

Domestic Fundamentals:

- Firm sentiment featured in various edible oils in various markets on Monday.
- Uncertainty over GST has led uncertainty in the Indian market. Edible oils will be taxed at 5% GST. Ocean freight and Insurance charges will be given benefit Of ITC (Input tax credit). ITC will act as an agent which will reduce double taxation. There is uncertainty over transport on who will take the burden of GST. All the cess have been removed under GST. End consumer will benefit in long term while government revenue will increase.
- Palm oil- Depreciation of ringgit and run-up ub BMD CPO and RBD palmolein in DALIAN has pushed prices higher in near term and may influence its prices in near term. Depreciation of ringgit is expected to support the rise in prices of palm oil.
Palm oil prices are expected to weaken on slow exports from Malaysia and rise in production in Malaysia. Exports fell 7-9 percent in June from Malaysia while production is expected to rise on seasonal uptrend of production, diminishing effect of El Nino while some production will be lost due to Ramadan.
Production in Malaysia and Indonesia will accelerate from July as monsoon came early in Malaysia and Indonesia which will lead to early and prolonged period of harvest which will led to steady rise in stocks in both countries.
Palm oil prices are expected to weaken on higher production of palm oil in Malaysia and Indonesia
Primary reason of lower exports is slowdown of exports to India, China and EU. China is not buying due to lower soy oil prices in the country which is trading at 5 year lows low premium of soy oil over RBD palmolein in the country. Palm oil from Indonesia is more competitive in China which has led to loss in market share.
Palm oil stocks in Malaysia are expected to rise from June as exports will remain soft while production will rise at lower pace. Rise in stocks will underpin prices. Prices are in a range.
- Soy oil- China is buying more soybeans from Brazil compared to US which has softened prices of soybean complex in near term. Quarterly planning report is expected tomorrow which is expected to show rise in planting area in US.
US soybean planting progress is progressing at a higher pace compared to last year and 5-year average. Good to excellent condition fell last week. However, crop condition is expected to improve in coming weeks. Weak crop condition may underpin prices in near term.
Rise in end stocks of soy oil in US as reported by NOPA due to lower production of soy oil on lower crush of soybean will underpin prices of soy oil in medium term.
Rise in crude oil prices will support prices in near term. Prices are in a range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June palm oil exports fell 7.6 percent to 1,210,359 tons compared to 1,310,320 tons in corresponding period last month. Top buyers were European Union at 245,163 tons (280,215 tons), India at 238,350 tons (283,820 tons), Pakistan at 98,830 tons (60,000 tons), United States at 69,082 tons (60,607 tons) and China at 65,500 tons (105,090 tons). Values in brackets are figures of corresponding period last month.

Outlook: Edible oil basket is expected to feature weak sentiment in near term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
July-17	5.40	642.50	646.75	642.50	645.75
Aug-17	5.10	647.50	647.95	644.80	647.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
July-17	17,260	-19880	36970	890
Aug-17	11,970	-16870	42240	-330

Vol-OI are taken at 5:05 PM

Spread	July-17	Aug-17
Basis	-5.75	
July-17		1.25
Aug-17		

MCX CPO:

Contract	+/-	Open	High	Low	Close
June-17	5.10	482.00	485.70	482.00	485.30
July-17	4.60	475.00	477.60	475.00	477.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
June-17	1246	-1061	5325	56
July-17	279	-362	1977	45

Vol-OI are taken at 5:05 PM

Spread	June-17	July-17
Basis	4.7	
June-17		-8
July-17		

* 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-July	0.26	33.42	33.54	33.15	33.19
15-Aug	0.37	33.04	33.8	33.04	33.41
15-Sep	0.34	33.16	33.9	33.16	33.5
15-Oct	0.38	33.19	33.93	33.19	33.55
15-Dec	0.38	33.39	34.1	33.38	33.72

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-June	46	2633	2642	2622	2642
15-July	47	2534	2545	2524	2543
15-Aug	45	2496	2504	2487	2503
15-Sep	44	2485	2492	2477	2491

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
3/07/2017	6.79	13390	4.30	16.63	64.57	3.307	96.11	46.23

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Jul-17	1-Jul-17	
Refined Soybean Oil	Indore	640	630	10
	Indore (Soy Solvent Crude)	610	600	10
	Mumbai	630	625	5
	Mumbai (Soy Degum)	587	577	10
	Kandla/Mundra	615	605	10
	Kandla/Mundra (Soy Degum)	595	582	13
	Kolkata	615	610	5
	Delhi	665	630	35
	Nagpur	688	668	20
	Rajkot	617	605	12
	Kota	635	625	10
	Hyderabad	632	632	Unch
	Akola	682	661	21
	Amrawati	681	661	20
	Bundi	645	625	20
	Jalna	687	667	20
	Alwar	NA	NA	-
	Solapur	688	668	20
	Dhule	687	667	20
Palm Oil	Kandla (Crude Palm Oil)	493	490	3
	Kandla (RBD Palm oil)	520	515	5
	Kandla RBD Pamolein	540	535	5
	Kakinada (Crude Palm Oil)	475	470	5
	Kakinada RBD Pamolein	525	517	8



	Haldia Pamolein	540	530	10
	Chennai RBD Pamolein	532	527	5
	KPT (krishna patnam) Pamolein	520	515	5
	Mumbai RBD Pamolein	540	530	10
	Delhi	600	580	20
	Rajkot	540	525	15
	Hyderabad	494	494	Unch
	Mangalore RBD Pamolein	532	527	5
	PFAD (Kandla)	430	430	Unch
	Refined Palm Stearin (Kandla)	475	475	Unch
Refined Sunflower Oil	Chennai	630	630	Unch
	Mumbai	695	685	10
	Mumbai(Expeller Oil)	590	590	Unch
	Kandla (Ref.)	655	650	5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	648	637	11
	Latur (Expeller Oil)	665	665	Unch
	Chellakere (Expeller Oil)	590	590	Unch
	Erode (Expeller Oil)	670	670	Unch
Groundnut Oil	Rajkot	900	890	10
	Chennai	880	880	Unch
	Delhi	1200	1080	120
	Hyderabad *	950	950	Unch
	Mumbai	945	940	5
	Gondal	890	885	5
	Jamnagar	890	900	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	678	678	Unch
	Jaipur (Kacchi Ghani Oil)	728	Closed	-
	Kota (Expeller Oil)	680	660	20
	Kota (Kacchi Ghani Oil)	710	710	Unch
	Neewai (Expeller Oil)	685	685	Unch
	Neewai (Kacchi Ghani Oil)	720	707	13
	Bharatpur (Kacchi Ghani Oil)	730	Closed	-
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	700	680	20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	720	705	15
	Mumbai (Expeller Oil)	710	710	Unch
	Kolkata(Expeller Oil)	830	850	-20



	New Delhi (Expeller Oil)	725	705	20
	Hapur (Expeller Oil)	760	Closed	-
	Hapur (Kacchi Ghani Oil)	820	Closed	-
	Agra (Kacchi Ghani Oil)	735	Closed	-
Refined Cottonseed Oil	Rajkot	645	625	20
	Hyderabad	615	600	15
	Mumbai	640	625	15
	New Delhi	630	600	30
Coconut Oil	Kangayan (Crude)	1150	1150	Unch
	Cochin	1290	1290	Unch
	Trissur	NA	NA	-
Sesame Oil	New Delhi	780	770	10
	Mumbai	NA	NA	-
Kardi	Mumbai	740	740	Unch
Rice Bran Oil (40%)	New Delhi	520	520	Unch
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	668	663	5
	CNF India	688	683	5
Indonesia CPO USD/MT	FOB	655	653	2
	CNF India	683	683	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	660	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	618	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1100	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	615	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	790	788	2
Rapeseed Oil Rotterdam Euro/MT	FOB	820	Closed	-
Argentina FOB (\$/MT)		1-Jul-17	30-Jun-17	Change
Crude Soybean Oil Ship		Closed	750	-
Refined Soy Oil (Bulk) Ship		Closed	776	-
Sunflower Oil Ship		Closed	710	-
Cottonseed Oil Ship		Closed	730	-
Refined Linseed Oil (Bulk) Ship		Closed	770	-
* 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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