

Veg. Oil Weekly Research Report

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Executive Summary

Domestic Veg. Oil Market Summary

Edible oil witnessed weak sentiment during the week on losses in CBOT soy oil and BMD CPO. Soy oil, palm oil, rapeseed oil, sunflower oil and groundnut oil closed lower while coconut oil closed sideways.

On the currency front, Indian rupee against USD closed at 67.44, up 68 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. Rupee is expected to depreciate and crude oil prices will rise.

We expect edible oil complex to trade sideways to weak tone in anticipation of weak demand. High stocks at port and in pipelines may underpin prices.

Recommendation:

Weekly Call - : Market participants are advised to go short in RSO below 645 levels for a target of 630 and 625 with a stop loss at 655 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 600-660 per 10 Kg in the near term.

Market participants are advised to go short in CPO below 535 for a target of 520 and 515 with a stop loss at 545 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 500-560 per 10 Kg in the near term.

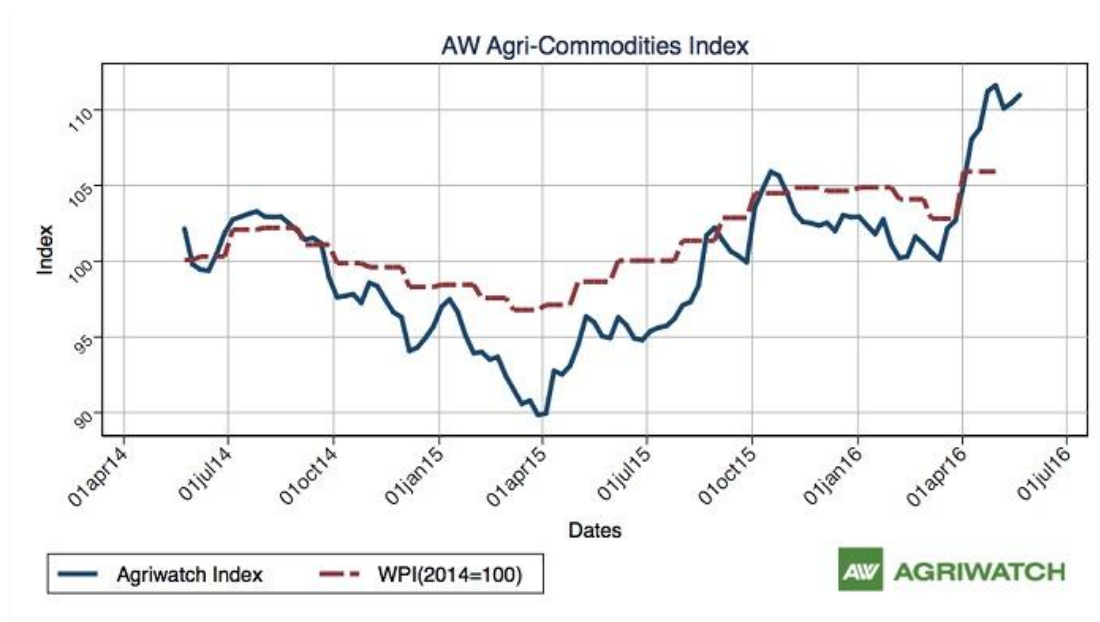
International Veg. Oil Market Summary

According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May 1-20 palm oil exports rose 9.4percent to 792,393 tons compared to 724,169 tons in the corresponding period last month. Top buyers were India at 259,680 tons (96,500 tons), European Union at 94,885 tons (88,774 tons), China at 62,650 tons (102,218 tons), Pakistan at 47,850 tons (16,500 tons) and United States at 35,265 tons (41,115 tons). Values in brackets are figures of corresponding period last month.

On the international front, soybean crop condition in US, higher soybean crop area in US, soy oil production and stocks in US, commodity market contagion in China, strong dollar due to expected Fed hike in and are bearish for the soy complex in the coming days.

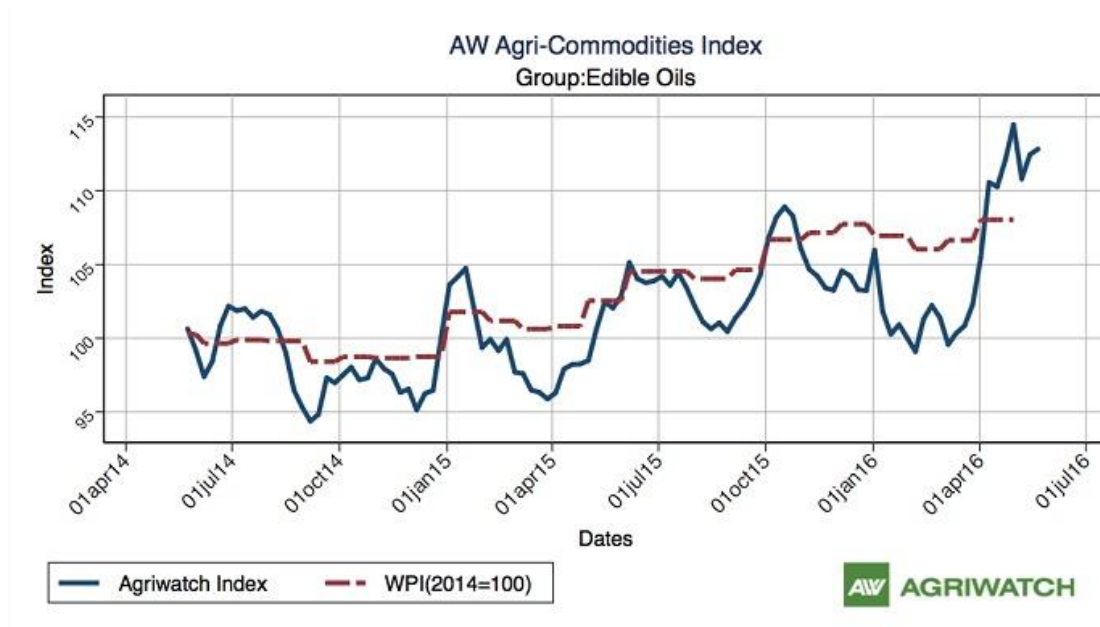
Firm palm oil exports, demand ahead of Ramadan and from India, weak Ringgit, will support CPO prices in near term. China's commodity market turmoil may underpin prices in near term.

Agriwatch Index



- The Agriwatch Agri Commodities Index gained 0.47% to 110.99 during the week ended May 21, 2016 from 110.46 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100). Four of the nine commodity group sub-Indices that constitute the Index gained during the week.

Agriwatch edible oil index

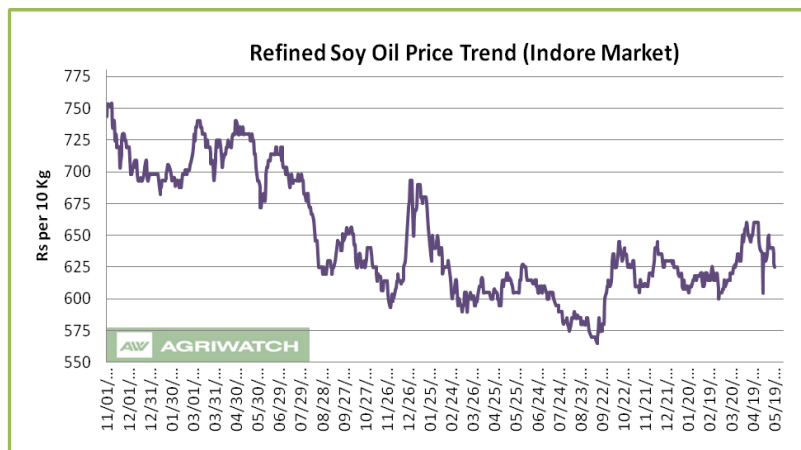


- Agriwatch edible oil index rose 0.34 percent last week to 112.83.

Soy oil Fundamental Analysis and Outlook:-

Domestic Front

- Soy oil featured downtrend at its benchmark market in Indore during the week in review on weak demand and higher supply. Prices were lower in Mumbai and Kandla/Mudra while it was unchanged at Kolkata at the end of the week. CDSO prices closed lower at Kandla/Mudra while it closed higher at JNPT at the end of the week.
- Agriwatch View- Soy oil prices witnessed downtrend during the week on weak demand and higher supply. Prices of soy oil expected to be firm on low premium of soy oil over palm oil Rs 85 (Rs 75 last week) per 10 Kg. Weak refining margin may slow imports. Prospects of higher soybean crop in Kharif season due to better monsoons will depress imports. Imports of soy oil surged in April which increased stocks at ports and pipelines and will underpin prices. In USD terms, premium of soy oil over palm oil was USD 88 (USD 81 last week) which will increase imports. Fall in prices of palm and rapeseeds oils will affect soy oil adversely. Prices of soy oil are expected to be weak in near term.
- Soybean oil import scenario – According to SEA India imported 3.48 lakh tons of soybean oil in April 2016 v/s 1.87 lakh tons in April 2015, up 86 percent y-o-y. In the oil year 2015-16 (November 2015-April 2016) imports of soy oil is reported at 22.39 lakh tons v/s 10.63 lakh tons in corresponding period last oil year, higher by 106 percent y-o-y. In the period November 2015-April 2016, share of soft oil in imports has risen from 34 percent to 42 percent.
- Imported crude soy oil CIF at West coast port is offered at USD 771 (USD 775) per ton for May delivery. JJ delivery is offered at USD 771 (USD 775) per ton and AS delivers is quoted at USD 771 per ton as on May 20, 2016. Last month, CIF CDSO April average price was USD 790.16 per ton.
- On the parity front, margins were at disparity during the week and we expect disparity in margins in coming days. Currently refiners lose USD 60-65/ton v/s loss of USD 35-40/ton (last month) margin in processing the imported Soybean Oil (Argentina Origin).
- We expect soy oil to trade sideways to weak in the coming days.



International Front

Agriwatch view – Soy oil stocks in US rose as reported by NOPA rose in April from a month ago is bearish for soy oil. Stocks of soy oil are 35 percent above last year level in corresponding period. However, soy oil production was lower in April compared to a month ago on lower crush of soybean. Processors did not get good margins for higher crush. With rise in soy meal prices, more soybeans will be crushed in May that may further increase stocks of soy oil in US and depress prices.

Soy oil share in soybean crush in US has reached a low of 29 percent, which will support soy oil prices on spreading with soy meal.

Planting of soybean in US has increased pace with sowing reaching above 5-year average, condition of crop is good, and weather is favorable for further improvement in planting. Soybean crop in 2016/17 will be above expectation and July area report may be revised on higher soybean/ corn ratio and better prices of soybean. USDA may revise area upward in next area report.

Losses in soybean crop in Argentina due to rain have increased speculation that soy meal and soy oil will not be available in quantities previously estimated which will shift demand to US and support prices.

Soy oil demand from top importing destinations will increase on lower soy oil premium over palm oil.

China's commodity market turmoil due to debt-fuelled speculation in commodity may affect commodity prices across globe including soy oil. Today single most risk to commodity prices is China's commodity markets exposure and rebalancing of its economy by reducing overcapacity which may depress commodity prices across globe.

Strength in crude oil prices will support prices while rise in dollar due to expectation of FED rate hike in June may depress asset prices including prices of soybean complex in near term.

Prices of soy oil are in a range.

- According to United States Department of Agriculture (USDA), U.S. 2016/17 soy oil end stocks are estimated to fall by 16.3 percent to 2,025 million lbs from 2,355 million lbs in 2015/16. Production of soy oil in 2016/17 is estimated at 22,120 million lbs v/s 21,900 million lbs, up by 1.00 percent y-o-y. Imports in 2016/17 are estimated to fall to 250 million lbs from 300 million lbs. Biodiesel use in 2016/17 is estimated at 5,800 million lbs v/s 5,500 million lbs in 2015/16. Food, feed and other industrial use in 2016/17 is estimated at 14,500 million lbs v/s 14,100 million lbs in 2015/16. Exports in 2016/17 are estimated at 2,400 million lbs v/s 2,100 million lbs. Average price range has increased from 30 cents/lbs in 2015/16 to a range of 30.50-33.50 cents/lbs in 2016/17.
- According to United States Department of Agriculture (USDA), U.S. soybean sowing rose to 23 percent planted in the week ending 8 May, 2016 which is above 5-year average of 16 percent and last week figure of 8 percent. Planting was 26 percent complete in the corresponding period last year.
- According to National Oilseed Processors Association (NOPA), U.S. April soybean crush slowed to 147.614 billion bushels from 156.690 billion bushels in March, down by 6.15 percent m-o-m. Crush of soybean in April 2015 was 150.363 billion bushels which was record in history. April crush is second best in history. Production of soy oil in U.S. in April fell to 1.729 billion lbs from 1.841 billion lbs, down by 6.5 percent m-o-m. Production in April 2015 was 1.698 billion lbs. Lower production in April was due to lower crush of soybean. Soy oil stocks in U.S. at the end of April rose by 4.5 percent m-o-m to 1.942 billion lbs compared to 1.858 billion lbs in March 2016. Stocks of soy oil in April were higher by 35 percent compared to April 2015 which was reported at 1.441 million lbs. Yield fell to 11.72 lbs/bushel in April from 11.75 lbs/bushel in March. Yield in April 2015 was reported at 11.30 lbs/bushel.
- Soybean planting in U.S. reached 36 percent in week ended 15 May compared to 23 percent week ago and above 5-year average of 32 percent. Soybean planting was reported at 41 percent in the corresponding period last year. Soybeans were 10 percent emerged compared to 11 percent in the corresponding period last year and above 5-year average of 9 percent.
- USDA WASDE Oilseeds Highlights: The 2016/17 U.S. season-average soybean price range is forecast at \$8.35 to \$9.85 per bushel compared with \$8.85 per bushel in 2015/16. Soybean meal prices are forecast at \$300 to



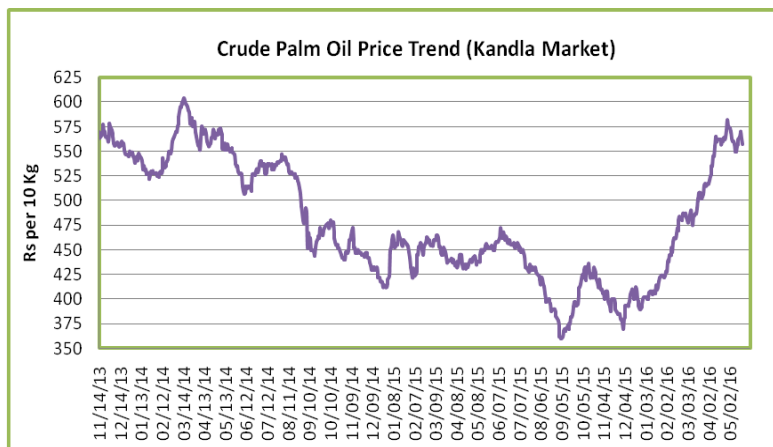
\$340 per short ton, compared with \$310 per ton for 2015/16. Soybean oil prices are forecast at 30.5 to 33.5 cents per pound compared with 30.0 cents for 2015/16.

Price Outlook: We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 600-660 per 10 Kg in the near term.

Palm oil Fundamental Analysis and Outlook :-

Domestic Front

- Crude palm oil at Kandla featured downtrend in its benchmark market on weak demand. CPO prices in Kakinada closed lower at the end of the week.
- Agriwatch View – Low soy oil premium over palm oil, which is hovering at USD 81 (USD 70 last week) per ton may bring down palm oil prices. Positive refining margins may increase imports. Prices are expected to be weak on weak demand and



- spillover of lower international markets. In first six months of oil year 2015-16 RBD palmolein imports has registered a increase of 168 percent y-o-y. Primary reason of higher imports is low duty differential between import duty of crude and refined edible oils. At present, the difference is 7.5 percent while industry is asking government to increase the differential to 15 percent. Imported RBD palmolein is arriving at rate of CPO. Processed oil is available at rate of raw material. Higher import of RBD palmolein has increased disparity on high seas. Lower imports of crude palm oil (CPO) will decrease stocks at ports and pipelines. Latest data on stocks at ports show gains of CPO stocks, which will not support prices in near term. CNF RBD palmoilein and CNF CPO prices are almost at same levels. This will decrease import of CPO and reduce port and pipelines stocks of CPO. Prices will decline on seasonal downtrend of prices, falling margins and increase stocks at ports and pipelines. Prices are expected to be sideways to weak in near term.
- Palm oil import scenario – According to SEA, India imported 7.30 lakh tons of palm oil in April 2016 v/s 7.25 lakh tons in April 2015, up marginally y-o-y. CPO imports slowed to 3.92 lakh tons in April compared to 5.31 lakh tons in April 2015, lower by 35.5 percent y-o-y. RBD palmolein imports surged to 3.26 lakh tons from 1.88 lakh tons in April 2015, higher by 73.4 percent y-o-y. In the oil year 2015-16 (November 2015-April 2016) imports of palm oil is reported at 43.32 lakh tons v/s 42.11 lakh tons in corresponding period last oil year, higher by 2.9 percent y-o-y. RBD palmolein reported sharp rise at 13.23 lakh tons (November 2015-April 2016) v/s 4.93 lakh tons in corresponding period of oil year 2014-15, rise of 168 percent y-o-y. Crude palm imports in the period (November 2015-April 2016) fell to 29.53 lakh tons from 36.43 lakh tons in the corresponding period last oil year, fall of 23.36 percent y-o-y. In the period November 2015-April 2016, share of palm product imports fell to 58 percent from 66 percent in the corresponding period last oil year.
- On the trade front, CNF CPO (Indonesian origin) at Indian port quoted at USD 695 (USD 705) per ton for May delivery and June delivery quoted at USD 690 (USD 705) per ton. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 697.5 (USD 707.5) per ton for May delivery and June delivery offered at USD 695 (USD 707.5) per ton. Ready lift CPO duty paid prices quoted at Rs 537 (Rs 550) per 10 Kg and May delivery duty paid offered at Rs 534 (Rs 550) per 10 Kg per 10 kg on May 20, 2016. Values in bracket depict last week quotes.
- On the parity front, margins were unchanged during this week due to rise in prices of palm oil products. Currently refiners fetch USD 10-15/ton v/s negative margin of USD 50-55/ton (last month) margin in processing

the imported CPO and imports of ready to use palmolein fetches USD 5-10/ton v/s loss of USD 30-35/ton (last month) parity.

- We expect palm oil to trade sideways to higher in the days ahead.

International Front

- Agriwatch View – Exports of palm oil from Malaysia in first 20 days of May show modest rise on demand from India. China demand has weakened and Malaysia has not been able to attract Chinese buyers despite competitive prices of RBD palmolein. India is the biggest driver of higher palm exports from Malaysia. Indian buyers have been active in Malaysia due to its competitive pricing against Indonesia CPO.

Exports of palm in May are expected show modest rise on demand before Ramadan. Stock drawdown will be limited in Malaysia due to higher production on better weather in palm growing areas.

Indonesia production will suffer most in April and May before improving June onwards. Further drawdown of palm stocks will be seen in these two months supporting prices.

Ringgit depreciation will support prices of palm in near term.

Cascading impact of contagion in Chinese commodity markets is affecting palm oil prices in near term. Fall in commodity prices in Dalian and depreciation of Chinese Yuan will affect commodity markets across globe. Chinese debt fuelled economy and artificial stimulus to boost markets and support asset prices are expected to fall flat. Palm will not be left behind this trap. Rise in US dollar on expected FED hike expected in June will depresses asset prices across globe. However, palm fundamentals are not as bad as markets are behaving. Market participants should remain conscious of the impact of Chinese contagion on emerging markets and ability of dollar to affect asset prices.

Prices are in range.

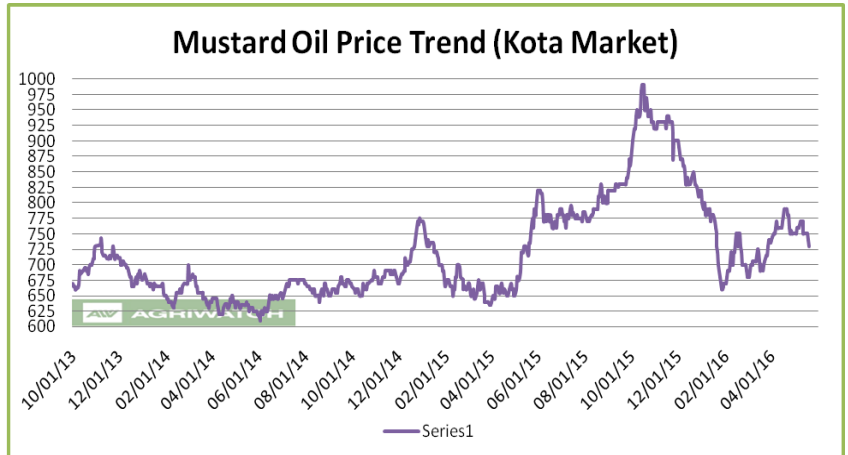
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May 1-20 palm oil exports rose 9.4percent to 792,393 tons compared to 724,169 tons in the corresponding period last month. Top buyers were India at 259,680 tons (96,500 tons), European Union at 94,885 tons (88,774 tons), China at 62,650 tons (102,218 tons), Pakistan at 47,850 tons (16,500 tons) and United States at 35,265 tons (41,115 tons). Values in brackets are figures of corresponding period last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's April 2016 palm oil end stocks fell 4.33 percent to 18.00 lakh tons v/s 18.86 lakh tons in March 2016. End stocks of palm are below the market expectation of 18.2 Lakh tons. Production rose by 6.70 percent in April to 13.01 lakh tons from 12.19 lakh tons in March. Exports fell 12.82 percent in April to 11.64 lakh tons from 13.36 lakh tons in March. Imports in April fell 35.04 percent to 0.42 lakh tons v/s 0.74 lakh tons in March.
- According to Malaysia Palm Oil Board (MPOB), Malaysia raised June Crude Palm Oil (CPO) export duty to 5.5 percent from 5 percent in May. Duty is calculated with reference price of 2625.18 ringgit (\$654) per ton for June. Tax is calculated at price above 2,550 ringgit starting from 4.5 percent to a maximum of 8.5 percent.

Price Outlook: We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 500-560 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis:-

Domestic Front

- Mustard oil prices featured downtrend at its benchmark market Kota at the end of the week on weak demand.
- Agriwatch view: Prices of rapeseed oil expeller were down in Kota, Jaipur, Mumbai and Hapur on weak demand. Price was unchanged in Neewai, Ganganagar and Alwar. Kacchi ghani prices were down in Kota, Jaipur, Neewai, Ganganagar and Hapur while Bharatpur, Alwar and Agra closed



unchanged at the end of week. Rise in temperatures in North and East India has suppressed demand. Spillover from fall in prices of palm oil and soy oil and higher imports of rapeseed (canola) oil led to the decline. Fall in prices of rapeseed supported decline. Stockists are expected to stock ahead of seasonal uptrend in prices and buying at lower quotes. Downward shift of price momentum will suppress rapeseed oil prices in near term. Removal of stock limit in Rajasthan on rapeseed oil will support prices. According to Agriwatch estimates India's 2015/16 rapeseed-mustard production is around 5.8 million tons. Markets are expected to trade sideways to weak tone in coming days..

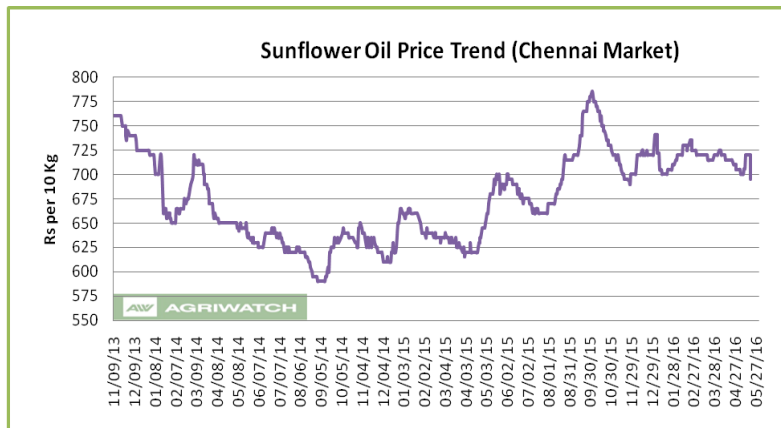
- India imported 0.51 lakh tons of rapeseed (Canola) oil in April 2016 v/s 0.34 lakh tons in April 2015, higher by 50 percent y-o-y. For oil year 2015-2016 (November 2015 – April 2016) India imported 1.53 lakh tons rapeseed (canola) oil v/s 2.01 lakh tons in corresponding period in the oil year 2014-15, lower by 31.4 percent y-o-y: SEA
- CIF canola premium over soybean oil is USD 14 (USD 20 last week) per ton as on 20 May 2016. Low premium of canola over soybean oil may increase imports of canola.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 797 (Rs 801) per 10 Kg, and at Kota market, it is offered at Rs 730 (Rs 750) per 10 kg as on May 20, 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 690-770 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices trades lower during the week at its benchmark market in Chennai on weak demand and adequate supplies.
- Agriwatch view: Prices of sunflower oil fell in Chennai and Hyderabad on weak demand while prices in Kakinada closed unchanged at the end of week. Weak palm and soy oil supported downside. Weak cues and weak demand forced refiners to cut prices. Supply is adequate as refiners are unloading their produce. Refiners have been purchasing crude sunflower oil from international markets and the trend is expected to continue 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 109 (USD 110 last week) per ton. Imports decreased in April on moderate demand from refiners as they have adequate stocks of sunflower oil. Stockists are staying away from the market and depending on ready markets. Imports of sunflower oil were low in April while stocks at ports and pipelines decreased. Supply increased in the market on supplies from refiners. Prices are expected to trade sideways to weak on weak demand and adequate supplies.
- Sunflower oil import scenario – According to SEA, India imported 1.01 lakh tons of crude sunflower oil during April 2016 v/s 1.52 lakh tons in April 2015, down by 50 percent y-o-y. Imports during oil year 2015-16 (November 2015 –April 2016) were reported at 7.70 lakh tons v/s 8.79 lakh tons during the corresponding period in last oil year, down by 14.2 percent y-o-y.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 880 (USD 885) per ton for JJAS delivery, OND delivery is quoted at USD 885 (USD 850) per ton. CIF sun oil (Ukraine origin) April monthly average was around USD 866.88 per ton. Values in brackets are figures of last week.
- Prices are likely to stay in the range of USD 840-940 per ton in the near term. CIF Sunflower oil premium over soybean oil increased from last week and is hovering at USD 109 (USD 110 last week) per ton for JJ delivery.
- Currently, refined sunflower oil at Chennai market is offered at Rs 695 (Rs 720) per 10 Kg, and at Hyderabad market, it is offered at Rs 713 (Rs 722) per 10 kg as on May 20, 2016. Values in brackets are figures of last week.
- We expect sunflower oil prices to trade sideways to weak tone in the coming days.

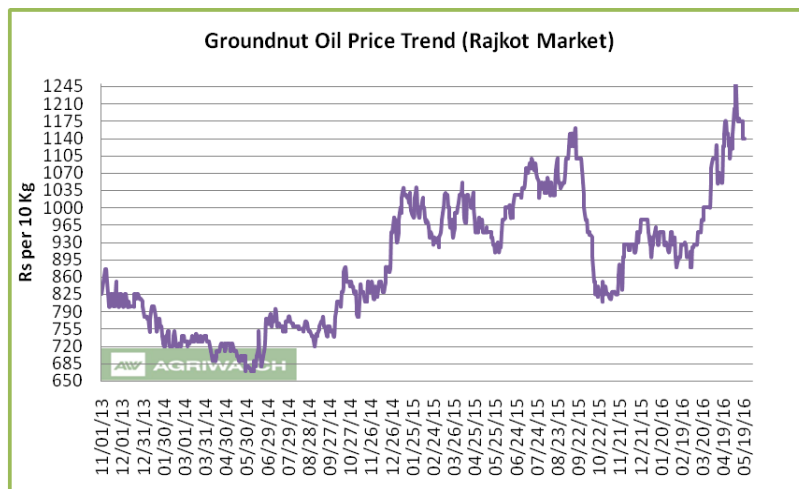


Price Outlook: Sunflower oil (with VAT) prices in Chennai may stay in the range of Rs 650-750 per 10 Kg.

Groundnut oil Fundamental Review and Analysis:-`

Domestic Front

- Groundnut oil prices featured downtrend in Rajkot on weak demand. Prices in Chennai and Hyderabad ended lower at the end of week. Prices in Mumbai, Jamnagar and Gondal closed lower at the end of the week.
- Agriwatch view: Prices of groundnut fell on weak demand and restricted buying from stockists and retailers. Demand has waned due to higher prices compared to other oils. Weak global cues and fall in palm oil forced refiners to quote lower prices. Market is adequately supplied and demand is weak at these prices. Weak demand from stockists and retailers in cash market were reason for the fall. Retail demand has waned at higher prices. Mills and stockiest are not holding produce due to higher prices. Weak export demand has supported the fall. Momentum of prices has waned. However, any major correction in prices is an opportunity to buy. Groundnut oil prices are expected to trade sideways to weak in near term.
- Groundnut oil is the costliest domestic oil in India. Prices of groundnut oil may trade sideways to weak in coming days.
- USDA has increased India's groundnut production to 4.6 MMT in 2016/17 from 4.47 MMT in 2015/16 in its May report, higher by 2.9 percent y-o-y. Consumption has been increased to 0.93 MMT in 2016/17 from 0.90 MMT in 2015/16 in its May estimate, higher by 3.33 percent y-o-y.
- On the price front, currently the groundnut oil prices in Rajkot is hovering near Rs 11,400 (Rs 11,750) per quintal and quoting at Rs 11,500 (Rs 11,600) per quintal in Chennai market on May 20, 2016. Values in brackets are values of last week
- Groundnut oil prices are likely to trade sideways to weak in the coming days.

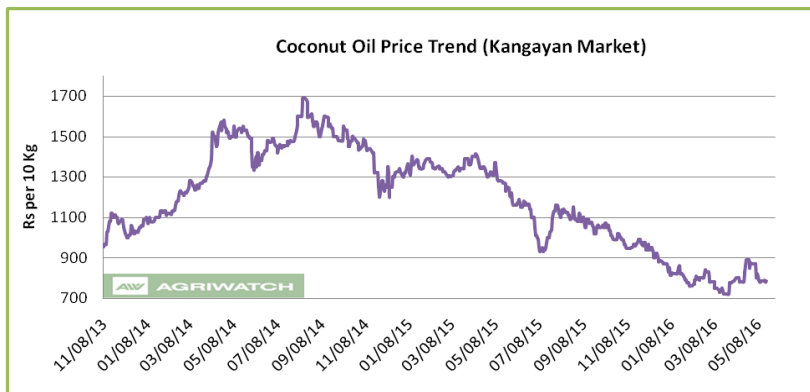


Price Outlook

Groundnut oil (without VAT) in Rajkot market is likely to trade in the price band of Rs 1050-1250 per 10 Kg.

Coconut Oil Fundamental Review and Analysis:- Domestic Front

- Coconut oil prices featured sideways trend during the week at its benchmark market in Kangeyam on weak demand and adequate supplies. In Kochi and Trissur prices closed lower at the end of the week.
- Agriwatch view: Coconut oil prices closed sideways during the week on weak demand and adequate supplies.



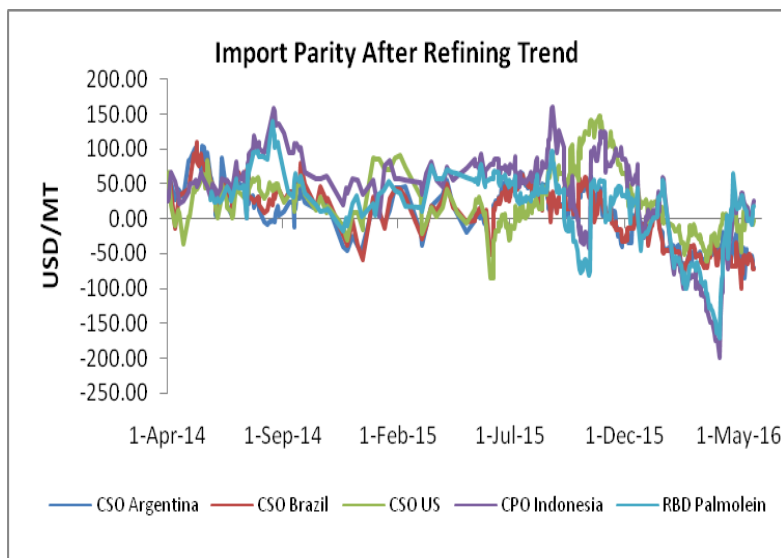
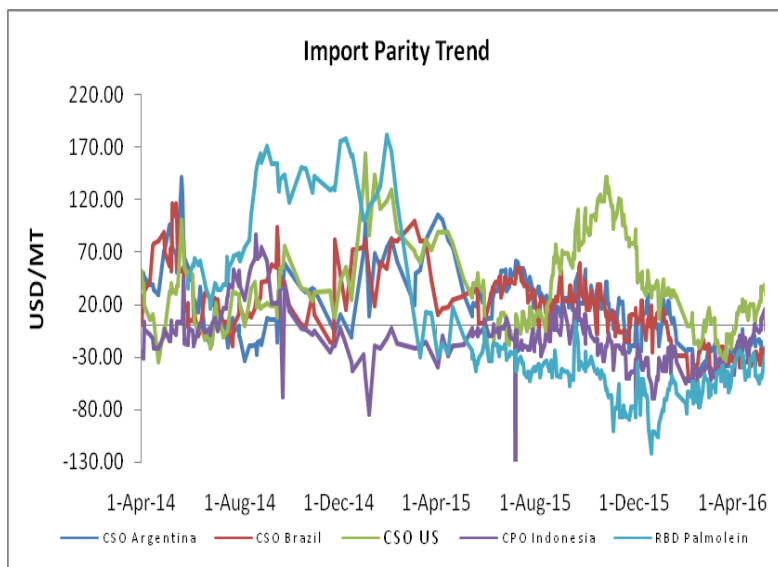
Corporate demand is still weak. Fall in palm oil prices and copra capped upside. Harvesting of coconut is slow due to summers. Mills crushed more copra to produce coconut oil to take advantage of fall in prices of copra. Millers are not holding their produce, as they are not confident of prices. Millers are depending on ready markets. Traders and upcountry buyers are staying away from the market and are relying on ready market. Recent steep fall in prices of coconut oil has raised doubt that price rise was temporary. Prices could fall further if corporate demand does not improve. Prices are expected to trade sideways to weak tone in near term.

- Exports of coconut oil in the 2015-16 (April 2015-March 2016) increased by 23 percent to 8549.97 tons compared to 6935.54 tons in 2014-15. Coconut Development Board (CDB) expects improvement in export prospects of coconut oil in 2016-17 (April 2016-March 2017) as prices are relatively low compared to prevailing prices in international markets. Imports of coconut oil fell by 58 percent in 2015-16 (April 2015-March 2016) at 5416.30 tons from 12811.92 tons in 2014-15.
- The Commissioner of Food Safety has banned the production, procurement, and distribution of 14 brands of coconut oil available in the market as these were found to be adulterated.
- On the price front, currently the coconut oil prices in Trissur is hovering near Rs 7,750 (7,900) per quintal, and was quoting Rs 7,850 (7,850) per quintal in Erode market on May 20, 2016.

Price Outlook: Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 730-830 per 10 Kg.

Import Parity Trend

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

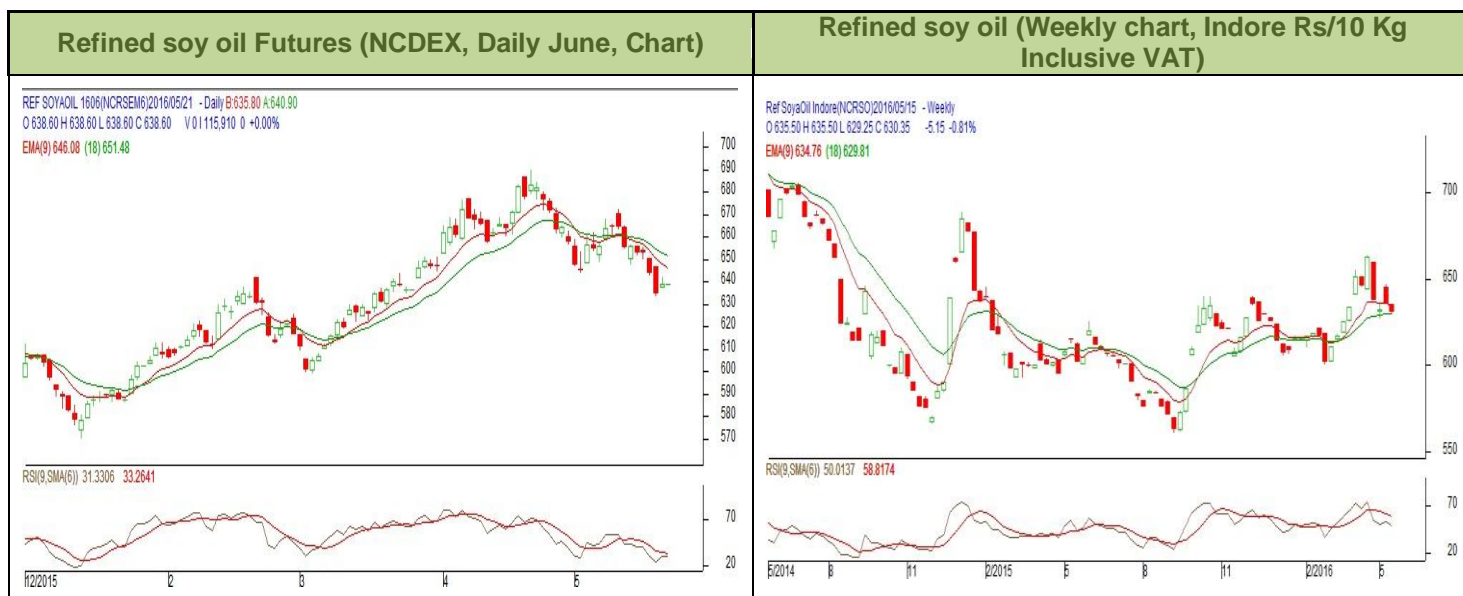


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
Mar, 2016	-52.40	-53.87	-32.74	-124.22	-105.20
Apr, 2016	-38.73	-55.38	-7.45	-49.67	-33.15

Outlook:-

Import parity for crude soy oil from Argentina and palm oil after refining is hovering in disparity due to rise in prices of imported oils. We expect CDSO import parity to remain in disparity. Parity in palm oil products may improve 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 weak tone in the coming days.

- Weekly chart of refined soy oil at NCDEX depicts downtrend during the week in review. We expect prices to trade sideways to weak tone in the near term.
- Any close below 620 in weekly chart shall change the sentiments and might take the prices below 600 levels.
- Expected price band for next week is 600-660 level in near to medium term. RSI, stochastic and MACD is suggesting uptrend in market.

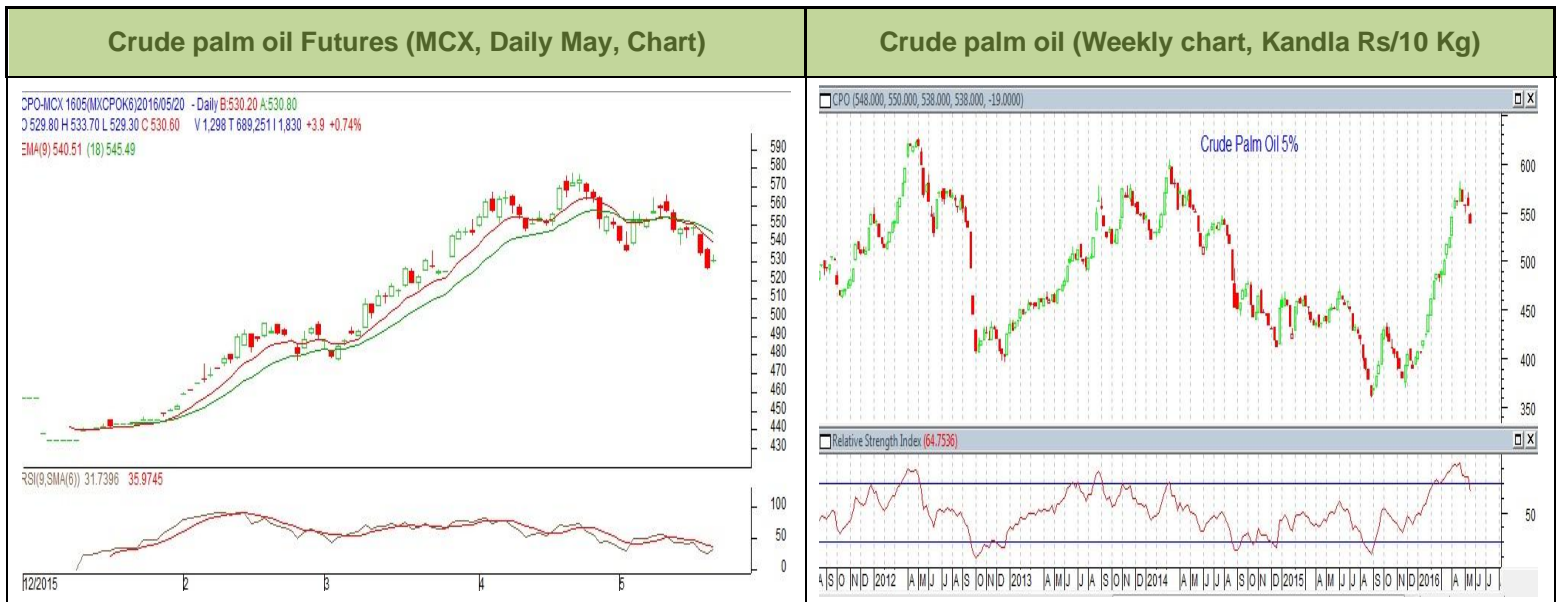
Strategy: Market participants are advised to go short in RSO below 645 levels for a target of 630 and 625 with a stop loss at 655 on closing basis.

RSO NCDEX (June)

Support and Resistance				
S2	S1	PCP	R1	R2
609.00	627.00	638.6	654.00	666.00

Spot Market outlook: Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 600-660 per 10 Kg.

Technical Analysis (Crude Palm oil)



Outlook - Prices show downtrend in prices during the week. We expect that CPO May contract may trade sideways to weak note.

- Candlestick in weekly chart of crude palm oil at MCX depicts downtrend in the prices. We expect prices to trade with a sideways to weak note in the near term.
- Any close below 520 in weekly chart will change the sentiment and may bring the prices to 500 levels.
- Expected price band for next week is 500-560 level. RSI, Stochastic, and MACD are suggesting downtrend in prices in the coming week.

Strategy: Market participants are advised to go short in CPO below 535 for a target of 520 and 515 with a stop loss at 545 on closing basis.

CPO MCX (May)

Support and Resistance				
S2	S1	PCP	R1	R2
497.00	514.00	530.6	546.00	566.00

Spot Market outlook: Crude palm oil is likely to stay in the range of Rs 500-560 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-May-16	13-May-16	
Refined Soybean Oil	Indore	625	640	-15
	Indore (Soy Solvent Crude)	595	612	-17
	Mumbai	640	660	-20
	Mumbai (Soy Degum)	585	597	-12
	Kandla/Mundra	620	635	-15
	Kandla/Mundra (Soy Degum)	590	600	-10
	Kolkata	630	630	Unch
	Delhi	670	670	Unch
	Nagpur	622	633	-11
	Rajkot	610	625	-15
	Kota	620	640	-20
	Akola	661	672	-11
	Amrawati	661	671	-10
	Bundi	635	643	-8
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	538	557	-19
	Kandla (RBD Palm oil)	562	565	-3
	Kandla RBD Pamolein	585	595	-10
	Kakinada (Crude Palm Oil)	525	535	-10
	Kakinada RBD Pamolein	575	580	-5
	Haldia Pamolein	575	580	-5
	Chennai RBD Pamolein	582	580	2
	KPT (krishna patnam) Pamolein	575	580	-5
	Mumbai RBD Pamolein	600	605	-5
	Delhi	640	635	5
	Rajkot	575	590	-15
	Hyderabad	589	618	-29
	Mangalore RBD Pamolein	582	590	-8
	PFAD (Kandla)	400	420	-20
	Refined Palm Stearin (Kandla)	465	480	-15
Refined Sunflower Oil	Chennai	695	720	-25
	Mumbai	750	770	-20

	Mumbai(Expeller Oil)	655	670	-15
	Kandla	760	775	-15
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	722	-9
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1140	1175	-35
	Chennai	1150	1160	-10
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1180	-10
	Mumbai	1180	1200	-20
	Gondal	1150	1175	-25
	Jamnagar	1150	1175	-25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	797	801	-4
	Jaipur (Kacchi Ghani Oil)	828	831	-3
	Kota (Expeller Oil)	730	750	-20
	Kota (Kacchi Ghani Oil)	825	835	-10
	Neewai (Kacchi Ghani Oil)	775	775	Unch
	Bharatpur (Kacchi Ghani Oil)	850	845	5
	Alwar (Expeller Oil)	805	805	Unch
	Sri-Ganga Nagar(Exp Oil)	760	760	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	815	-5
	Mumbai (Expeller Oil)	817	820	-3
	New Delhi (Expeller Oil)	788	788	Unch
	Hapur (Expeller Oil)	860	920	-60
	Hapur (Kacchi Ghani Oil)	992	1000	-8
	Agra (Kacchi Ghani Oil)	855	850	5
Refined Cottonseed Oil	Rajkot	650	670	-20
	Hyderabad	635	670	-35
	Mumbai	648	670	-22
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	785	785	Unch
	Cochin	810	820	-10
	Trissur	775	790	-15
Sesame Oil	New Delhi	810	825	-15
	Mumbai	760	720	40

Kardi	Mumbai	845	840	5
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	565	565	Unch
Rice Bran Oil (4%)	Uttar Pradesh	565	565	Unch
Malaysia Palmolein USD/MT	FOB	690	700	-10
	CNF India	700	713	-13
Indonesia CPO USD/MT	FOB	673	683	-10
	CNF India	697	713	-16
RBD Palm oil (Malaysia Origin USD/MT)	FOB	683	698	-15
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	625	635	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1290	1315	-25
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	580	585	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	1280	1285	-5
Ukraine Origin CSFO USD/MT Kandla	CIF	883	890	-7
Rapeseed Oil Rotterdam Euro/MT	FOB	720	718	2
Argentina FOB (\$/MT)		19-May-16	12-May-16	Change
Crude Soybean Oil Ship		711	720	-9
Refined Soy Oil (Bulk) Ship		735	745	-10
Sunflower Oil Ship		Unq	805	-
Cottonseed Oil Ship		691	700	-9
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

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