

# Veg. Oil Weekly Research Report

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## **Executive Summary**

### **Domestic Veg. Oil Market Summary**

*Edible oil witnessed mixed sentiment during the week on gains in CBOT soybean oil and BMD CPO. Soy oil, palm oil and groundnut oil prices closed higher while refined sunflower oil closed sideways. Rapeseed oil and coconut oil prices closed in red.*

*On the currency front, Indian rupee against USD closed at 66.50, down 54 paisa 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 620 levels for a target of 635 and 640 with a stop loss at 610 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 580-640 per 10 Kg in the near term.*

*Market participants are advised to go long in CPO above 505 for a target of 520 and 525 with a stop loss at 495 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 490-540 per 10 Kg in the near term.*

### **International Veg. Oil Market Summary**

*According to Societe Generale de Surveillance (SGS), Malaysia's March 1-15 palm oil exports fell by 1.1 percent to 415,686 tons from 420,152 tons in the corresponding period last month. Top buyers were India at 68,950 tons (65,500 tons), European Union at 64,303 tons (136,466 tons), China at 46,680 tons (32,055 tons), and United states at 30,550 tons (74,028 tons). Values in brackets are figures of corresponding period last month.*

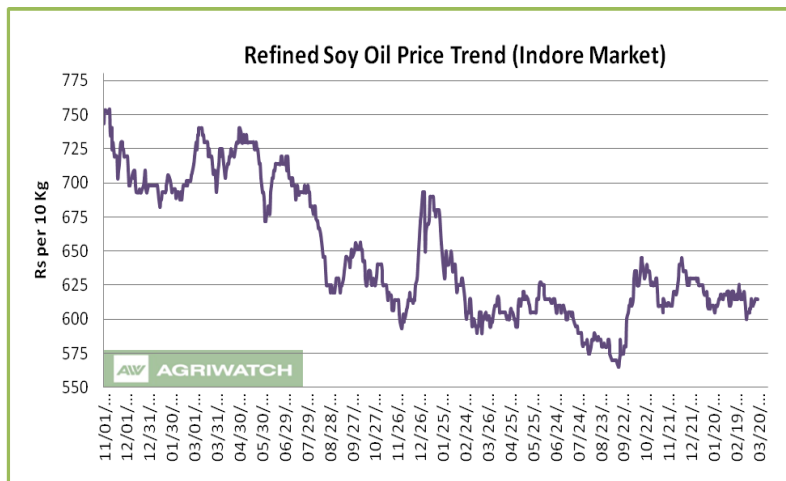
*On the international front, soybean crush in US, weak dollar, and strong crude oil prices are bullish for the soy complex in the coming days while Chinese soybean demand from United States, soybean crop prospect in South America, fine supplies of soybean from South America and US underpin prices in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

*El Nino weather pattern, strong palm oil exports, crude oil prices and supportive biodiesel and tax policies by South East Asian countries may support the CPO prices. However, strong ringgit may underpin palm oil prices in medium term.*

### Soy oil Fundamental Analysis and Outlook:-

#### Domestic Front

- Soy oil featured uptrend at its benchmark market in Indore during the week in review on improved demand.
- Agriwatch View- Soy oil prices witnessed uptrend during the week on higher demand. Prices are expected to recover on stocking ahead of festivals and seasonal uptrend of prices. Prices of soy oil expected to be firm on low premium of soy oil over palm oil Rs 98 (Rs 102) per 10 Kg. Weak refining margin may slow imports. In USD terms, premium of soy oil over palm oil was USD 83.5 (USD 84.5 last week). Rise in prices of palm oil will help prices. Prices of soy oil are expected to be firm in near term.
- According to Solvent Extractors Association (SEA), India's import of edible oils in February rose by 29 percent y-o-y to 10.94 LT from 8.47 LT in February 2015. However, imports of edible oil in February were down 14.7 percent from January 2015 m-o-m. Palm oil imports were 6.10 LT (5.09 LT), higher by 19.8 percent y-o-y. Soy oil imports were 3.80 LT (2.42 LT), higher by 57 percent y-o-y. Sunflower oil imports were 0.87 LT (0.63 LT), higher by 38 percent y-o-y. Rapeseed (canola) oil imports were 0.17 LT (0.32 LT), lower by 88 percent y-o-y. Values in brackets are figures of February 2015.
- According to Solvent Extractors Association (SEA), India's imports of edible oil in the first four months of oil year 2015-16 (November 2015 to February 2016) were 50.90 LT v/s 42.03 tons in the corresponding period last oil year, higher by 21.1 percent. Palm oil imports in first four months in the oil year 2015-16 were 29.69 LT (28.04 LT), higher by 5.9 percent y-o-y. Soy oil imports in the same period were 15.89 LT (6.86 LT), higher by 131 percent. Sunflower oil imports in the same period were 4.85 LT (5.65 LT), lower by 16.5 percent. Rapeseed (Canola) oil in the same period was 0.75 LT (1.50 LT), lower by 50 percent. Values in brackets are figures of first four months of oil year 2014-15.
- According to Solvent Extractors Association (SEA), India's edible oils stocks at ports and pipelines dropped to 23.6 LT in February from 24.55 LT in January 2016, lower by 4 percent m-o-m. Stocks at ports on 1st March 2016 were 9.10 LT (CPO 3.30 LT tons, RBD palmolein 1.70 LT, Degummed Soybean Oil 3.20 LT, Crude Sunflower Oil 0.7 LT and 0.20 LT tons of Rapeseed (Canola) Oil) and 14.5 LT tons in pipelines. Stock of at ports and pipelines were 43 days of India's monthly edible oil use. India typically uses 16.5 LT of edible oil in a month. As on 1st March, 2016 the total stock at ports and pipelines is higher by 3.5 LT tons compared to 1st March, 2015.
- Soybean oil import scenario – According to SEA India imported 3.80 lakh tons of soybean oil in February 2016 v/s 2.42 lakh tons in February 2015, up 57 percent y-o-y. In the oil year 2015-16 (November 2015-January 2016) imports of soy oil is reported at 15.69 lakh tons v/s 6.85 lakh tons in corresponding period last oil year, higher by 129 percent.
- Imported crude soy oil CIF at West coast port is offered at USD 766 (USD 752) per ton for March delivery. April delivery is offered at USD 766 (USD 752) per ton and May delivery is offered at USD 762 (USD 745) as on March 18, 2016. Last month, CIF CDSO January average price was USD 742.24 per ton.
- On the parity front, margins wereweakened during the week and we expect margins to be weak in coming days. Currently refiners get USD -55-60/ton v/s USD -50-55/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

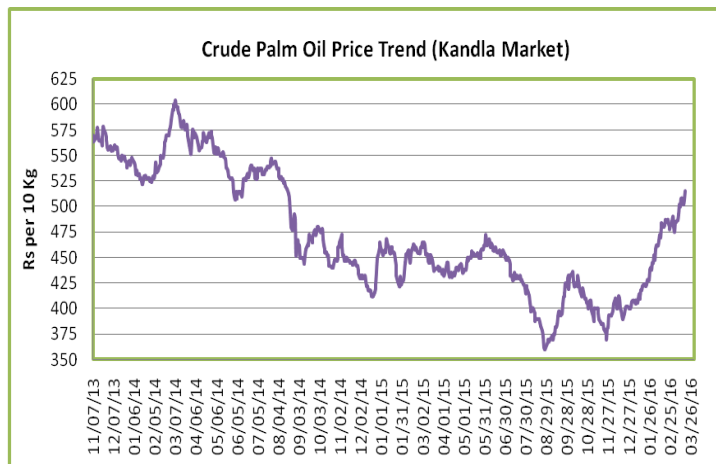
- Agriwatch view – NOPA reported lower production of soy oil in US due to lower crush by processors. Further reduction is expected in coming months. USDA has lowered crush numbers in 2015/16 from initial estimate on lower prices of soy meal and slow farer sales. However, stocks of soy oil in US increased. Recent rise in prices of soy oil is attributed to lower production of soy oil in US.  
Appreciation of Brazilian Real has increased prices of soybean. Buyers of soybean have moved to US from Brazil due to port congestion. Recent export trends of soybean from US indicate movement of buyers. Decrease in premium of soy oil over palm oil has indicated that soy oil can capture market of palm in this season. With lower availability of palm, soy oil can enter more markets.  
Lower soybean crop expectations in US in 2016/17 has led to rally in prices of soybean complex hit by surplus production of soybean in last two years. More agencies are expecting lower soybean crop in next season.  
Rise in prices of crude oil and weaker dollar will support prices. Prices of soy oil are in a range with upward bias.
- United States Department of Agriculture (USDA) increased soy oil ending stocks of US by 120 million pounds in its March estimate to 2,185 million pounds. It has increased the opening stocks by 35 million pounds to 1,855 million pounds. U.S. 2015/16 soy oil production has been reduced by 115 million pounds to 21,730 million pounds. Lower production is due to lower crush in US on lower domestic disappearance of soy meal. Imports are kept unchanged at 300 million pounds. Exports have been reduced by 200 million pounds to 2,100 million pounds. Biodiesel use is unchanged at 5,500 million pounds. Food, Feed & other Industrial use remains unchanged at 14,100 million pounds. Higher closing stocks are due to higher opening stocks and lower exports partially offset by lower production. Soy oil price estimate is unchanged at 28.5 to 31.5 cents per pound.
- According to The National Oilseed Processors Association (NOPA), soy oil stocks in US at the end of February rose by 13.3 percent m-o-m to 1.792 billion lbs compared to 1.582 billion lbs in January 2016. February stock position reported at 1.322 million lbs was higher by 35.5 percent from February 2015. Production of soy oil in February fell by 2.84 percent m-o-m to 1.708 billion lbs from 1.858 billion lbs. Production in February was higher by 3.33 percent from February 2015 which was reported at 1.653 billion lbs. Lower production in February was due to lower crush of soybean.
- USDA WASDE Oilseeds Highlights: The U.S. season-average soybean price for 2015/16 is projected at \$8.25 to \$9.25 per bushel, down 5 cents at the midpoint. The soybean meal price is projected at \$270 to \$300 per short ton, down \$5 at the midpoint. Soybean oil prices are projected at 28.5 to 31.5 cents pound, unchanged from last month.

**Price Outlook:** We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 580-640 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 firm demand and limited supply.
- Agriwatch View – Low soy oil premium over palm oil, which is hovering at USD 83.5 (USD 84.5 last week) per ton, negative refining margins may decrease imports. Stocking ahead of festive season in North and East India, seasonal uptrend of prices of palm oil will improve prices in near term. Higher import of RBD palmolein has increased disparity on high seas. 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 sideways to higher.
- United States Department of Agriculture (USDA) in its March report revised estimates of India's imports of palm oil to 9.425 MMT from 9.625 MMT in its earlier estimate. Imports of 2015/16 will be higher by 3.2 percent from 2014/15 which was reported at 9.129 MMT. Lower revisions of imports are due to tight palm oil global supplies. . India's 2015/16 palm oil consumption estimate has been lowered to 9.750 MMT from 10.025 MMT in its earlier estimate. Consumption estimates of 2015/16 are higher by 7.9 percent from 2014/15 which was reported at 4.050 MMT. India's 2015/16 palm oil end stocks has been raised to 0.675 MMT in its March estimate from 0.60 MMT in its earlier estimate. End stocks of palm oil in 2014/15 were reported at 0.80 MMT.
- Palm oil import scenario – According to SEA, India imported 6.1 lakh tons of palm oil in February 2016 v/s 5.1 lakh tons in February 2015, up 19.6 percent y-o-y. In the oil year 2015-16 (November 2015-February 2016) imports of palm oil is reported at 29.6 lakh tons v/s 28.04 lakh tons in corresponding period last oil year, higher by 5.56 percent y-o-y. RBD palmolein reported sharp rise at 7.89 lakh tons (November 2015-February 2016)/v/s 2.54 lakh tons in corresponding period in oil year 2014-15, rise of 210 percent y-o-y. Crude palm imports in the period (November 2015-Jnauary 2016) fell to 21.31 lakh tons from 24.69 lakh tons in the corresponding period last oil year, fall of 17.12 percent y-o-y.
- On the trade front, CNF CPO (Indonesian origin) at Indian port quoted at USD 672.5 (USD 652.5) per ton for March delivery and April delivery quoted at USD 682.5 (USD 667.5) per ton for April delivery. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 687.5 (USD 662) per ton for March delivery and April delivery offered at USD 687.5 (USD 662.5) per ton. Ready lift CPO duty paid prices quoted at Rs 517 (Rs 508) per 10 Kg and April delivery duty paid offered at Rs 522 (Rs 513) per 10 Kg on March 18, 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 -115-120/ton v/s USD 80-85/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein fetches USD -95-100/ton v/s USD -70-75/ton (last month) parity.
- We expect palm oil to trade sideways to firm in the days ahead.



### **International Front**

- Agriwatch View – Supply concerns on expectation of lower production in Malaysia and Indonesia has propelled prices of palm oil higher. Dry weather on El Nino has reduced yields and drove down production. Export picture not as bad as production. Drawdown of stocks is expected in March in Malaysia. However, production generally improves from March on seasonal uptrend in production. In a surprise move, Malaysia imposed export duty on palm oil to keep more oil in the country to process rather than export it. Planters will rush to export by the end of the month before duty ticks in.

Low price differential between Malaysia RBD palmolein and Crude palm oil (CPO) Indonesia will improve demand of palm oil from Malaysia. Due to low difference, refiners will get additional advantage to process more palm oil. With better availability of palm products, Malaysian refiners will be able to undercut into major buyers of palm from Indonesia especially India and China. Despite ringgit appreciation, prices are rallying indicating strength in the market. Competitive oils will support palm oil prices. Prices are in range with upwards bias.

- According to Societe Generale de Surveillance (SGS), Malaysia's March 1-15 palm oil exports fell by 1.1 percent to 415,686 tons from 420,152 tons in the corresponding period last month. Top buyers were India at 68,950 tons (65,500 tons), European Union at 64,303 tons (136,466 tons), China at 46,680 tons (32,055 tons), and United states at 30,550 tons (74,028 tons). Values in brackets are figures of corresponding period last month.
- According to Malaysian government, Malaysia hiked export duty on CPO to 5 percent from April after zero export duty for last 11 months. Refiners in Malaysia will benefit from export duty and will enable CPO to be processed domestically rather than exporting it. However, plantations will be at loss who were selling CPO. Plantations will be rushing to export CPO before export duty kicks in. This will change the composition of exports between CPO and refined palm oil products. Malaysia CPO is still competitive despite export duty as Indonesia charges \$50 export levy on CPO. Tax will be calculated at a reference price of 2,500.34 ringgit (\$607.17) per ton. A price above 2,250 ringgit is taxed starting from 4.5 percent to a maximum of 8.5 percent.
- According to palm oil industry regulator Malaysia Palm Oil Board (MPOB), Malaysia's February palm oil ending stocks fell by 6.05 percent to 2.17 MMT from 2.30 MMT in January. Production fell by 7.7 percent to 1.04 MMT in February from 1.13 MMT in January. Exports fell by 15.15 percent to 1.09 MMT in January from 1.28 MMT in February. Imports of palm oil rose by 84.44 percent to 0.07 MMT in January from 0.04 MMT in February.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's March 1-10 palm oil exports rose by 56.5 percent to 308,348 tons from 196,968 tons in the corresponding period last month. Top buyers were India at 54,500 tons (42,500 tons), China at 32,150 tons (24,305 tons), United States at 30,550 tons (22,398 tons) and European Union at 11,430 tons (34,300 tons). Values in brackets are figures of corresponding period last month.

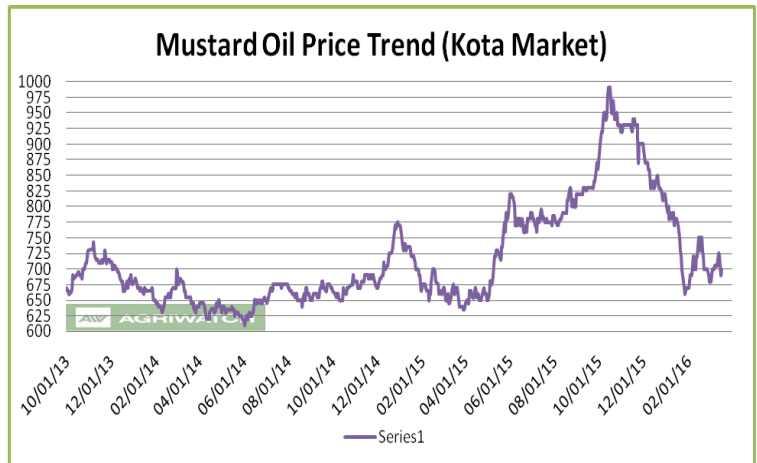
**Price Outlook:** We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 490-540 per 10 Kg in the near term.



## Rapeseed oil Fundamental Review and Analysis:-

### Domestic Front

- Mustard oil featured downtrend at its benchmark market Kota on weak demand.
- Agriwatch view: Prices of rapeseed oil expeller and kacchi ghani fell in Kota, Jaipur and Neewai on weak demand. Rising temperatures in North and East India led to fall in demand. Arrivals of rapeseed have increased in Rajasthan. Harvesting has increased and yield and recovery is higher. Removal of stock limit on rapeseed oil will supported prices. However, price momentum of rapeseed oil and seasonal trend of prices is weak. According to Agriwatch estimates India's 2015/16 rapeseed-mustard production between 5.5 – 6.0 million tons. Prices in retail markets are still high. Markets are expected to trade sideways to weak tone in coming days.
- Rajasthan government removed stock limit on rapeseed oil and rapeseed in a notification issued on 26 February 2016 after new rapeseed crop arrivals increased at various mandis across the State: Rajasthan government.
- India imported 0.17 lakh tons of rapeseed (Canola) oil in February 2016 v/s 0.32 lakh tons in February 2015, lower by 46.9 percent y-o-y. For oil year 2015-2016 (November 2015 – February 2016) India imported 0.75 lakh tons rapeseed (canola) oil v/s 1.50 lakh tons in corresponding period in the oil year 2014-15, lower by 50 percent y-o-y: SEA
- CIF canola premium over soybean oil is USD -31 (USD -12 last week) per ton as on 18 March 2016. Negative premium of canola over soybean oil may increase imports of canola.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 716 (Rs 729) per 10 Kg, and at Kota market, it is offered at Rs 700 (Rs 705) per 10 kg as on March 18, 2016. Values in brackets are figures of last week.
- We expect RM seed oil prices to trade sideways to weak tone in the coming days.

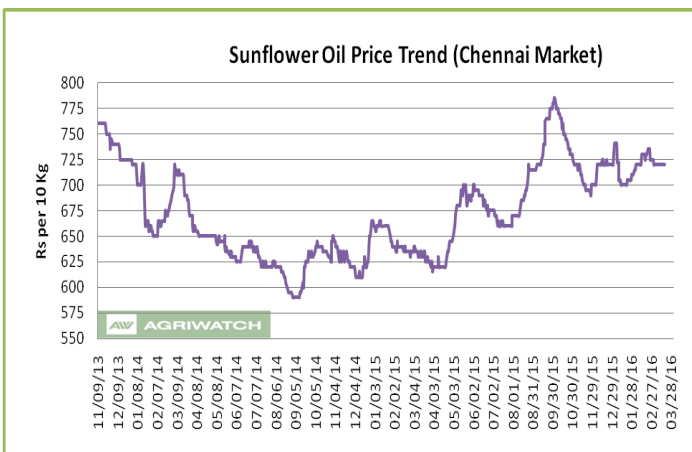


**Price Outlook:** Rapeseed oil (without VAT) prices in Kota may stay in the range of Rs 670-740 per 10 Kg.

## Sunflower oil Fundamental Review and Analysis:-

### Domestic Front

- Sunflower oil prices featured flat trend at the end of week at its benchmark market in Chennai on firm demand.
- Agriwatch view: Prices of sunflower oil were unchanged in Chennai on firm demand and adequate supplies. In Hyderabad, prices were stable on firm demand while in Kakinada prices closed lower at the end of the week. Rise in prices of palm oil has supported prices. Refiners and traders have resumed purchases of sunflower oil and the trend is expected to improve as the premium of sunflower oil over soybean oil has weakened around USD 100/ton. Currently sunflower oil premium over soy oil is at USD 94 (USD 107 last week) per ton. Impact of local oils like cottonseed, rice bran oils has receded. On the international front, higher sunflower exports from Ukraine this year will be bearish for prices of sunflower oil in international markets. In domestic market, prices are expected to be weak on higher prices compared to competing oils and seasonal downtrend in prices.
- Sunflower oil import scenario – According to SEA, India imported 0.87 lakh tons of crude sunflower oil during February 2016 v/s 0.63 lakh tons in January 2015, up by 38 percent y-o-y. Imports during oil year 2015-16 (November 2015 –February 2016) were reported at 4.85 lakh tons v/s 5.64 lakh tons during the corresponding period in last oil year, down by 16.29 percent y-o-y.
- According to UkrAgroConsult, Ukraine's sunflower oil exports rose to 348 KMT in January compared to 314 KMT in January 2015, higher by 10.82 percent. During the period 2015/16 (September –January), Ukraine exported 1807 KMT of sunflower oil compared to (including 120 KMT of refined sunflower oil), which is record for this period. India imported 31 percent of sunflower oil in September-January 2015/16 followed by EU(28%), China, (15%), Turkey (5%) and Malaysia (4%) etc.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 860 (USD 825) per ton for AMJ delivery, JAS delivery is quoted at USD 865 per ton, CIF sun oil (Ukraine origin) February monthly average was around USD 857.68 per ton. Values in brackets are figures of last week.
- Prices are likely to stay in the range of USD 820-900 per ton in the near term. CIF Sunflower oil premium over soybean oil decreased from last week and is hovering at USD 94 (USD 107 last week) per ton for April delivery.
- Sunflower oil global production is seen at 15.084 MMT in 2015/16 compared to 14.869 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 720 (Rs 720) per 10 Kg, and at Hyderabad market, it is offered at Rs 727 (Rs 727) per 10 kg as on March 18, 2016. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade sideways to firm tone in the coming days.

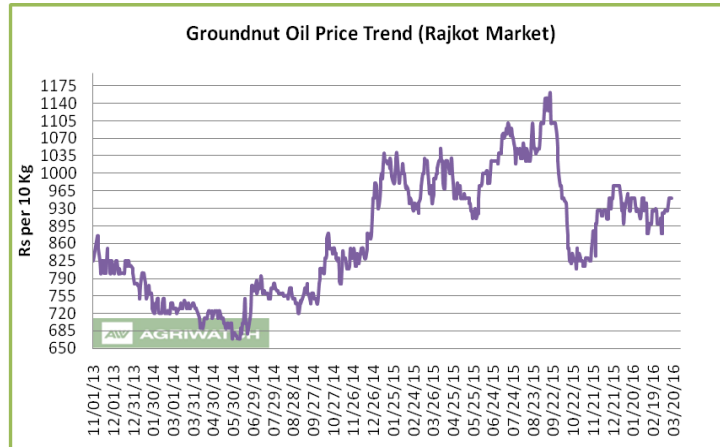


**Price Outlook:** Sunflower oil (with VAT) prices in Chennai may stay in the range of Rs 690-750 per 10 Kg.



### Groundnut oil Fundamental Review and Analysis:- Domestic Front

- Groundnut oil prices featured uptrend in Rajkot on higher demand and lower supply. Prices in Chennai and Hyderabad closed higher at the end of week.
- Agriwatch view: Prices in Rajkot, Chennai and Hyderabad rose on higher demand and restricted selling from oil millers. Prices in Gondal, Jamnagar and Mumbai ruled steady in the week. There is supply shortage of groundnut oil in market and demand is high. Higher off take from retailers has supported prices. Stocking ahead of festivals has improved demand and support prices in near term. Prices of palm oil are supporting prices.



Groundnut oil is the costliest domestic oil in India. High prices of groundnut oil compared to other oils can bring down prices. Exports of groundnut have improved. Prices of groundnut oil may trade sideways to firm in coming days.

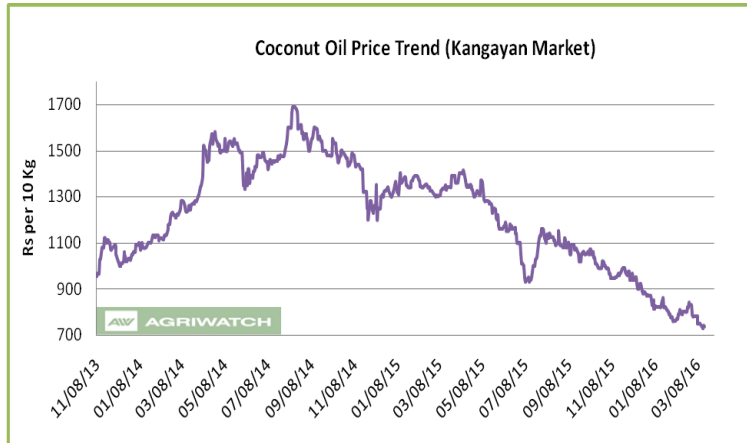
- USDA has increased India's groundnut production to 4.7 MMT from 4.1 MMT in 2015/16 in its March report v/s 4.9 MMT in 2014/15, lower by 4.65 percent y-o-y. Consumption has been increased to 1.040 MMT from 0.865 MMT in 2015/16 in its March estimate v/s 1.085 MMT in 2014/15, lower by 3.85 percent y-o-y.
- On the price front, currently the groundnut oil prices in Rajkot is hovering near Rs 9,500 (Rs 9,250) per quintal and quoting at Rs 9,200 (Rs 8,700) per quintal in Chennai market on March 18, 2016. Values in brackets are values of last week
- Groundnut oil prices are likely to trade sideways to firm in the coming days.

### Price Outlook

Groundnut oil (without VAT) in Rajkot market is likely to trade in the price band of Rs 910-1000 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 and higher supplies. In Kochi, prices were stable while in Trissur, prices fell.
- Agriwatch view: Coconut oil prices fell during the week on weak demand from Northern India and higher supplies. Prices are in downward momentum and not expected to bounce back in near term. Coconut harvesting is at elevated levels as it is peak period of coconut harvesting season. Supply of copra is high in market due to increased arrivals on higher harvesting of coconut.

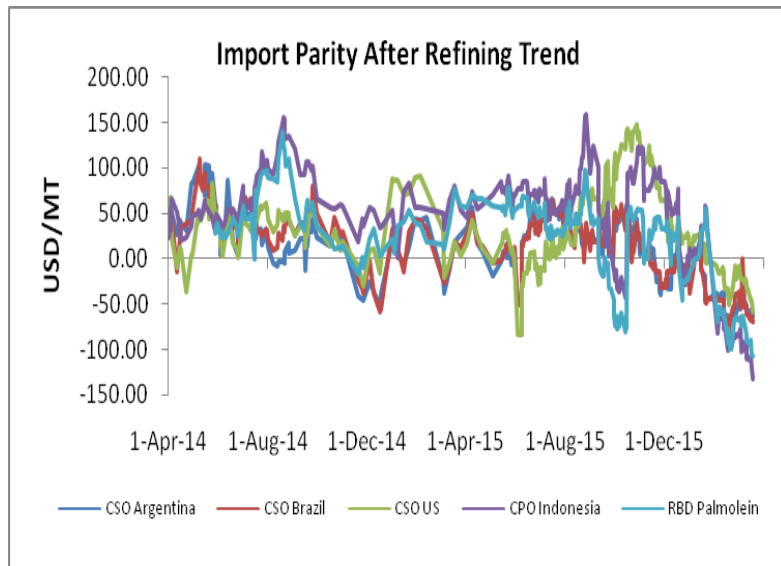
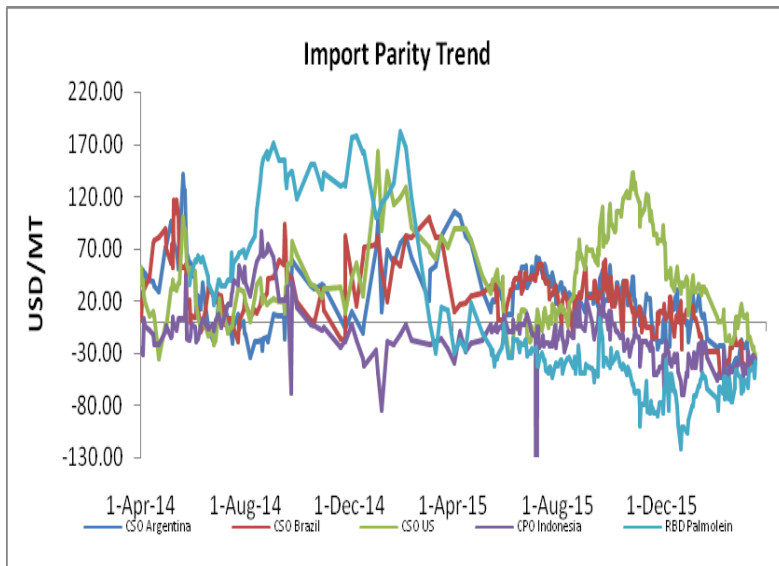


- Prices of copra are down and millers are taking advantage of lower prices. Millers are not holding produce of coconut oil, as they are not confident of the prices. Corporates, which command 80 percent of demand, are staying away from the market as they expect lower prices. Traders and upcountry buyers are staying away from market and are only relying on ready market. Fall in price of coconut oil has improved demand due to lower difference in prices compared to other edible oils, according to Cochin Oil Merchants Association (COMA). Exports of coconut oil have increased by 22 percent in first 10 months of 2015-16. Prices are expected to be sideways to lower in near term.
- Exports of coconut oil in the period April-January, 2015-16 showed increase of 22 percent compared to corresponding period last year. India exported 6575.98 tons of coconut oil during this period. More than 51 percent of coconut oil was exported to GCC countries.
- 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 7,500 (7,700) per quintal, and was quoting Rs 7,350 (7,500) per quintal in Erode market on March 18, 2016.

**Price Outlook:** Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 690-770 per 10 Kg.

### Import Parity Trend

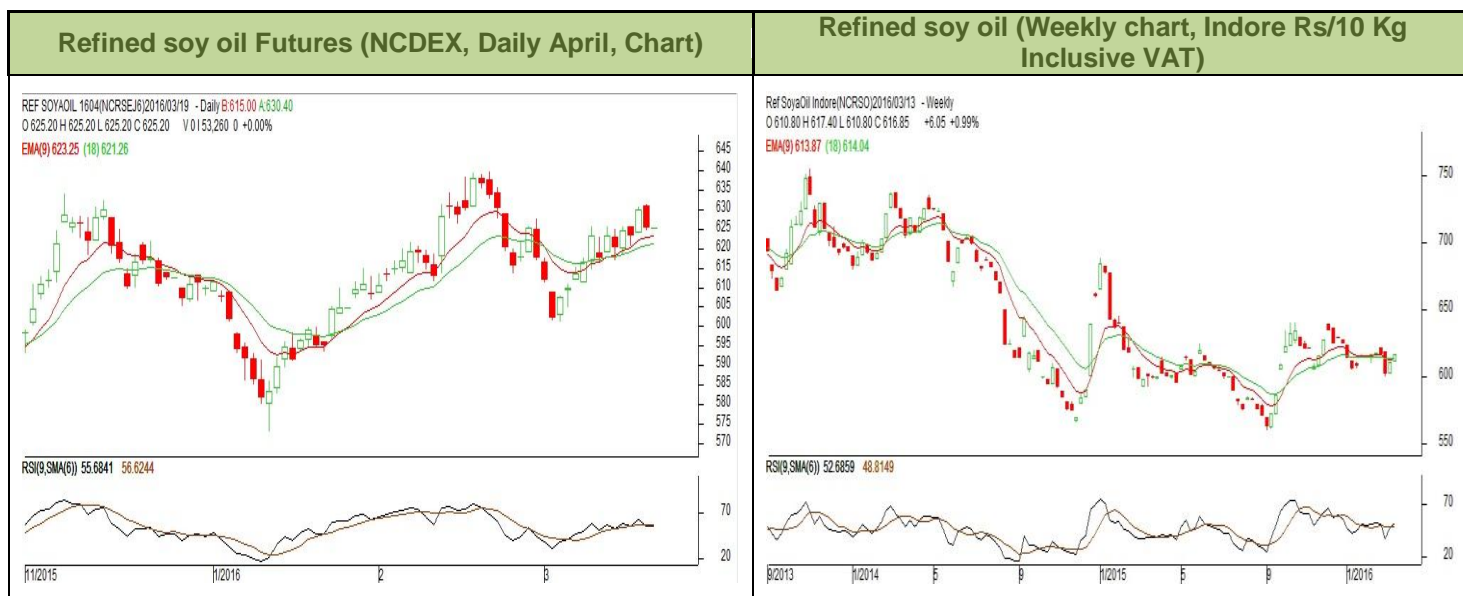
#### Import Parity After Refining in US dollar per ton (Monthly Average)



	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
<b>Jan, 2016</b>	-8.57	-14.53	16.32	22.56	19.05
<b>Feb, 2016</b>	-53.56	-54.36	-23.88	-80.77	-71.57

### 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 to remain negative. Disparity in palm oil products may slow palm oil imports in the coming days.

**Technical Analysis (Refined soy oil)**


**Outlook – Refined soybean oil witnessed uptrend 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 gains 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.

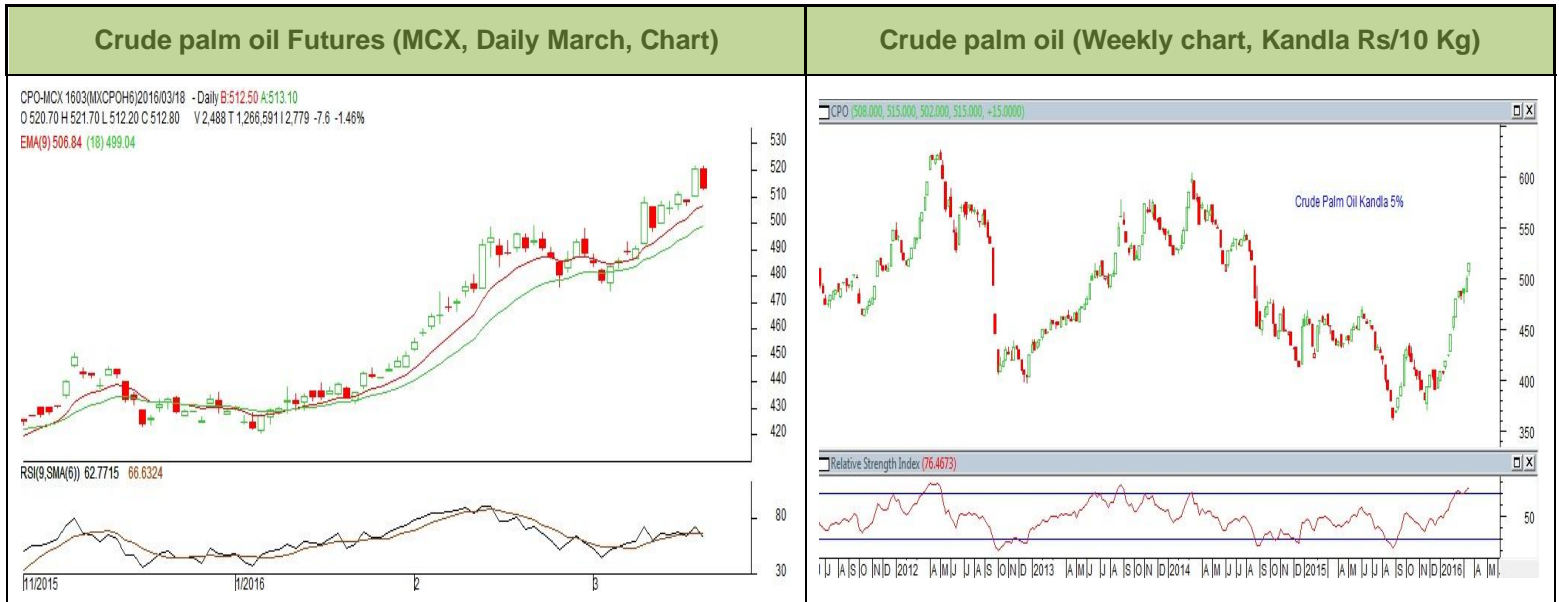
**Strategy:** Market participants are advised to go long in RSO above 620 levels for a target of 635 and 640 with a stop loss at 610 on closing basis.

**RSO NCDEX (Apr)**

Support and Resistance				
S2	S1	PCP	R1	R2
580.00	599.00	625.2	639.00	656.00

**Spot Market outlook:** Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 580-640 per 10 Kg.

### Technical Analysis (Crude Palm oil)



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

- ❖ Candlestick in weekly chart of crude palm oil at MCX depicts uptrend in the prices. We expect prices to trade with a sideways to firm note in the near term.
- ❖ Any close above 520 in weekly chart shall change the sentiments and might bring the prices to 540 levels.
- ❖ Expected price band for next week is 480-540 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 505 for a target of 520 and 525 with a stop loss at 495 on closing basis.

#### CPO MCX (Mar)

Support and Resistance				
S2	S1	PCP	R1	R2
448	473	512.8	530	547

**Spot Market outlook:** Crude palm oil is likely to stay in the range of Rs 490-540 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-Mar-16	11-Mar-16	
Refined Soybean Oil	Kota	620	620	Unch
	Rajkot	605	600	5
	Delhi	630	630	Unch
	Mumbai	625	625	Unch
	Indore	615	610	5
	Kandla/Mundra	610	605	5
	Kolkata	625	620	5
	Indore (Soy Solvent Crude)	595	585	10
	Mumbai (Soy Degum)	570	565	5
	Kandla/Mundra (Soy Degum)	575	565	10
	Akola	643	641	2
	Amrawati	643	640	3
	Jalna	NR	NR	-
	Nagpur	NR	NR	-
	Alwar	NA	NA	-
	Solapur	NR	NR	-
	Bundi	618	613	5
	Dhule	NR	NR	-
Palm Oil	Rajkot	550	545	5
	Hyderabad	570	542	28
	Delhi	530	530	Unch
	Kandla (Crude Palm Oil)	515	500	15
	Kandla (RBD Palm oil)	545	530	15
	Mumbai RBD Pamolein	565	555	10
	Kandla RBD Pamolein	565	550	15
	Mangalore RBD Pamolein	565	550	15
	Chennai RBD Pamolein	565	552	13
	Kakinada RBD Pamolein	552	535	17
	KPT (krishna patnam)	550	535	15
	Haldia	550	535	15
	PFAD (Kandla)	400	410	-10
	Refined Palm Stearin (Kandla)	420	420	Unch
Refined Sunflower Oil	Mumbai	745	765	-20
	Mumbai(Expeller Oil)	680	675	5
	Kandla/Mundra (Crude)	NA	NA	-
	Erode (Expeller Oil)	750	750	Unch
	Hyderabad (Ref)	727	727	Unch



	Chennai	720	720	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	670	675	-5
Groundnut Oil	Rajkot	950	925	25
	Chennai	920	870	50
	Delhi	832	830	2
	Hyderabad *	1000	920	80
	Mumbai	950	930	20
	Gondal	975	940	35
	Jamnagar	960	930	30
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	720	720	Unch
	Sri-GangaNagar(Exp Oil)	720	710	10
	Alwar (Expeller Oil)	740	NA	-
	Kota (Expeller Oil)	700	705	-5
	Jaipur (Expeller Oil)	716	729	-13
	New Delhi (Expeller Oil)	745	745	Unch
	Hapur (Expeller Oil)	750	780	-30
	Sri-Ganga Nagar (Kacchi Ghani Oil)	750	765	-15
	Kota (Kacchi Ghani Oil)	735	755	-20
	Jaipur (Kacchi Ghani Oil)	745	765	-20
	Agra (Kacchi Ghani Oil)	775	780	-5
	Bharatpur (Kacchi Ghani Oil)	770	775	-5
	Neewai (Kacchi Ghani Oil)	735	750	-15
	Hapur (Kacchi Ghani Oil)	840	850	-10
Refined Cottonseed Oil	Mumbai	615	610	5
	Rajkot	605	595	10
	New Delhi	545	540	5
	Hyderabad	595	580	15
Coconut Oil	Kangayan (Crude)	735	750	-15
	Cochin	885	885	Unch
	Trissur	750	770	-20
Sesame Oil	New Delhi	670	670	Unch
	Mumbai	570	610	-40
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	420	420	Unch
Rice Bran Oil (4%)	Punjab	510	490	20
Rice Bran Oil (4%)	Uttar Pradesh	510	490	20

<b>Malaysia Palmolein USD/MT</b>	FOB	655	640	<b>15</b>
	CNF India	683	665	<b>18</b>
<b>Indonesia CPO USD/MT</b>	FOB	660	640	<b>20</b>
	CNF India	675	645	<b>30</b>
<b>RBD Palm oil (Malaysia Origin USD/MT)</b>	FOB	660	633	<b>27</b>
<b>RBD Palm Stearin (Malaysia Origin USD/MT)</b>	FOB	625	603	<b>22</b>
<b>RBD Palm Kernel Oil (Malaysia Origin USD/MT)</b>	FOB	1380	1218	<b>162</b>
<b>Crude palm Kernel Oil India (USD/MT)</b>	CNF India	1260	1165	<b>95</b>
<b>Palm Fatty Acid Distillate (Malaysia Origin USD/MT)</b>	FOB	600	578	<b>22</b>
<b>Ukraine Origin CSFO USD/MT Kandla</b>	CIF	850	838	<b>12</b>
<b>Rapeseed Oil Rotterdam Euro/MT</b>	FOB	689	688	<b>1</b>
<b>Argentina FOB (\$/MT)</b>		<b>17-Mar-16</b>	<b>10-Mar-16</b>	<b>Change</b>
Crude Soybean Oil Ship		697	674	<b>23</b>
Refined Soy Oil (Bulk) Ship		721	698	<b>23</b>
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		677	654	<b>23</b>
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
<b>* indicates including VAT</b>				

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