Oil	Rajkot	900	925	-25
	Chennai	980	980	Unch
	Delhi	980	980	Unch
	Hyderabad *	980	980	Unch
	Mumbai	1040	1100	-60
	Gondal	900	950	-50
	Jamnagar	900	950	-50
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	832	832	Unch
	Jaipur (Kacchi Ghani Oil)	880	875	5
	Kota (Expeller Oil)	810	810	Unch
	Kota (Kacchi Ghani Oil)	872	878	-6
	Neewai (Expeller Oil)	845	835	10
	Neewai (Kacchi Ghani Oil)	865	855	10
	Bharatpur (Kacchi Ghani Oil)	900	890	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	835	840	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	870	880	-10
	Mumbai (Expeller Oil)	830	830	Unch
	Kolkata(Expeller Oil)	1010	1050	-40



	New Delhi (Expeller Oil)	855	860	-5
	Hapur (Expeller Oil)	900	880	20
	Hapur (Kacchi Ghani Oil)	960	960	Unch
	Agra (Kacchi Ghani Oil)	905	895	10
Refined Cottonseed Oil	Rajkot	735	735	Unch
	Hyderabad	695	695	Unch
	Mumbai	730	735	-5
	New Delhi	690	690	Unch
Coconut Oil	Kangayan (Crude)	900	905	-5
	Cochin	790	790	Unch
	Trissur	915	920	-5
Sesame Oil	New Delhi	700	700	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	490	485	5
Rice Bran Oil (4%)	Punjab	600	600	Unch
Rice Bran Oil (4%)	Uttar Pradesh	600	600	Unch
Malaysia Palmolein USD/MT	FOB	698	695	3
	CNF India	720	706	14
Indonesia CPO USD/MT	FOB	695	688	7
	CNF India	715	705	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	695	685	10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	700	700	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1475	1470	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	640	635	5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1395	-
Ukraine Origin CSFO USD/MT Kandla	CIF	845	835	10
Rapeseed Oil Rotterdam Euro/MT	FOB	850	830	20
Argentina FOB (\$/MT)		19-Oct-16	18-Oct-16	Change
Crude Soybean Oil Ship		796	793	3
Refined Soy Oil (Bulk) Ship		824	821	3
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		776	773	3
Refined Linseed Oil (Bulk) Ship		816	813	3
* 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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