



Veg. Oil Monthly Research Report

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Outlook and Review:

Domestic Front

Edible oil basket featured mixed tone during the month under review. Soybean, Palm and Coconut oil ended in red while Groundnut oil ended sideways during the month but Rapeseed oil and Sunflower oil witnessed gains on m-o-m basis.

Sunflower Oil (Chennai) was the best performer among the edible oil complex tracking good demand in the cash market. However, Palm oil was the worst performer ended in red owing to increase in imports, high stocks in ports and in pipelines and limited buying.

We expect soybean and palm, to trade with a weak to sideways tone due to weak fundamentals, limited demand. However, supplies from South American countries, weak crude oil prices and strong dollar may curb gains.

Recommendation:

We advise to go long in RSO above 550 for a target of 580 and 585 with a stop loss at 540 on closing basis and go long in CPO above 360 for a target of 385 and 390 with a stop loss at 350 on closing basis. Market Participants can buy refined soy oil in the cash markets at 560-565 for the target of 585-590 levels (Indore including taxes), if needed. Market Participants can buy CPO Kandla 5% in the cash markets at 340-350 for the target of 380-385 levels, if needed.

International Veg. Oil Market Summary

CBOT soy oil (September) is expected to stay in the range of 25 cents/lb to 29 cents/lb. CPO at BMD (October) is likely to stay in the range of 1850-2150 ringgits per tons. Focus during the coming days will be on the Indian rupee against US dollar, Chinese demand, crude oil price movement, US dollar, Ringgit, palm oil demand prospects & ending stocks, US soybean crush and crop situation of soybean in US.

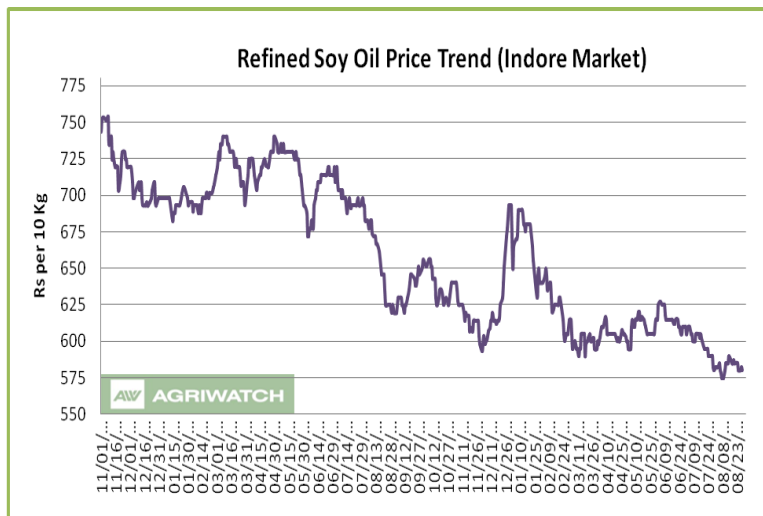
Exports of Malaysian palm oil for August 2015 rose by 0.2 percent to 1,542,017 tons (1,539,583 tons). Top buyers are European Union at 353,073 tons (257,983 tons), India at 284,150 tons (358,200 tons), China at 227,510 tons (299,947 tons), Pakistan at 73,200 tons (30,300 tons) and United States at 72,575 tons (115,104 tons). Values in bracket depict last month import values in metric ton.

On the international front, favorable weather in US Soybean belt, weak crude oil price and Chinese demand is bearish for the soy complex in the coming days. Further, supplies from South American countries and strong dollar due to expectation of interest rate hike by FED by September- December might add to bears.

Renewed demand at lower quotes from top importers, weak Ringgit, El-Nino impact coupled with supportive biodiesel and favorable tax policies by South East Asian countries may support the CPO prices in the near term. However, seasonally higher palm production period, low Chinese demand, weak crude oil prices, strong dollar and South American soy crop is bearish for palm oil prices in medium term.

Soy oil: Domestic Market Fundamentals

- Refined soybean oil prices featured downtrend during the month in review on high imports and high stocks in ports and in pipelines.
- Soybean oil import scenario - India imported 349,436 tons of Soybean Oil in July 2015 v/s 306,068 tons in July 2014, up 14.2 percent y-o-y. From November 2014 to July 2015, India imported 1,853,580 tons v/s 1,221,245 tons imported in the corresponding period in last oil year and is higher by 51.8 percent y-o-y: SEA
- India's imports of soybean oil has been estimated at 2.8 MMT for 2015/16 vs 2.5 MMT in 2014/15 on higher domestic demand and lower supply of rapeseed oil in global market: USDA
- Indian Meteorological Department (IMD) has reported seasonal rainfall from 1st June to 31st August, 2015 which shows that all India total rainfall is 12 percent below LPA. Central India has reported 16 percent below LPA, South Peninsula is 22 percent below LPA, East & North East India is 1 percent below LPA and Northwest India 12 percent below LPA.
- Soybean sowing has been completed in 114.17 lakh hectares in current Kharif season as on 27 August 2015 compared to 110.30 lakh hectares in the corresponding period last year: GOI
- Sowing of oilseeds has been reported higher than last year at 174.59 lakh hectares in current year v/s 172.26 lakh hectares in 2014-15: GOI estimates.
- Imported crude soybean oil CIF at west coast port is offered at USD 695 per ton for September delivery, October delivery is offered at USD 690 and ND delivery is offered at USD 692 as on 31 August 2015. Last month, CIF CDSO July average price was USD 700.66 per ton.
- On the parity front, margins had weakened during the week but we expect margins to improve in the coming days. Currently refiners get USD 20-25 /-ton v/s USD 50-55/ton (last month) margin in processing the imported Soybean Oil (Argentina Origin) but margins have improved for US origin to USD 75-80/ ton v/s USD 55-60/ ton (last month). Positive import parity and lower crushing of soybean domestically due to negative crush margins will further increase imports.
- Soybean imports could slow down due to high premium of soybean-palm oil and low premium of sunflower-soybean oil. Low international crude oil prices along with high stocks in ports and in pipelines will be bearish.
- We expect soy oil to trade weak to sideways tone in the coming days.



International Market Fundamentals

- US soybean crop progress report, as on 30 August: About 93% of the crop has set the pod which is slightly lower than 5 year average of 95%, and lower than 94% last year. 9% of the crop is dropping leaves which are above 5 year average of 7% and 5% during the corresponding period last year. About 63% of the crop is in good to excellent condition as against 72% during the same period last year.
- The National Oilseed Processors Association (NOPA) reported that its members crushed 145.2 million bushels of soybeans in July 2015,. Further, NOPA reported US July soyoil inventories higher at 1.624 billion lbs against 1.574 billion lbs in June.
- Argentina crushed record amount of soybean in first half of current year with production of Soy oil at 3.6 million tons in first half v/s 3.5 million tons in first half of last year. India imports 37.2 percent of soy oil produced by Argentina.
- USDA revised the imports of soybean oil into India from 2.00 million tons to 2.5 million tons for 2014/15 a rise of 500,000 tons. The agency also revised ending stocks to 2.70 Lakh tons from 3.00 lakh tons.

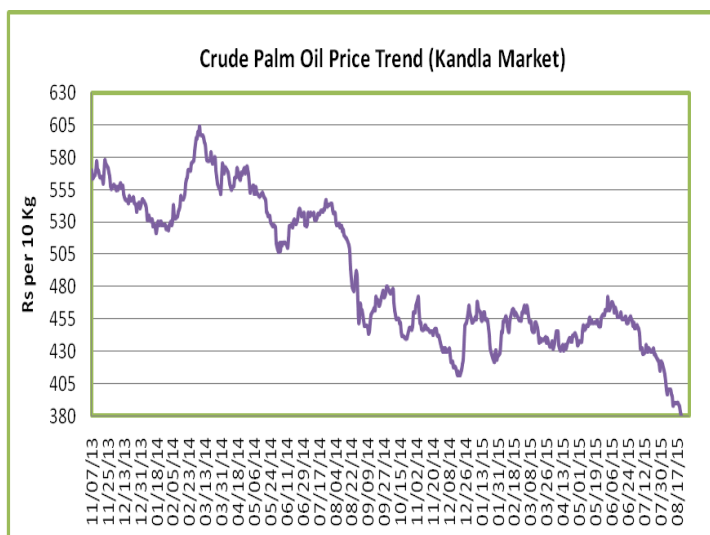
- USDA' WASDE Oilseeds Highlights - The U.S. season-average soybean price for 2015/16 is forecast at \$8.40 to \$9.90 per bushel, down 10 cents at the midpoint from last month. Soybean meal prices are forecast at \$310 to \$350, down 5 dollars at the midpoint. Soybean oil prices are forecast at 29.5 to 32.5 cents per pound, down 1 cent at the midpoint.
- Higher crush figures for US as reported by USDA and NOPA in its monthly report along with higher ending stocks is bearish for the international soybean oil.
- Improved crop prospects due to favorable weather in soybean growing regions of United States raise expectations of higher yields. Higher crush reported in August for United States, along with higher supplies from South American countries especially Argentina and Brazil could underpin prices.
- Chinese ability to consume commodities is waning due to hard landing of Chinese economy and adjustment of its stock markets with its economic fundamentals has led to fears of slowdown of imports of soybean especially when the global soybean complex supply is at record highs. Crude oil is heading for its worst run since 1987 and US dollar is expected to break its highs in more than a decade. These factors could lead to bearishness in prices of Soybean oil.

Price Outlook: We expect Ref. soy oil with VAT to trade in the price band of Rs 560-590 per 10 Kg.

Palm oil:

Domestic Market Fundamentals

- CPO prices at Kandla featured weak tone due to high imports and high stocks in ports and in pipelines. Weakness in international palm oil market and need based buying was additional cause of fall in prices.
- Palm oil import scenario – India imported palm oil amounting to 976,175 tons in July 2015 v/s 657,750 tons in July 2014 higher by 48.4 percent on y-o-y basis. From November 2014 to July 2015, India imported 6.83 MMT v/s 5.59 MMT in corresponding period of last oil year, higher by 22.2 percent y-o-y.
- On the trade front, CNF CPO (Indonesian origin) at Indian port is quoted at USD 490 (593 per ton) per ton for September delivery. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port is offered at USD 545 (593 per ton) per ton for July delivery. Values in bracket depict last month quotes. CPO duty paid prices ready lift quoted at Rs 360 per 10 Kg and September delivery is offered at Rs 362 per 10 Kg on 31 August 2015. On the currency front, Indian rupee against USD depreciated by 3.66 percent and ended at 66.48.
- Palm oil imports will rise in the near term owing to widening of CIF soybean oil premium versus crude palm oil, which is hovering at USD 205 per ton (USD 109 per ton last month). High stocks at the port and in pipelines with pent-up demand at lower prices and positive import parity could push up palm oil imports into India and may underpin prices.
- On the parity front, margins had strengthened during the month of August on lower price of palm oil and we expect margins to be steady in the coming days. Currently refiners get USD 95-100/ton v/s US \$55-60/ton (last month) margin in processing the imported CPO but on the imports of ready to use palmolein gets USD 55-60/ton (unchanged from last month) parity. Higher palm oil imports may be witnessed in the coming days due to high import parity.
- We expect palm oil to trade weak to sideways tone in the days ahead.



International Market Fundamentals

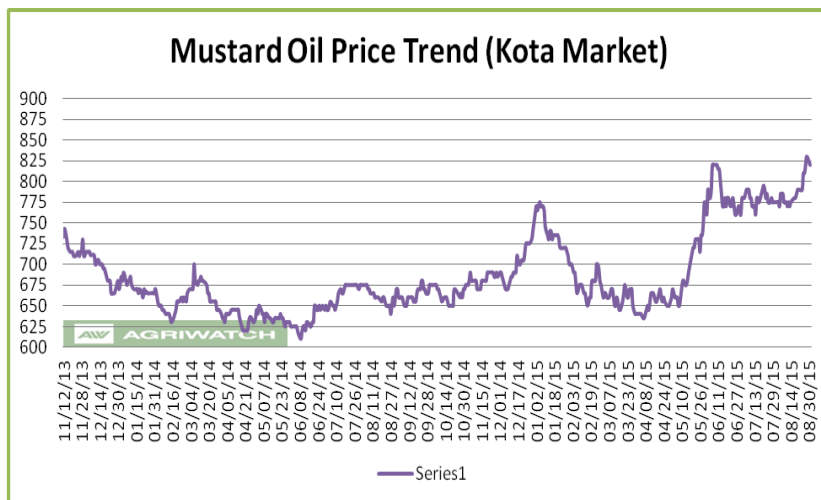
- Monthly review & Outlook – Concerns of slowdown of exports from Malaysia to leading consuming destinations along with high production season will swell stocks in Malaysia. Both Malaysia and Indonesia has kept the export duty of Palm Oil at zero. Chinese commodity market indicators are showing slowing of demand across commodities and may spillover to palm oil also. Crude oil heading towards its worst run since in 30 years along with prospect of US dollar rising to record levels due to expected FED rate hike in September–December 2015 is bearish for the prices. Ringgit has fallen to 17 year low which makes imports of palm oil attractive than other edible oils but even that is not helping exports.
- Malaysia's ending stocks of palm oil rose by 2.93 percent to 22.65 lakh tons in July 2015 v/s revised June 2015 ending stocks figure of 21.5 lakh tons. Palm oil production rose 2.93 percent to 18.16 lakh tons (17.64 lakh tons) in July 2015. Exports fell by 5.61 percent at 16.02 lakh tons in July 2015 against revised figure of 16.97 lakh tons in June 2015. Imports rose to 1.43 lakh tons (1.03 lakh tons) in July 2015. Values in brackets are figures of June 2015, according to industry regulator Malaysian Palm Oil Board (MPOB). Values in brackets are figures of May 2015.
- Malaysia's exports of palm oil for August 2015 rose by 0.2 percent to 1,542,017 tons (1,539,583 tons). Top buyers are European Union at 353,073 tons (257,983 tons), India at 284,150 tons (358,200 tons), China at 227,510 tons (299,947 tons), Pakistan at 73,200 tons (30,300 tons) and United States at 72,575 tons (115,104 tons). Values in brackets are figures of July 2015: SGS
- Indonesia's palm and palm kernel oil exports for July fell by 8 percent and was at 2.09 MMT from 2.27 MMT in June. Leading export destinations were India at 427,340 tons, China at 407,330 tons, European Union at 380,130 tons, Pakistan at 195,830 tons, Bangladesh at 47,000 tons and Middle East at 100,320: GAPKI
- Indonesia imposed \$50 levy on Palm Oil exports and \$30 for Palm oil products exports as part of new biodiesel regulation effective from July 15, 2015.
- Policy development - Indonesia kept export tariffs on Palm Oil at Zero for September 2015 with a threshold limit of \$750 per ton. Similarly, Malaysia the second largest palm oil producer in the world kept CPO export tax duty-free. The reference price is RM 2203.69(\$587.81) per ton. Price above RM 2250 incurs tax which starts from 4.5 percent to max of 8.5 percent.
- Japan Meteorological Agency continues to maintain that El Nino is strengthening and its effect that-could last until the winter may threaten key palm growing regions of South East Asia with the dry conditions. US weather agency has said that EL-Nino could extend until next summer.
- World Meteorological Organization (WMO) has said that current year El Nino is strongest in history. It leads to dry pattern in Southeast Asia and will be followed by La Nina due to cooling of Pacific Ocean which brings heavy rains to the region. Both weather patterns lower palm yields.

Price Outlook: We expect CPO Kandla 5% to trade in the price band of Rs 350-400 per 10 Kg.

Rapeseed oil: Domestic Market Fundamentals

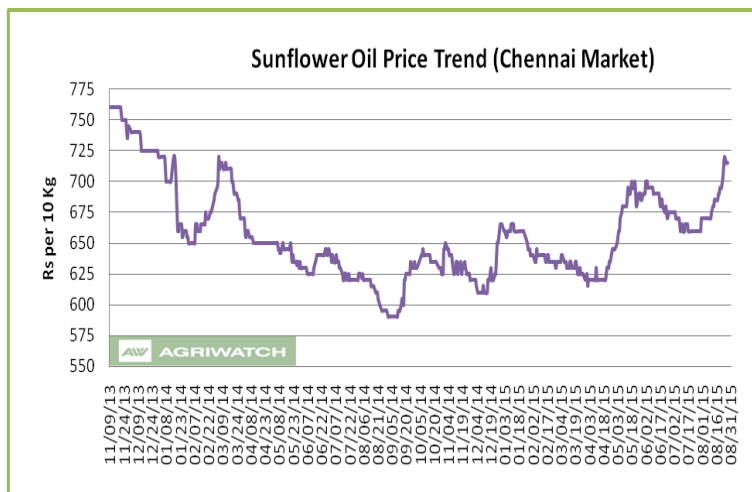
- Rapeseed oil featured firm trend during the month of August on higher demand and tight supplies coupled with pickup of demand from pickle manufacturers.
- Currently, RM oil at Jaipur market (expeller) is offered at Rs 833 (829) per 10 Kg and at Kota market is quoted around Rs 800 (785) per 10 kg as on 31 August 2015. Values in brackets are figures of last month.
- India imported 31,134 tons of Rapeseed Oil (Canola oil) in July 2015 v/s 16,517 tons in July 2014, higher by 89 percent y-o-y. From November 2104-July 2015 India imported 262,101 tons v/s 103,003 tons in the corresponding period in last oil year, higher by 155 percent y-o-y: SEA
- According to International Grains Council (IGC), China has scrapped its domestic rapeseed support plan and will liquidate domestic rapeseed oil stocks which are estimated at 6 MMT. China will sell 600,000 tons of Rapeseed oil in the current year, according to IGC. This policy will lead to lower domestic prices of rapeseed oil in China and in turn will cut imports.
- USDA Rapeseed Oil (Canola oil) update- India is expected to import 2.00 lakh tons of Rapeseed Oil (Canola oil) in 2015/16 compared 2.75 lakh tons in 2014/15, down by 28 percent y-o-y basis
- We expect RM seed oil prices to trade range bound to slightly firm tone in the coming days.

Price Outlook: We expect Rapeseed oil (Kota) to trade in the price band of Rs 760-880 per 10 Kg.



Sunflower oil: Domestic Market Fundamentals

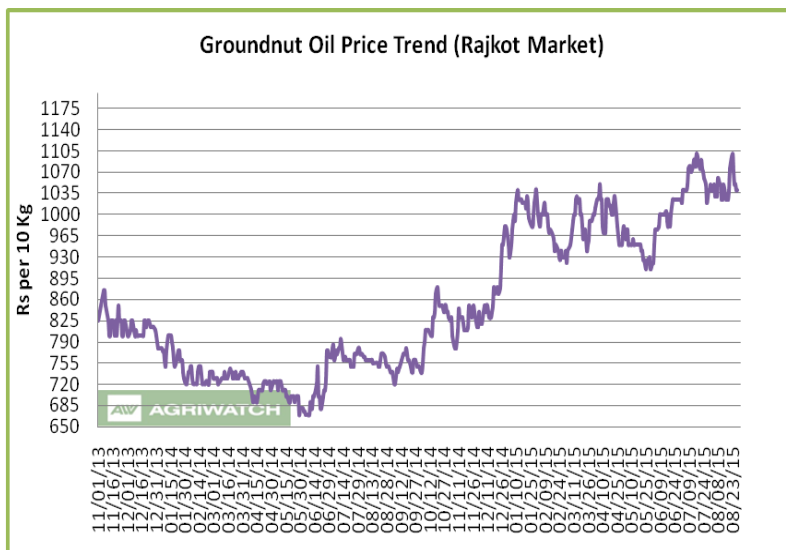
- Sunflower oil featured firm trend during the month and ended higher in August due to firm demand.
- Sunflower oil import scenario – According to SEA, India imported 1.22 lakh tons of crude sunflower oil during July 2015 versus 1.12 lakh tons in July 2014, up by 8.8 percent y-o-y. Imports during November-July were reported at 12.18 lakh tons compared to 11.35 lakh tons during the corresponding period in last oil year, higher by 10.9 percent y-o-y. Most of the imports were from Ukraine.
- Sunflower oil global production is seen at 15.163 MMT in 2015/16 compared to 15.185 MMT in 2014/15 down 0.14 percent y-o-y basis. India imports are projected at 15.50 lakh tons of Sunflower oil in 2015/16 unchanged from 2014/15. India is the largest importer of sunflower oil in the world: USDA.
- Exports of Sunflower oil from Ukraine in the month of June 2015 were 384.4 thsd tonnes, 31 percent higher compared to May 2015, and down 8% y-o-y basis. India imported 30 percent of the total exports while Iran imported 12 percent and China imported 11 percent.
- Production of crude sunflower oil January-July 2015, in Ukraine was reported at 2.023 MMT, down 22.4 percent compared to corresponding period in 2014. In July, production of crude sunflower oil was at 207 thsd, down 16.4 percent from June 2015 and down 35.5 percent compared to July 2014.
- CIF sunflower oil prices (Ukraine origin) at west coast of India quoted around USD 850 per ton for September delivery, October delivery is offered at USD 805 per ton and November- December delivery is offered at USD 795, as on 31 August 2015. Last month, CIF sun oil (Ukraine origin) monthly average was around USD 860.83 per ton.
- Prices are likely to stay in the range of USD 800-950 per ton in the near term. CIF Sunflower oil premium against crude soybean oil had narrowed from last month and is hovering at USD 155 per ton versus USD 218 last month.
- Global sunflower oil production is seen at 15.163 million tons in 2015/16, v/s 15.185 million tons - USDA.
- We expect sunflower oil prices may trade sideways to weak tone in the coming days.



Price Outlook: We expect sunflower oil (Chennai) to trade in the price band of Rs 650-750 per 10 Kg.

Groundnut oil: Domestic Market Fundamentals

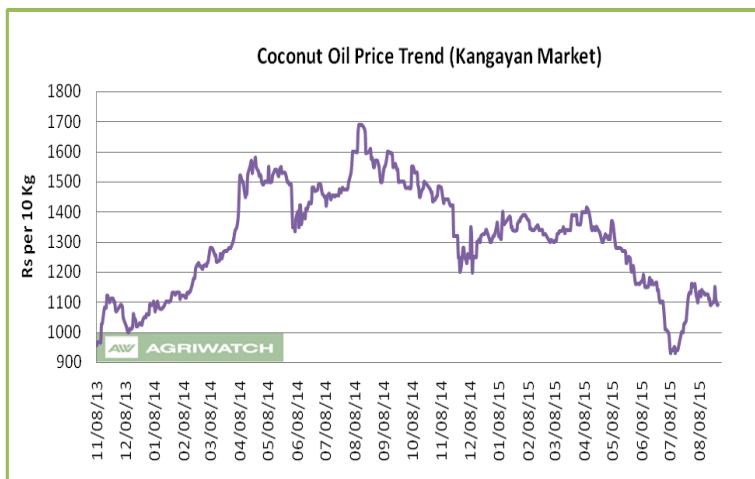
- Groundnut oil featured sideways tone during August tracking limited demand for groundnut oil at higher quotes and lower supply from producing regions.
- Groundnut is the costliest domestic oil in the country. Higher prices of groundnut oil have forced consumers to shift to cottonseed oil or palm oil. Stocking ahead of festival season will provide support to prices. However, buying will be limited due to higher quotes and will bring down prices in near term.
- According to Department of Agriculture (GOI) sowing of Groundnut reported till August 27, 2015-16, has been at 34.72 lakh hectares v/s 35.73 lakh hectares in 2014-15, fall of 2.8 percent y-o-y. Gujarat has sown 12.94 lakh hectares in current kharif season compared to 12.24 lakh hectares in 2014-15. Andhra Pradesh sown area is 5.47 lakh hectares v/s to 7.02 lakh hectares in same period last year and Rajasthan sown area is 4.75 v/s 4.10 lakh hectares in same period last year.
- As per IMD, monsoon rainfall in India until 3 September is 12 percent lower than LPA. Central India has reported 16 percent below LPA, south peninsula is 22 percent below LPA; East & North East India is 1 percent below LPA and northwest India is 11 percent below LPA. Lower rains in Karnataka and Andhra Pradesh has impacted sowing of Groundnut in these states. Even Gujarat where sowing is higher crop yields will be hit due to sluggish monsoon.
- India is projected to produce 5.4 million tons of Groundnut seed in 2015/16, higher than last year's production of 4.8 million tons, up by 12.5 percent y-o-y basis. Domestic consumption of Groundnut Oil will increase from 1.135 million tonnes in 2014/15 to 1.215 million tons in 2015/16 up by 12.5 percent y-o-y basis: USDA
- According to Ministry of Agriculture, GOI, total Oilseeds sown in the 2015-16 kharif season has risen to 174.59 lakh hectares v/s 172.26 lakh hectares as of 28 August 2015.
- Groundnut oil prices are likely to trade with a range bound to slightly firm tone in the coming days owing to good demand due to festive season from whole sellers and millers despite high prices.



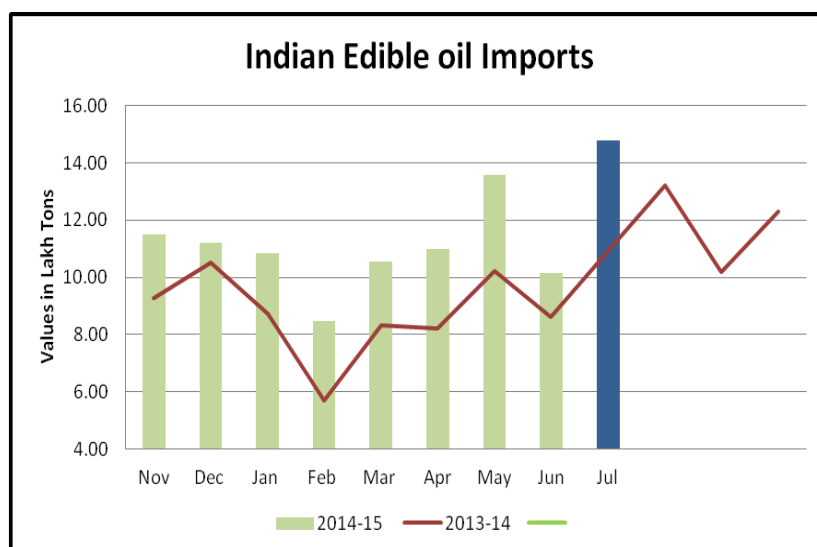
Price Outlook: We expect Groundnut oil (Rajkot) to trade in the price band of Rs 1000-1100 per 10 Kg.

Coconut oil: Domestic Market Fundamentals

- Coconut oil featured down trend at its benchmark market Kangeyam during the month on weak demand after the festival season especially Onam.
- Coconut Development Board has said that consumption pattern of edible oils are shifting from coconut oil to cheaper oils like palm oil, sunflower oil, rice bran oil etc. Palm oil has emerged as the preferred cooking oil due its cheaper availability and abundant supply.
- Coconut Development Board has advised farmers to avoid distressed selling of stocks at lower prices. Four leading producing states Kerala, Tamil Nadu, Karnataka and Andhra Pradesh have lower crop compared to last year coupled with higher exports in first quarter and imports of raw materials are also dismal, according to the board. Some corporates were trying to destabilize markets by spreading rumors with intention to procure coconuts at lower prices. Prices of coconut oil stay low during monsoon and onset of winter, according to the board.
- Market participants believe that interventions by corporates and central government have adversely affected the coconut oil prices. Both the state governments and central government has done nothing to improve the plight of coconut farmers
- Low import tariff rate in edible oil sector in India is the primary cause of higher imports of edible oils that has resulted in falling prices of coconut oil.
- Efforts of Coconut development board, Cochin Oil Merchants Association (COMA), and Kerafed has resulted in recovery in prices of coconut oil prices. However, with passage of Onam prices may again go down on limited buying.
- On the price front, currently the coconut oil prices in Trissur is hovering near Rs 12,000 per quintal due to weak demand amid adequate supply of coconut oil, and quoting Rs 10,800 per quintal in Erode market on August 31 2015.
- Coconut oil prices may trade sideways to slightly firm tone tracking festival demand despite cheaper availability of edible oils like sunflower and palm oil.



Price Outlook: We expect coconut oil (Erode) to trade in the price band of Rs 1000-1200 per 10 Kg.

Indian Edible Oil Imports Scenario –:


As per Solvent Extractors' Association of India, India imported 11.61 million tons of veg. oils in the 2013/14 oil year. However, edible oils imports were 10.38 million tons in the corresponding period last year. Edible oils (including CPO, CDSO, CSFO, and RBD Palmolein) imports for July pegged at 14.79 lakh tons.

Indian Supply and Demand Scenario:

Balance sheet of Indian Edible Oil	2012-13	2013-2014	2014-2015	% Change
Value in million tons				
Beginning Stock	1.14	1.04	1.65	57.90
Production	7.61	7.97	7.515	-5.76
Imports	10.20	11.48	12.35	7.58
Total Supply	18.94	20.50	21.51	4.95
Exports	0.012	0.01	0.01	0.00
Total Demand(Consumption)	17.90	18.85	19.45	3.18
Ending Stock	1.04	1.65	2.06	25.17

* Value in million tons

Balance Sheet Highlights

Net edible oil output is likely to be 7.515 million tons (down 5.76 percent y-o-y basis) in 2014-15 on the back of lower oilseed sowing in Kharif and losses in Rabi season in the current oil year.

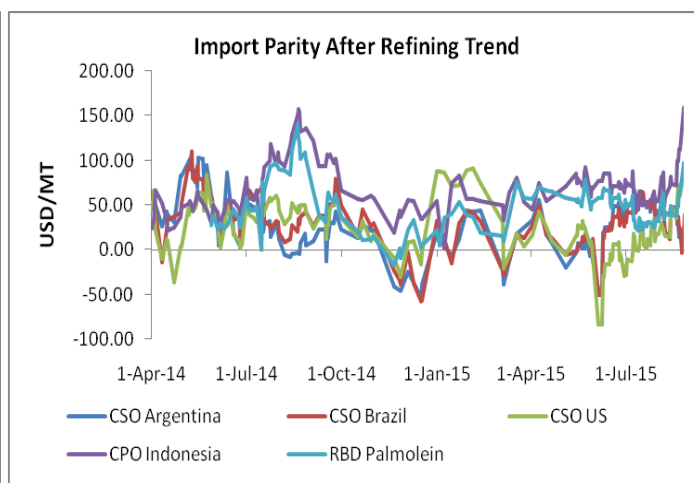
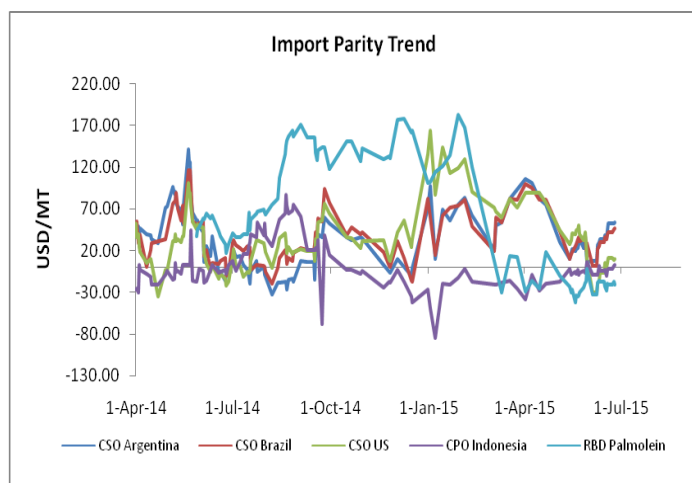
On import front, edible oil imports seen at 12.35 million tons for 2014/15 oil year v/s 11.48 million tons last year.

On the consumption side, India's edible oil consumption for 2014-15 oil year seen at 19.45 million tons, up 3.18 percent from last year. Ending stocks are projected higher compared to 2013-14 at 2.06 million tons.

Note - Values in Mln. Tons, Oil year (Nov.-Oct.) *Including Production of Groundnut, Soy, Mustard, Sunflower, Sesame, Niger, Safflower, Cottonseed, Copra, Rice bran Oils. ** 2013-14- SEA of India & 2014-15 Agriwatch Estimates, *** (USDA estimates).

Landed Cost at the Indian Ports - Crude soy oil and Crude palm oil

Landed Cost Calculation as on 01/09/2015	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
FOB USD per ton	640	653	610	470	520
Freight (USD/MT)	80	72	70	35	35.0
C & F	720.0	725.0	680.0	505.0	555.0
Weight loss (0.25% of FOB)	1.60	1.63	1.53	1.18	1.30
Finance charges (0.4% on CNF)	2.88	2.90	2.72	2.02	2.22
Insurance (0.3% of C&F)	2	2	2	2	2
CIF (Indian Port - Kandla)	727	732	686	510	560
CVD	0	0	0	0	0
Duty (Values in USD per tons)	59.18	59.18	59.18	49.28	102.75
CVD value USD per ton	0	0	0	0	0
Cess (2% on duty) USD per ton	1.1835	1.1835	1.1835	0.9855	2.055
Exchange rate	66.26	66.26	66.26	66.26	66.26
Landed cost without customs duty in INR per ton	48147	48483	45473	33773	37118
Customs duty %	7.50%	7.50%	7.50%	7.50%	15.00%
Base import price	789	789	789	657	685
Fixed exchange rate by customs department	62.95	62.95	62.95	62.95	62.95
Duty component in INR per ton	3725.07	3725.07	3725.07	3101.86	6468.11
Clearing charges INR per ton	483	483	483	483	483
Brokerage INR per ton	190	190	190	190	190
Total landed cost INR per ton	52545	52881	49871	37548	44259
Domestic Market price INR/ton Soy Degum Kandla/CPO Kandla/RBD Kandla	53200	53200	53200	37000	41000
Total landed cost USD per ton	793	798	753	567	668
Domestic Market price USD/tons Soy Degum Kandla/ CPO Kandla 5%	803	803	803	558	619
Parity INR/MT (Domestic - Landed)	655	319	3329	-548	-3259
Parity USD/MT (Domestic - Landed)	9.88	4.81	50.24	-8.27	-49.18
Source: Agriwatch					
Refining/ Processing Cost per MT	2600.00	2600.00	2600.00	3200.00
Freight to Inland location (Indore for soy and Delhi for Palm oil)	2500.00	2500.00	2500.00	2800.00	2800.00
Cost of Imported oil after refining/Processing	57645.23	57981.01	54971.31	43548.25	47058.97
Soy/Palm oil imported Price (Including tax)	60527.49	60880.06	57719.88	45725.66	49411.92
Loose price of Soy/Palm in Indore and Delhi market	61425.00	61425.00	61425.00	51975.00	51975.00
Parity after processing and Taxes (Rs per MT)	897.51	544.94	3705.12	6249.34	2563.08
Parity after processing and Taxes (USD per MT)	13.55	8.22	55.92	94.32	38.68
Source: Agriwatch					



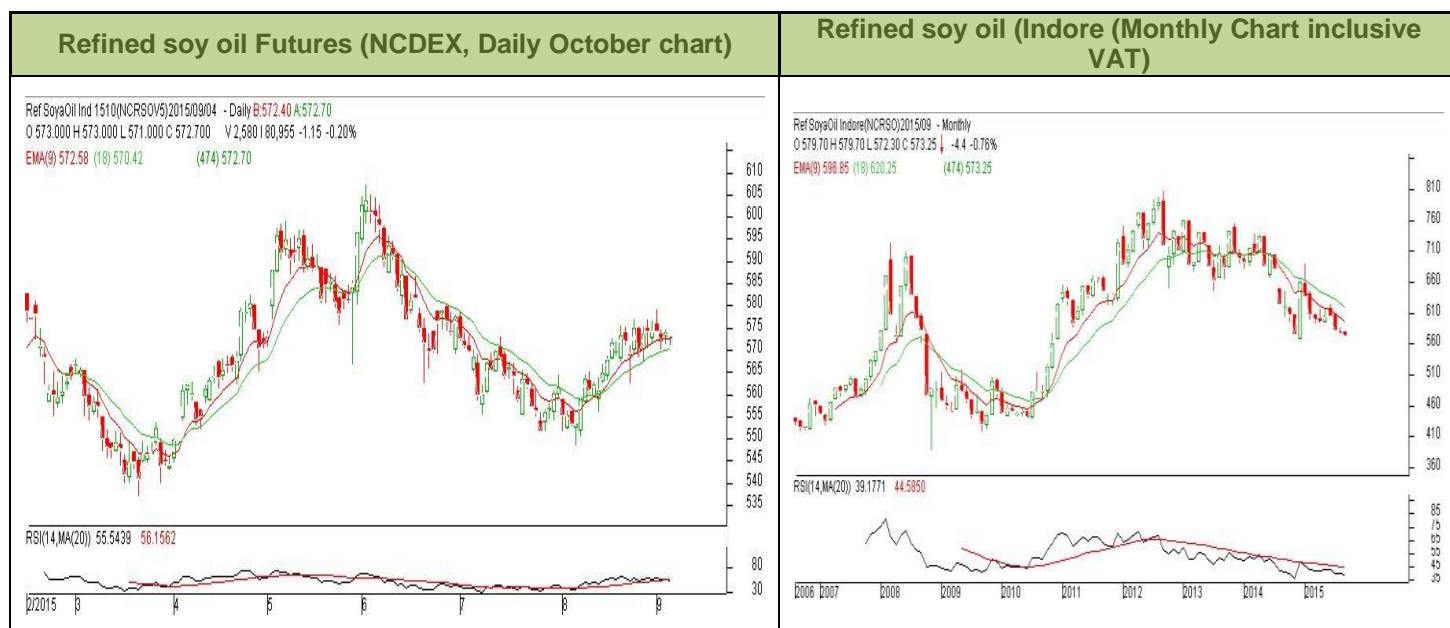
Import Parity Trend

Import Parity after Refining in US dollar per tons (Monthly Average)

	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
June, 2015	15.65	9.93	-28.28	75.36	58.24
July, 2015	52.45	48.76	7.39	59.7	33.82
Aug, 2015	33.35	31.45	47.84	98.41	58.07

Outlook:-

Import parity for crude soy oil from US has moved above CDSO Argentina and CDSO Brazil due to cheaper imports from US. We expect CDSO import parity to continue in positive territory and stay firm for US, Brazil and Argentina. However, parity in palm oil products may favor higher palm oil imports in the coming days.

Technical Analysis (Refined soy oil Monthly Charts)


Outlook – Prices are likely to trade with weak to sideways tone in the days ahead. Investors are advised to sell refined soy oil (October contract) on pullbacks.

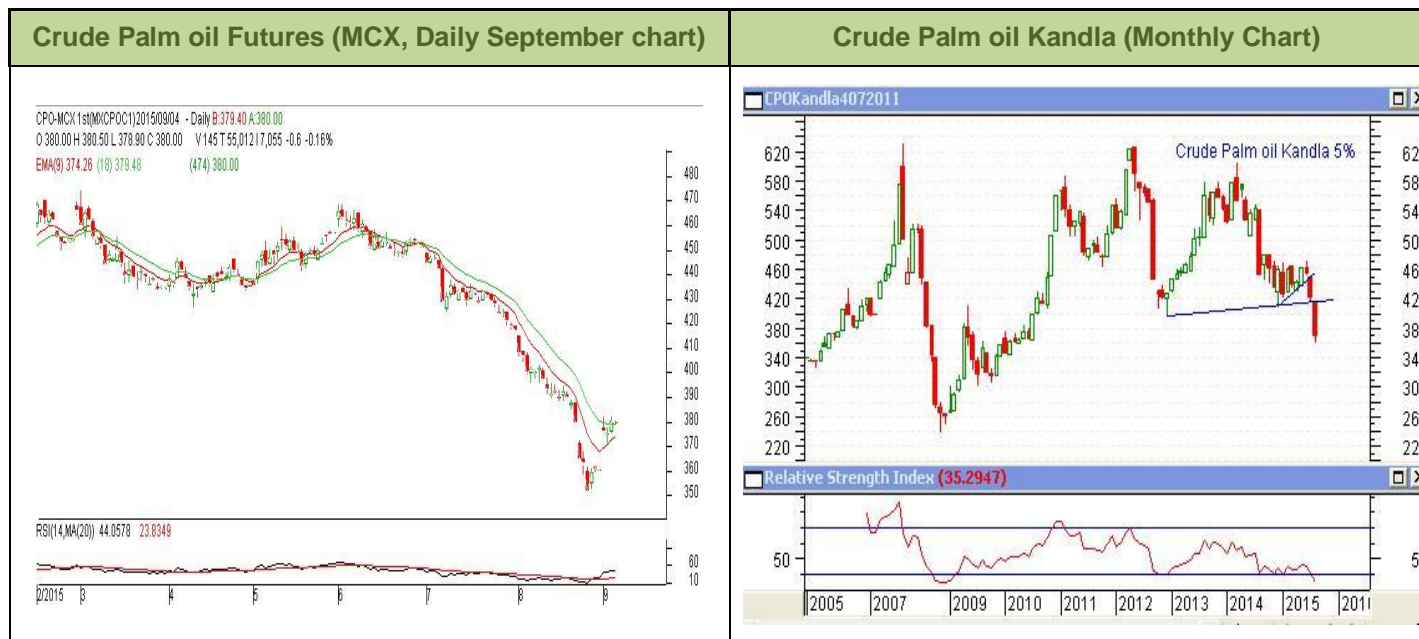
- ❖ Monthly chart of refined soy oil at NCDEX featured gains in the prices. We expect weak to sideways to weak movement in the coming days.
- ❖ Any close below 550 in monthly chart shall change the sentiments and might take the prices to a bearish phase i.e. 530
- ❖ Expected price band for next month is 550-585 level in near to medium term. RSI is moving downwards indicating selling at higher levels.

Strategy: Market participants are advised to go long in RSO above 550 for a target of 580 and 585 with a stop loss at 540 on closing basis.

RSO NCDEX

Support and Resistance				
S2	S1	PCP	R1	R2
540.00	551.00	574.15	599.00	619.00

Spot Market outlook: Refined soy oil Indore (including VAT) is likely to stay in the range of 560-590 per 10 Kg.

Technical Analysis (Crude Palm oil Monthly Charts)


Outlook - Prices may trade with a weak to sideways tone in the coming days. Investors are advised to sell MCX CPO (August contract) on pullbacks.

- ❖ Candlestick monthly chart of crude palm oil at MCX depicts rebound in prices. We expect prices to feature sideways to slightly firm tone in the near term.
- ❖ Any close below 350 in monthly chart shall change the sentiments and might bring the prices to next bear phase.
- ❖ Expected price band for next month is 390-430 level in near to medium term. RSI along with Stochastic and MACD is moving down in oversold zone indicating downtrend.

Strategy: Market participants are advised to go long in CPO in above 360 for a target of and 385 and 390 with a stop loss at 350 on closing basis.

CPO MCX

Support and Resistance				
S2	S1	PCP	R1	R2
334	350	375.7	414	427

Spot Market outlook: Crude palm oil Kandla is likely to stay in the range of 350-400 per 10 Kg.

Monthly spot prices comparison
Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Aug-15	31-Jul-15	
Refined Soybean Oil	Kota	585	575	10
	Rajkot	560	552	8
	Delhi	610	610	Unch
	Mumbai	572	572	Unch
	Indore	580	582	-2
	Kandla/Mundra	560	550	10
	Kolkata	545	555	-10
	Indore (Soy Solvent Crude)	545	555	-10
	Mumbai (Soy Degum)	540	525	15
	Kandla/Mundra (Soy Degum)	528	525	3
	Akola	609	611	-2
	Amrawati	608	611	-3
	Jalna	616	621	-5
	Nagpur	609	610	-1
	Alwar	NR	NR	-
	Solapur	618	621	-3
	Bundi	590	585	5
	Dhule	616	622	-6
Palm Oil	Rajkot	437	467	-30
	Hyderabad	447	485	-38
	Delhi	515	525	-10
	Kandla (Crude Palm Oil)	368	422	-54
	Kandla (RBD Palm oil)	405	450	-45
	Mumbai RBD Pamolein	437	478	-41
	Kandla RBD Pamolein	445	468	-23
	Mangalore RBD Pamolein	442	478	-36
	Chennai RBD Pamolein	442	478	-36
	Kakinada RBD Pamolein	420	465	-45
	KPT (krishna patnam)	415	460	-45
	Haldia	435	475	-40
	PFAD (Kandla)	300	355	-55
	Refined Palm Stearin (Kandla)	290	345	-55
Refined Sunflower Oil	Mumbai	720	690	30
	Mumbai(Expeller Oil)	660	610	50

	Kandla/Mundra (Crude)	660	615	45
	Erode (Expeller Oil)	745	690	55
	Hyderabad (Ref)	694	689	5
	Chennai	715	670	45
	Latur (Expeller Oil)	680	620	60
	Chellakere (Expeller Oil)	660	620	40
Groundnut Oil	Rajkot	1050	1050	Unch
	Chennai	980	1000	-20
	Delhi	935	940	-5
	Hyderabad *	1005	1030	-25
	Mumbai	1040	1000	40
	Gondal	1050	1060	-10
	Jamnagar	1050	1075	-25
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	865	830	35
	Sri-GangaNagar(Exp Oil)	840	820	20
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	800	785	15
	Jaipur (Expeller Oil)	833	829	4
	New Delhi (Expeller Oil)	815	810	5
	Hapur (Expeller Oil)	850	860	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	890	885	5
	Kota (Kacchi Ghani Oil)	900	895	5
	Jaipur (Kacchi Ghani Oil)	891	888	3
	Agra (Kacchi Ghani Oil)	920	920	Unch
	Bharatpur (Kacchi Ghani Oil)	915	915	Unch
	Neewai (Kacchi Ghani Oil)	865	870	-5
	Hapur (Kacchi Ghani Oil)	900	900	Unch
Refined Cottonseed Oil	Mumbai	610	602	8
	Rajkot	615	605	10
	New Delhi	580	590	-10
	Hyderabad	590	595	-5
Coconut Oil	Kangayan (Crude)	1080	1160	-80
	Cochin	1160	1010	150
	Trissur	1200	1190	10
Sesame Oil	New Delhi	700	740	-40
	Mumbai	730	770	-40
Kardi	Mumbai	870	830	40

Rice Bran Oil (40%)	New Delhi	440	445	-5
Rice Bran Oil (4%)	Punjab	500	500	Unch
Rice Bran Oil (4%)	Uttar Pradesh	500	500	Unch
Malaysia Palmolein USD/MT	FOB	513	593	-80
	CNF India	545	618	-73
Indonesia CPO USD/MT	FOB	455	575	-120
	CNF India	490	593	-103
RBD Palm oil (Malaysia Origin USD/MT)	FOB	503	585	-82
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	410	513	-103
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	740	895	-155
Crude palm Kernel Oil India (USD/MT)	CNF India	680	870	-190
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	380	500	-120
Ukraine Origin CSFO USD/MT Kandla	CIF	795	920	-125
Rapeseed Oil Rotterdam Euro/MT	FOB	675	700	-25
Argentina FOB (\$/MT)		31-Aug-15	30-Jul-15	Change
Crude Soybean Oil Ship		653	635	18
Refined Soy Oil (Bulk) Ship		676	657	19
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		633	615	18
Refined Linseed Oil (Bulk) Ship		NA	NA	-
<i>* indicates including VAT</i>				

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