

Executive Summary

Domestic Veg. Oil Market Summary

Edible oil witnessed firm sentiment during the week on gains in CBOT soybean oil and BMD CPO. Soy oil, palm oil, rapeseed oil and groundnut oil closed higher while refined sunflower oil closed flat. Coconut oil closed lower.

On the currency front, Indian rupee against USD closed at 68.46, up 24 paise compared to the previous week. Factors to watch in the coming weeks will be movement of Indian rupee against US dollar and crude oil prices.

We expect edible oil complex to trade sideways to firm tone in anticipation of firm demand. High stocks at port and in pipelines, new supplies from US and strong USD may underpin prices.

Recommendation:

Weekly Call - : Market participants are advised to go long in RSO above 625 levels for a target of 640 and 645 with a stop loss at 615 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 590-640 per 10 Kg in the near term.

Market participants are advised to go long in CPO above 480 for a target of 495 and 500 with a stop loss at 470 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 460-520 per 10 Kg in the near term.

International Veg. Oil Market Summary

According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's February 1-15 exports fell 14.2 percent to 420,152 tons from 489,468 tons in the corresponding period last month. Top buyers were European Union at 136,466 (75,168 tons), US at 74,028 tons (29,300 tons), India at 65,500 tons (80,000 tons) and China at 32,055 tons (75,607 tons). Values in brackets are figures of corresponding period last month.

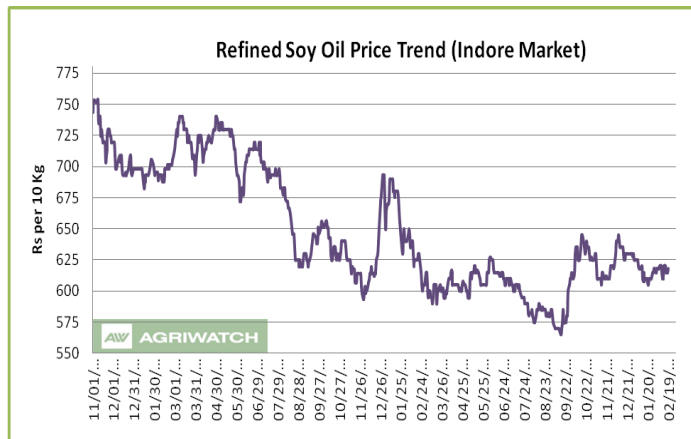
On the international front, Chinese soybean demand from United States, weak dollar and crude oil prices is bullish for the soy complex in the coming days. Soybean crop prospect in South America, soybean crush in US, fine supplies of soybean from South America and US may underpin prices in medium term.

El Nino weather pattern, crude oil prices and supportive biodiesel and tax policies by South East Asian countries may support the CPO prices. However, Ringgit, palm oil exports, fine supplies of soybean from Argentina and US, may underpin palm oil prices in medium term.

Soy oil Fundamental Analysis and Outlook:-

Domestic Front

- Soybean oil featured uptrend at its benchmark market in Indore during the week in review, on firm demand.
- Agriwatch View- Soy oil prices witnessed uptrend during the week on firm demand on stocking ahead of festivals in North India. Prices of soy oil expected to be firm on decreasing premium of soy oil over palm oil Rs 130 (Rs 133) per 10 Kg. Weak refining margin may slow imports. In USD terms, premium of soy oil over palm oil was USD 105.5 (USD 119 last week). Rise in prices of palm oil will help prices. Prices of soy oil are expected to be firm in near term.
- Soybean oil import scenario – According to SEA India imported 4.41 lakh tons of soybean oil in January 2016 v/s 2.24 lakh tons in January 2015, up 96.8 percent y-o-y. In the oil year 2015-16 (November-January 2015) imports of soy oil is reported at 11.88 lakh tons v/s 4.42 lakh tons in corresponding period last oil year, higher by 168 percent.
- According to Solvent Extractors Association (SEA), India imported 1,255,054 tons of edible oil in January 2016 v/s 1,082,670 tons in January 2015, higher by 15.9 percent y-o-y. Palm oil imports were 688,393 tons (658,670 tons), higher by 4.5 percent y-o-y. Soy oil imports were 441,200 tons (224,430 tons), higher by 96.6 percent y-o-y. Sunflower oil imports were 118,000 tons (155,811 tons), lower by 32 percent y-o-y. Rapeseed (canola) oil imports were 7,481 tons (43,759 tons), lower by 82.9 percent y-o-y. Values in brackets are figures of January 2015.
- According to Solvent Extractors Association (SEA), Imports of edible oil in the first quarter of oil year 2015-16 were 3,995,135 tons v/s 3,355,681 tons in the corresponding period last oil year, higher by 19 percent. Palm oil imports in first quarter in the oil year 2015-16 were 2,350,063 tons (2,293,994 tons), higher by 2.4 percent y-o-y. Soy oil imports in the same period were 1,188,754 tons (442,544 tons), higher by 169 percent. Sunflower oil imports in the same period were 398,398 tons (501,469 tons), lower by 20 percent. Rapeseed (Canola) oil in the same period was 57,920 tons (117,664 tons), lower by 50 percent. Values in brackets are figures of first quarter oil year 2014-15.
- According to Solvent Extractors Association (SEA), India edible oil stocks at ports and in pipelines fell to 2.46 MMT in January 2015 from 2.51 MMT in December 2015. Edible oil stocks at various ports on 1st February at is estimated at 1.06 MMT (CPO 0.445 MMT, RBD palmolein 0.155 MMT, degummed soy oil 0.325 MMT tons, crude sunflower oil 0.105 tons and 0.025 tons of Rapeseed (Canola) Oil) and 1.4 MMT in pipelines. Stocks at ports and in pipelines are estimated at 46 days of India's edible oil consumption compared to 1.6 MMT for India's monthly consumption.
- Imported crude soybean oil CIF at West coast port is offered at USD 743 (USD 754) per ton for March delivery. April delivery is offered at USD 744 (USD 755) per ton and May delivery is offered at USD 736 (USD 745) as on February 19, 2016. Last month, CIF CDSO January average price was USD 719 per ton.
- On the parity front, margins had weakened during the week and we expect margins to stay low in coming days. Currently refiners get USD -65-70/ton v/s USD -10-15/ton (last month) margin in processing the imported Soybean Oil (Argentina Origin).
- We expect soy oil to trade sideways to firm in the coming days.



International Front

- Agriwatch view – Higher stocks of soy oil in US as reported by NOPA is bearish for soy oil. However, low production of soy oil due to lower crush of soybean in US as reported by NOPA is expected to support price. Lower ending stocks of soy oil in US on lower crush of soybean in 2015/16 is bullish for prices. Improved weather conditions in Argentina after beneficial rains has improved soybean crop conditions and improved

harvesting due to clear weather is bearish for soybean complex. USDA did not reduce Brazil soybean production numbers in its February report. However, USDA increased Argentina soybean crop on improved crop prospects. USDA reduced crush of soybean in US in 2015/16. Soy oil prices are supported by palm oil and weakening dollar. Improvement in crude oil prices will support soy oil prices. Prices are in a range.

- The National Oilseed Processors Association (NOPA) reported US January 2016 soy oil stocks at 1.526 billion lbs v/s 1.481 billion lbs in December 2015, higher by 3 percent m-o-m. Soy oil stocks in January 2015 were 1.228 billion lbs. Crush of soybean in US in January 2016 is reported at 150.453 million bushels v/s 157.111 million bushels in December 2015, lower by 9.99 percent m-o-m. In January 2015 crush of soybean in US was reported at 162.675 million bushels. US soy oil production in January 2016 fell to 1,758.38 million lbs v/s 1,834.03 million lbs in December 2015, lower by 4.1 percent m-o-m. Soy oil production in January 2015 was reported at 1,823.89 million lbs. Yield of soy oil per bushel increased to 11.69 lbs in January 2016 from 11.63 lbs in December 2015 v/s 11.21 lbs in January 2015.
- Favorable weather conditions have improved Argentina soybean crop, which has led to stable yields. Lower plantings will reduce Argentina soybean production: CRF
- Brazil harvest is in full swing as dry weather improved conditions of harvest. Soybean crop is estimated at 103 MMT on stable conditions of crop: CRF
- China imported 530,000 tons of edible vegetable oils in January, up 15.9 percent y-o-y.
- According to China General Administration of Customs, China's imports of soybean fell to 5.66 MMT in January 2016 v/s 9.12 MMT tons in December 2015, lower by 31.2 percent m-o-m. In January 2015 imports of soybean were 6.88 MMT.
- According to China General Administration of Customs, China's imports of edible vegetable oils fell to 0.53 MMT in January 2016 v/s 0.77 MMT tons in December 2015, lower by 31.2 percent m-o-m. In January 2015 imports of soybean were 0.45 MMT.
- FAO Vegetable Oils Price Index fell 2.4 points (1.72 percent) to 139.1 points in January 2016 from 141.5 points in December 2015. The fall was due to fall in prices of soy oil on ample global soybean supplies, notwithstanding lower than earlier anticipated production in the United States and Brazil. International palm oil prices remained stable, as subdued global import demand was counter balanced by prospects of production slowdowns in the coming months. For 2015, FAO Vegetable Oil Index averaged 147 points in 2015, down 19 percent from 2014 which is 9-year low.
- In the USDA February report, US soy oil production remained fell to 21,845 (21,925) million pounds on lower crush of soybean, opening stocks was unchanged at 1,820 million pounds, domestic disappearance was unchanged at 19,600 million pounds. Biodiesel use was unchanged at 5,500 million pounds, Food, Feed & other Industrial was unchanged 14,100 million pounds. Ending stocks were lower at 2,065 (2,110) million pounds. Average price range was unchanged at 28.5-31.5 cents/lbs.
- USDA WASDE Oilseeds Highlights: The 2015/16 season-average soybean price range projection is unchanged at \$8.05 to \$9.55 per bushel. Soybean meal and oil price projections are also unchanged at \$270 to \$310 per short ton and 28.5 to 31.5 cents per pound, respectively.

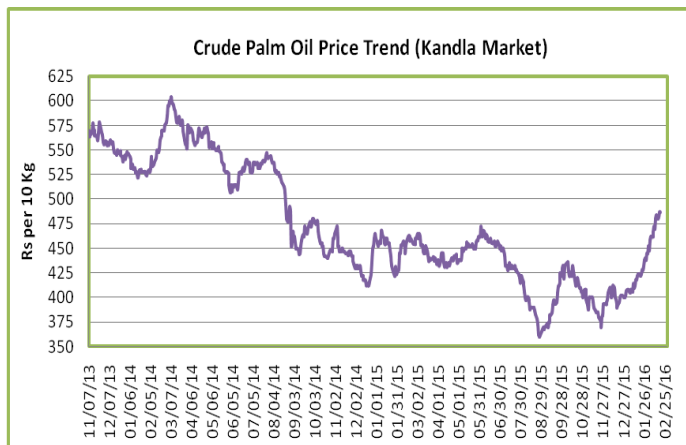
Price Outlook:

We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 590-640 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook -:

Domestic Front

- Crude palm oil at Kandla featured uptrend in its benchmark market on higher demand.
- Agriwatch View – Low soy oil premium over palm oil, which is hovering at USD 105.5 (USD 119 last week) per ton, negative refining margins may decrease imports. Demand improved due stocking ahead of festive season in North India and seasonal trend of rise in prices palm oil. Disparity on high seas and high stocks on ports and in pipelines will cap gains. Prices of palm oil are low compared to other oils, which may induce demand. Prices are expected to be firm on firm demand.
- Palm oil import scenario – According to SEA India imported 6.88 lakh tons of palm oil in January 2016 v/s 6.58 lakh tons in January 2015, up 4.5 percent y-o-y
- On the trade front, CNF CPO (Indonesian origin) at Indian port quoted at USD 637.5 (USD 635) per ton for March delivery. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 642.5 (USD 647.5) per ton for March delivery. Ready lift CPO duty paid prices quoted at Rs 485 (Rs 482) per 10 Kg and March delivery duty paid offered at Rs 488 (Rs 486) per 10 Kg on February 19, 2016. Values in bracket depict last week quotes.
- On the parity front, margins weakened during this week due to fall in prices of palm oil products. Currently refiners get USD -90-95/ton v/s USD 35-40/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein fetches USD -80-85/ton v/s USD 5-10/ton (last month) parity.
- We expect palm oil to trade sideways to firm in the days ahead.



International Front

- Agriwatch View – Lower exports of palm oil from Malaysia and Indonesia is bearish for the markets. Exports will improve March onwards on seasonal uptrend of exports. Palm oil stocks are expected to be lower in coming months on reduced production of palm on El Nino. Lower production will set off lower exports. Production of palm in Malaysia in February and March is expected to be lower than January on dry conditions on El Nino. Malaysia unexpectedly kept palm oil export duty unchanged at zero in March despite market expectations of export duty after prices rose. However, palm oil export tax can be imposed April onwards if the prices remain strong. Discount of palm oil to soy oil has is expected to decrease till mid of 2016 when El Nino impact fades and production starts to increase in Malaysia and Indonesia. Stocks of palm oil will come down in both Malaysia and Indonesia on lower production in coming months. Total production of palm in 2016 in Malaysia will be lower than 2015. Lower prices of crude oil have made blending of palm oil in diesel unviable at current prices of palm oil threatening failure of biodiesel mandate in Indonesia. Strong Ringgit can bring down prices of palm oil while improvement in prices of crude oil will help prices. Prices are in range with upwards bias.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's February 1-15 exports fell 14.2 percent to 420,152 tons from 489,468 tons in the corresponding period last month. Top buyers were European Union at 136,466 (75,168 tons), US at 74,028 tons (29,300 tons), India at 65,500 tons (80,000 tons) and China at 32,055 tons (75,607 tons). Values in brackets are figures of corresponding period last month.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's palm and palm kernel oil exports fell by 16 percent in January 2016 to 2.10 MMT from 2.506 MMT in December 2015. Top buyers were India at 383,650 tons (450,680 tons), European Union at 351,130 tons (368,720 tons) China at 275,600 tons (632,350 tons), Pakistan at 235,080 tons (165,270 tons), Bangladesh at 85,940 tons (96,700 tons) and Middle East at 222,130 tons (200,460 tons). Values in brackets are figures of December 2015.
- According to Malaysia's palm oil industry regulator Malaysia Palm Oil Board (MPOB), Malaysia's January palm oil ending stocks fell by 12.38 percent to 2.31 MMT from 2.63 MMT in December 2015. Primary reason of fall in

stocks was fall in production by 19.26 percent to 1.13 MMT (1.4 MMT). Exports fell by 12.38 percent to 1.279 MMT (1.484 MMT). Imports were 0.037 MMT (0.087 MMT), lower by 135 percent m-o-m. Values in brackets are figures of December 2015.

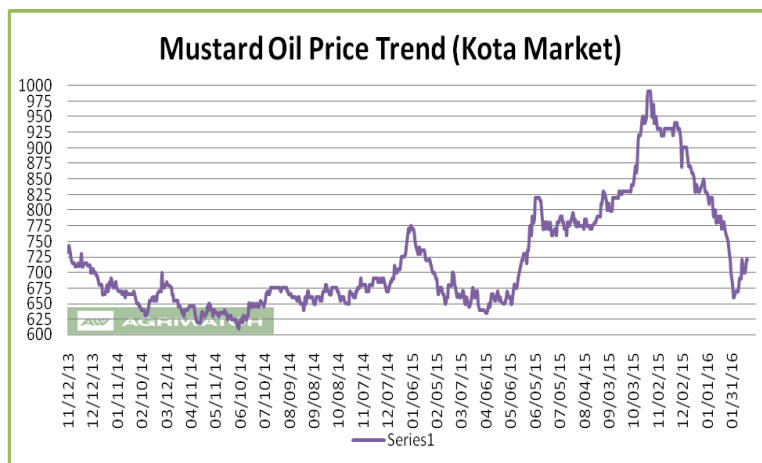
- According to Indonesian government, Indonesia is reexamining export levy it imposes on exports of crude palm oil and its products. It includes palm oil used in biodiesel. The government has received various proposals to review export levy for packaged products. Indonesia imposed export levy in July 2015 on exports of crude palm oil and palm kernel oil to push its biodiesel mandate to blend palm oil in diesel from 15 percent to 20 percent. However, after steep fall in prices of crude oil, it has become unviable to produce biodiesel at current price of palm oil.

Price Outlook: We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 460-520 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis:-

Domestic Front

- Mustard oil featured uptrend at its benchmark market Kota on renewed demand at lower quotes.
- Agriwatch view: Prices of rapeseed oil expeller and Kacchi Ghani fell in Kota, Jaipur and Neewai on demand at lower quotes especially from East India. Stocking ahead of festivals in North India is expected to support prices. Rise in prices of palm and soy oil has given support to prices. Recent rains and winter has given support to the rapeseed crop, which is in good condition, and production of rapeseed expected to be higher than last year. Demand has found support on lower prices in retail markets. Imports of rapeseed (Canola) oil will rise on negative premium of rapeseed (canola oil) over soy oil. Markets are expected to trade sideways to firm tone in coming days.
- India imported 0.07 lakh tons of rapeseed (Canola) oil in January 2016 v/s 0.43 lakh tons in January 2015, lower by 83.7 percent y-o-y. For oil year November 2015-2016 (November – January 2016) India imported 0.58 lakh tons v/s 1.17 lakh tons in corresponding period in the oil year 2014-15, lower by 50 percent y-o-y: SEA
- Rabi rapeseed sowing is reported at 64.51 lakh hectares as on 28 January 2015 compared to 65.17 lakh hectares in the corresponding period last year.
- CIF Canola oil premium over soybean oil is USD -8 (USD -24 last week) per ton as on 19 February 2016. Negative premium of canola oil over soybean oil may increase imports of canola oil.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 796 (Rs 760) per 10 Kg, and at Kota market, it is offered at Rs 750 (Rs 720) per 10 kg as on February 19, 2016. Values in brackets are figures of last week.
- We expect RM seed oil prices to trade sideways to firm tone in the coming days.

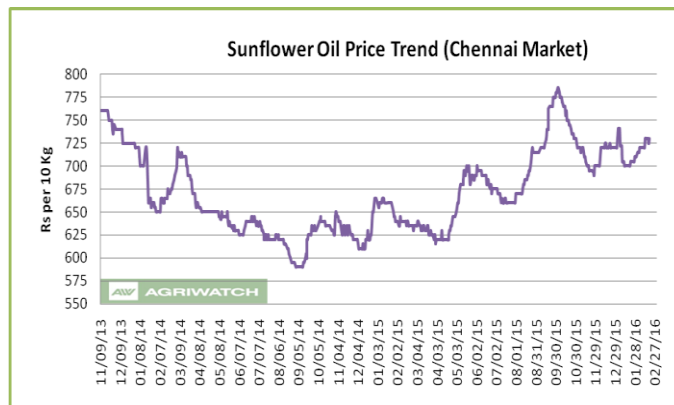


Price Outlook: Rapeseed oil (without VAT) prices in Kota may stay in the range of Rs 730-790 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices featured sideways trend during last week at its benchmark market in Chennai on firm demand. In Hyderabad, prices closed higher at the end of the week.
- Agriwatch view: Prices of sunflower oil were flat during the course of the week on firm demand. Buying by refiners and traders will improve when premium of sunflower oil over soybean oil weakens around USD 100/ton. Currently sunflower oil premium over soy oil is at USD 112 (USD 110 last week) per ton. Impact of local oils like cottonseed, rice bran oils has receded. In Hyderabad, prices of sunflower oil rose on rise demand and rise in prices of palm oil. Price of sunflower oil is higher compared to competing edible oils, which may adversely affect price. On the international front, higher sunflower crop in Ukraine this year will be bearish for prices of sunflower oil in international markets.
- Ukraine exported 511.6 KMT of sunflower oil in December. These exports figures were record in history. The numbers include crude and refined sunflower oil. Since the beginning of marketing season (September-December) Ukraine, exported 1458 KMT of sunflower oil. Key importers were in 2015/16 are India (33% of the total exports), EU (25%), and China (15%). Turkey is the fifth largest buyer with 6% and Malaysia at 4%.
- Sunflower sowing is complete in 2.95 lakh hectares in Rabi 2015-16 as on 28 January 2016 v/s 2.84 lakh hectares in the corresponding period last year.
- Sunflower oil import scenario – According to SEA, India imported 1.18 lakh tons of crude sunflower oil during January 2016 versus 1.56 lakh tons in January 2015, down by 24 percent y-o-y. Imports during oil year 2015-16 (November –January) were reported at 3.98 lakh tons compared to 5.01 lakh tons during the corresponding period in last oil year, down by 21 percent y-o-y.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 855 (USD 865) per ton for March delivery. AMJ delivery is quoted at USD 852.5 (USD 862.5) per ton. CIF sun oil (Ukraine origin) January monthly average was around USD 848.91 per ton. Values in brackets are figures of last week.
- Prices are likely to stay in the range of USD 830-880 per ton in the near term. CIF Sunflower oil premium over soybean oil decreased from last week and is hovering at USD 112 (USD 110 last week) per ton for March delivery.
- Sunflower oil global production is seen at 15.054 MMT in 2015/16 compared to 14.849 MMT in 2014/15 -USDA. India imports are projected at 1.55 MMT of Sunflower oil in 2015/16 up from 1.53 MMT 2014/15. India is the largest importer of sunflower oil in the world: USDA.
- Currently, refined sunflower oil at Chennai market is offered at Rs 730 (Rs 730) per 10 Kg, and at Hyderabad market, it is offered at Rs 722 (Rs 713) per 10 kg as on February 19, 2016. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade sideways to weak tone in the coming days.



Price Outlook: Sunflower oil (with VAT) prices in Chennai may stay in the range of Rs 700-750 per 10 Kg.

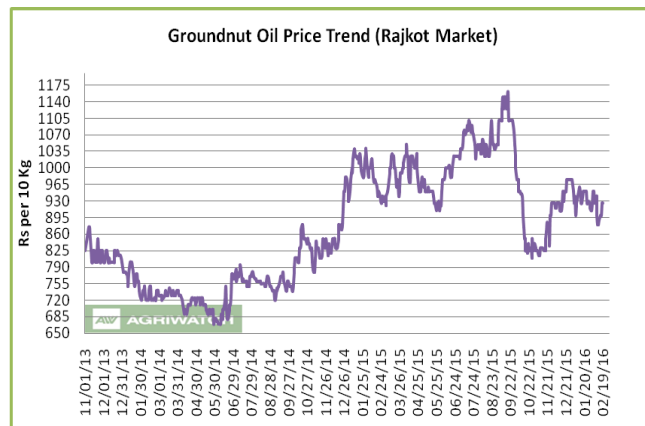
Groundnut oil Fundamental Review and Analysis:-`

Domestic Front

- Groundnut oil prices featured uptrend in Rajkot on renewed demand at lower quotes. Prices in Chennai and Hyderabad closed higher at the end of the week.
- Agriwatch view: Prices in Rajkot, Chennai and Hyderabad fell on firm demand. Demand increased on lower quotes. Supply of groundnut oil is low affecting prices. Rise in palm oil prices have helped prices of groundnut oil. However, prices of groundnut oil is high compared to other oils, which can bring down prices. Prices sensitive Indian consumers are not expected to shell out extra when prices of other oils are ruling much lower. Prices of palm oil, soy oil, cottonseed oil and rice bran oil are lower than groundnut oil. Supply of seeds from producing regions has increased and crushers are crushing at higher rates affecting prices. Exports of groundnut have improved and quality of groundnut in market is good. Prices of groundnut oil may fall in coming days.
- Groundnut sowing is complete in 4.45 lakh hectares in Rabi 2015-16 as on 28 January 2016 v/s 5.96 lakh hectares in the corresponding period last year
- USDA has reduced India's groundnut production to 4.1 MMT from 4.7 MMT in 2015/16 in its February report v/s 4.9 MMT in 2014/15, lower by 20 percent y-o-y. Consumption has been reduced to 0.855 MMT from 1.015 MMT in 2015/16 v/s 1.085 MMT in 2014/15, lower by 18.7 percent y-o-y.
- On the price front, currently the groundnut oil prices in Rajkot is hovering near Rs 9,250 (Rs 8,800) per quintal and quoting at Rs 8,600 (Rs 8,500) per quintal in Chennai market on February 19, 2016. Values in brackets are values of last week
- Groundnut oil prices are likely to trade sideways to weak in the coming days.

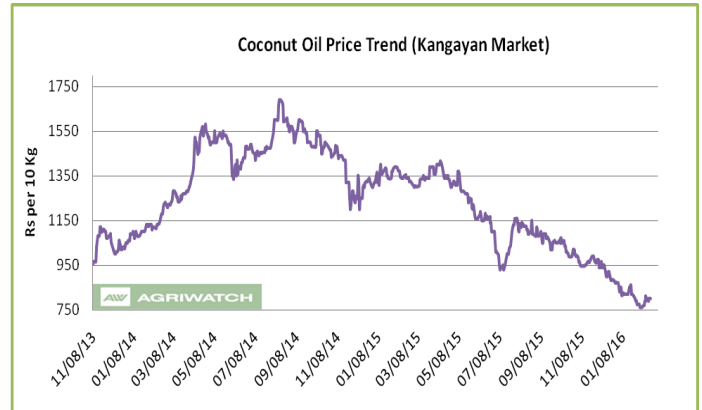
Price Outlook

Groundnut oil (without VAT) in Rajkot market is likely to trade in the price band of Rs 860-950 per 10 Kg.



Coconut Oil Fundamental Review and Analysis:- Domestic Front

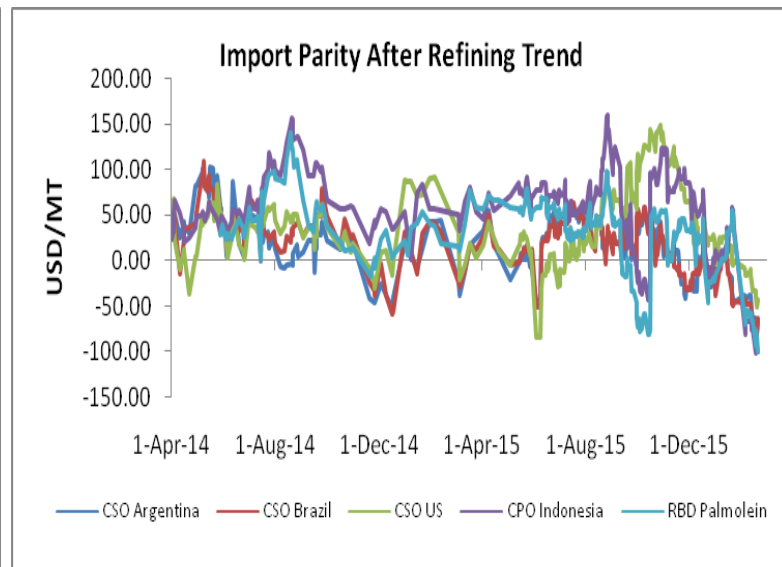
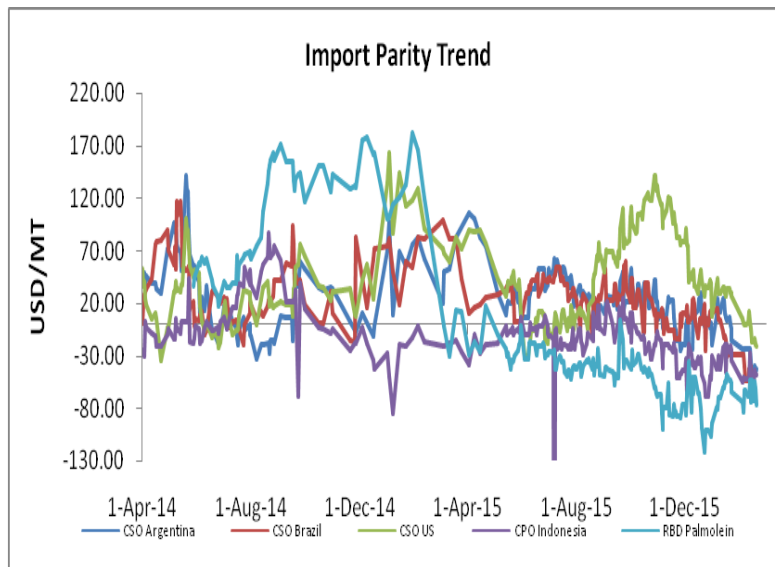
- Coconut oil prices featured downtrend during the week at its benchmark market in Kangeyam on weak demand from North India.
- Agriwatch view: Coconut oil prices fell during the week on weak demand on winters in North India. However, temperatures have risen in North India, which may induce demand in coming days. Coconut Development Board (CDB) has said that some major buyers have staying away from milling copra to take advantage of temporary fall in prices of copra with intention to buy at low prices. Manufacturers are having low stock of coconut oil which will help prices in coming days, according to CDB. This fall in price coconut oil has increased demand of coconut oil by 10-15 percent due to lower difference in prices compared to other edible oils, according to Cochin Oil Merchants Association (COMA). This is good news for coconut oil industry as rock bottom prices of palm oil had shifted demand away from coconut oil, according to CDB. Authorities are expected to start procurement of Copra. Harvesting of coconut is steady. Copra prices have fallen close to minimum support price (MSP) of 2015. Traders and upcountry buyers are staying away from markets in anticipation of lower prices. Prices are falling in a period palm oil prices are raising. In Kochi, prices were rose while in Trissur, prices witnessed sideways trend. Prices are expected to be sideways to higher in near term.
- Coconut Development Board has asked farmers to avoid distressed selling of coconut oil as production has not shown significant increase in 2015-16 compared to last year, according to survey conducted by board. Exports of coconut products have increased by 8.25 percent between April and December 2015. The board has asked farmers to take into consideration facts and act accordingly to improve their income.
- Government of India (GOI) has increased minimum support prices (MSP) for fair average quality (FAQ) of “milling copra” by Rs 400 to Rs 5,950/quintal for 2016 from 5,550/quintal in 2015. MSP for FAQ of “ball copra” has been increased to Rs 6,250/quintal for 2016 from Rs 5,830/quintal 2015. MSP has been increased to ensure appropriate minimum prices to the farmers and improve investment in coconut sector.
- On the price front, currently the coconut oil prices in Trissur is hovering near Rs 8,400 (8,400) per quintal, and was quoting Rs 8,000 (8,100) per quintal in Erode market on February 19, 2016.



Price Outlook: Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 770-850 per 10 Kg.

Import Parity Trend

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

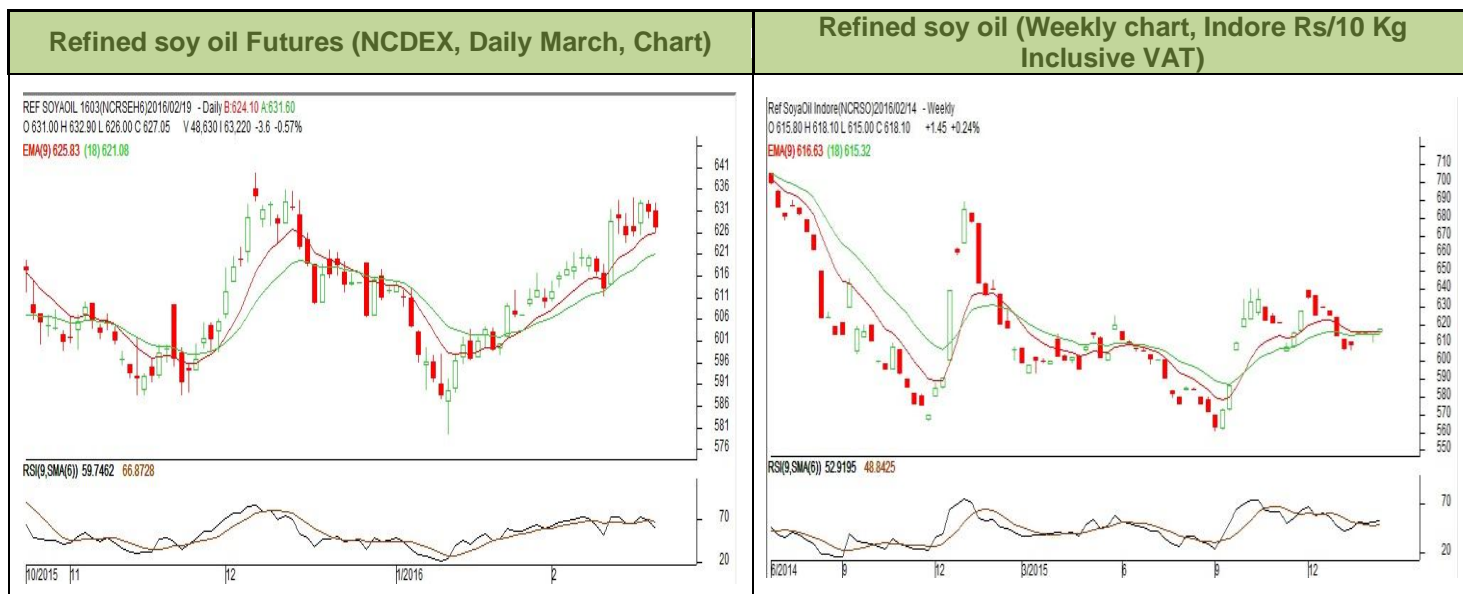


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
Dec, 2015	-12.15	-10.91	32.63	35.93	7.77
Jan, 2016	-8.57	-14.53	16.32	22.56	19.05

Outlook:-

Import parity for crude soy oil from Argentina and palm oil after refining is hovering in negative territory due to rise in prices of imported oils. We expect CDSO import parity remain negative. However, parity in palm oil products may increase palm oil imports in the coming days.

Technical Analysis (Refined soy oil)



Outlook – Refined soybean oil witnessed downtrend during the week in review and is likely to trade with a sideways to firm tone in the coming days.

- ❖ Weekly chart of refined soy oil at NCDEX depicts losses during the week in review. We expect prices to trade sideways to firm tone in the near term.
- ❖ Any close above 640 in weekly chart shall change the sentiments and might take the prices to 660 levels.
- ❖ Expected price band for next week is 610-650 level in near to medium term. RSI, Stochastic, and MACD are going up indicating uptrend in prices.

Strategy: Market participants are advised to go long in RSO above 625 levels for a target of 640 and 645 with a stop loss at 615 on closing basis.

RSO NCDEX (Feb)

Support and Resistance				
S2	S1	PCP	R1	R2
580.00	599.00	626.85	639.00	656.00

Spot Market outlook: Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 590-640 per 10 Kg.

Technical Analysis (Crude Palm oil)
Crude palm oil Futures (MCX, Daily February, Chart)

Crude palm oil (Weekly chart, Kandla Rs/10 Kg)


Outlook - Prices show uptrend during the week. We expect that CPO February contract may trade sideways to firm note.

- ❖ Candlestick in weekly chart of crude palm oil at MCX depicts flat trend in the prices. We expect prices to trade with a sideways to firm note in the near term.
- ❖ Any close above 500 in weekly chart shall change the sentiments and might bring the prices to 520 levels.
- ❖ Expected price band for next week is 460-520 level. RSI, Stochastic, and MACD going up suggesting uptrend in prices in the coming week.

Strategy: Market participants are advised to go long in CPO above 480 for a target of 495 and 500 with a stop loss at 470 on closing basis.

CPO MCX (Feb)

Support and Resistance				
S2	S1	PCP	R1	R2
441	447	485.3	500	530

Spot Market outlook: Crude palm oil is likely to stay in the range of Rs 460-520 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-Feb-16	12-Feb-16	
Refined Soybean Oil	Kota	630	620	10
	Rajkot	605	598	7
	Delhi	630	630	Unch
	Mumbai	635	630	5
	Indore	618	612	6
	Kandla/Mundra	605	605	Unch
	Kolkata	620	615	5
	Indore (Soy Solvent Crude)	597	590	7
	Mumbai (Soy Degum)	580	568	12
	Kandla/Mundra (Soy Degum)	575	565	10
	Akola	646	646	Unch
	Amrawati	645	645	Unch
	Jalna	653	653	Unch
	Nagpur	646	646	Unch
	Alwar	NA	NA	-
	Solapur	653	653	Unch
	Bundi	620	620	Unch
	Dhule	653	656	-3
Palm Oil	Rajkot	535	515	20
	Hyderabad	523	523	Unch
	Delhi	530	530	Unch
	Kandla (Crude Palm Oil)	487	480	7
	Kandla (RBD Palm oil)	515	510	5
	Mumbai RBD Pamolein	545	545	Unch
	Kandla RBD Pamolein	530	540	-10
	Mangalore RBD Pamolein	540	530	10
	Chennai RBD Pamolein	540	530	10
	Kakinada RBD Pamolein	520	515	5
	KPT (krishna patnam)	525	515	10
	Haldia	530	520	10
	PFAD (Kandla)	400	370	30
	Refined Palm Stearin (Kandla)	405	385	20
Refined Sunflower Oil	Mumbai	770	760	10
	Mumbai(Expeller Oil)	690	690	Unch
	Kandla/Mundra (Crude)	NA	NA	-

	Erode (Expeller Oil)	760	760	Unch
	Hyderabad (Ref)	722	713	9
	Chennai	730	730	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	670	675	-5
Groundnut Oil	Rajkot	925	880	45
	Chennai	860	850	10
	Delhi	930	930	Unch
	Hyderabad *	890	880	10
	Mumbai	940	930	10
	Gondal	920	890	30
	Jamnagar	925	890	35
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	770	760	10
	Sri-GangaNagar(Exp Oil)	800	730	70
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	750	720	30
	Jaipur (Expeller Oil)	796	760	36
	New Delhi (Expeller Oil)	952	952	Unch
	Hapur (Expeller Oil)	800	800	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	780	65
	Kota (Kacchi Ghani Oil)	830	775	55
	Jaipur (Kacchi Ghani Oil)	833	795	38
	Agra (Kacchi Ghani Oil)	855	875	-20
	Bharatpur (Kacchi Ghani Oil)	850	870	-20
	Neewai (Kacchi Ghani Oil)	820	785	35
	Hapur (Kacchi Ghani Oil)	860	860	Unch
Refined Cottonseed Oil	Mumbai	605	598	7
	Rajkot	585	575	10
	New Delhi	540	540	Unch
	Hyderabad	570	580	-10
Coconut Oil	Kangayan (Crude)	800	810	-10
	Cochin	885	880	5
	Trissur	840	840	Unch
Sesame Oil	New Delhi	650	650	Unch
	Mumbai	650	660	-10
Kardi	Mumbai	840	840	Unch



Rice Bran Oil (40%)	New Delhi	420	420	Unch
Rice Bran Oil (4%)	Punjab	500	500	Unch
Rice Bran Oil (4%)	Uttar Pradesh	500	500	Unch
Malaysia Palmolein USD/MT	FOB	643	630	13
	CNF India	648	645	3
Indonesia CPO USD/MT	FOB	625	620	5
	CNF India	643	633	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	625	620	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	593	585	8
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1100	1120	-20
Crude palm Kernel Oil India (USD/MT)	CNF India	1075	1030	45
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	558	555	3
Ukraine Origin CSFO USD/MT Kandla	CIF	860	860	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	702	696	6
Argentina FOB (\$/MT)		18-Feb-16	11-Feb-16	Change
Crude Soybean Oil Ship		686	684	2
Refined Soy Oil (Bulk) Ship		710	708	2
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		666	664	2
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
<i>* indicates including VAT</i>				

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