

Veg. Oil Weekly Research Report

Contents

- ❖ Executive Summary
- ❖ Recommendations
- ❖ AW Edible Oils Index
- ❖ International Veg. Oil Market Summary
- ❖ Domestic Market Fundamentals
- ❖ Technical Analysis (Spot Market)
- ❖ Technical Analysis (Futures Market)
- ❖ Veg. Oil Prices at Key Spot Markets

Executive Summary

Domestic Veg. Oil Market Summary

Edible oil witnessed firm sentiment during the week on gains in CBOT soy oil and BMD CPO. Soy oil, groundnut oil and coconut oil closed higher while rapeseed oil and sunflower oil closed sideways. Palm oil prices closed lower.

On the currency front, Indian rupee against USD closed at 67.25, up 22 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. Rupee is expected to appreciate and crude oil prices will rise.

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

Recommendation:

Weekly Call - : Market participants are advised to go long in RSO above 645 levels for a target of 660 and 665 with a stop loss at 635 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 620-680 per 10 Kg in the near term.

Market participants are advised to go short in CPO below 540 for a target of 525 and 520 with a stop loss at 550 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 520-580 per 10 Kg in the near term.

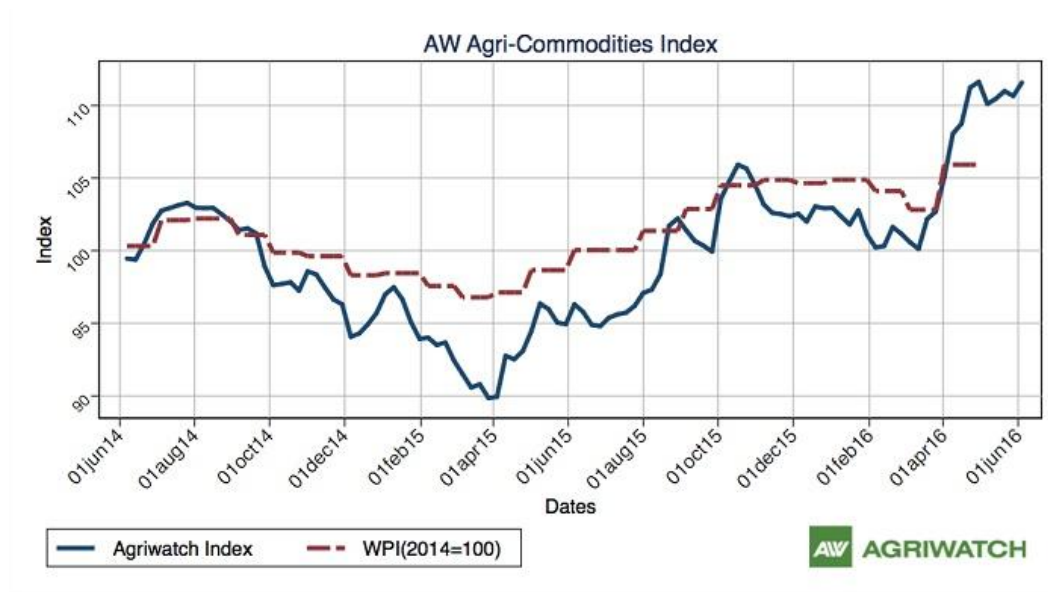
International Veg. Oil Market Summary

According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May palm oil exports rose 15 percent to 1,251,695 tons from 1,088,052 tons in April. Top buyers were India at 362,980 tons (207,000 tons), European Union at 186,277 tons (134,452 tons), China at 112,750 tons (124,368 tons), United States at 105,591 tons (80,015 tons) and Pakistan at 47,850 tons (39,890 tons). Values in brackets are figures of April 2016.

On the international front, Argentina soybean crop condition, low soy oil share in soybean products, higher crude oil prices and weak dollar are bullish for the soy complex in the coming days.

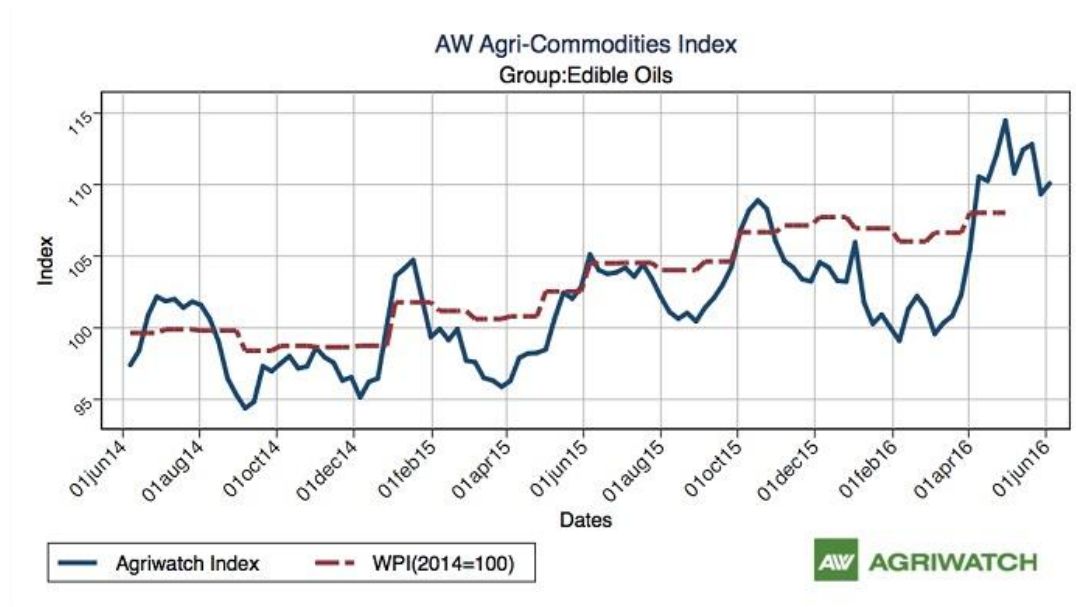
Firm palm oil exports and demand ahead of Ramadan and from India will support CPO prices in near term. China's commodity market turmoil may underpin prices in near term.

Agriwatch Index



- Higher cereals, vegetables and cotton prices led the Agriwatch Agri Commodities Index higher by 0.83% to 111.57 during the week ended June 4, 2016 from 110.64 during the previous week. The base for the Index and all sub-Indices is 2014 (= 100).
- Six of the nine commodity group sub-Indices that comprise the main Index closed higher during the week; the only exceptions being pulses, oilseeds and other non-food articles.

Agriwatch edible oil index



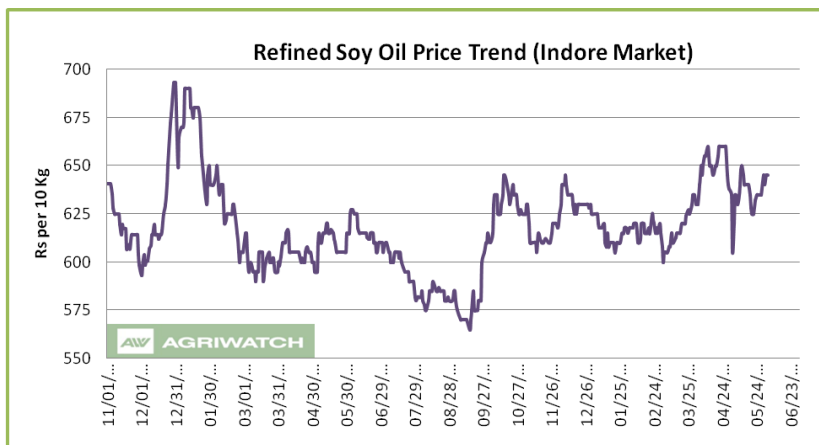
- Agriwatch edible oil index rose 0.69 percent last week to 110.09.

"Agriwatch has recently launched its AW Agri Commodity Indices to enable organizations access independent Indices to track and use to benchmark their purchases and sales. The Indices are based on the daily prices in the key benchmark markets for each commodity that AW has been covering for the past decade. The indices include an Aggregate Index, Category Indices and individual commodity indices. The weekly indices are free to access on our website www.agriwatch.com. The daily indices are available on subscription. Please contact for more details."

Soy oil Fundamental Analysis and Outlook:-

Domestic Front

- Soy oil featured uptrend at its benchmark market in Indore during the week in review on firm demand. Prices were unchanged in Mumbai and Kandla/Mudra while it was higher at Kolkata at the end of the week. CDSO prices closed higher at Kandla/Mudra and at JNPT at the end of the week.
- Agriwatch View- Soy oil prices witnessed firm trend during the week



- in review on firm demand. Prices of soy oil expected to be firm on low premium of soy oil over palm oil Rs 107 (Rs 95 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. Surge in imports of soy oil in April, which increased stocks at ports and pipelines may will underpin prices. In USD terms, premium of soy oil over palm oil was USD 99.5 (USD 84 last week) which will increase imports. Prices of soy oil are expected to be firm 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 792 (USD 764) per ton for JJ delivery. AS delivery is offered at USD 794 (USD 764) per ton as on June 3, 2016. Last month, CIF CDSO May average price was USD 774.58 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 45-50/ton v/s loss of USD 55-60/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 – Soybean crop in Argentina is worse than previously expected due to fresh rain in one key province. 78 percent harvest is complete which is lower by 14 percent than the corresponding period last year. 25 percent of soybean crop is under water or affected by severe rainfall. More losses of crop will be reported in future. Buenos Aires grains exchange have pegged soybean crop of Argentina at 56 MMT, which will be downgraded.

Soy oil stocks in US rose as reported by NOPA in April from a month ago and stocks of soy oil are 35 percent above last year level in corresponding period. Soy oil production is expected to be higher in May on higher crush of soybean due to higher realizations on higher prices of soy meal.

Soy meal prices have risen by more than 50 percent in last month, which has reduced soy oil share in soybean crush in US to a low of 27 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. Better moisture will allow soybean yield to be upgraded in next USDA report. Soybean crop in 2016/17 will be above expectation and area report for July may be revised on higher soybean/ corn ratio and better prices of soybean.

Strength in crude oil prices and weak dollar due to delayed of FED rate hike will support prices of soy oil in near term.

Prices of soy oil are in a range with upward bias.

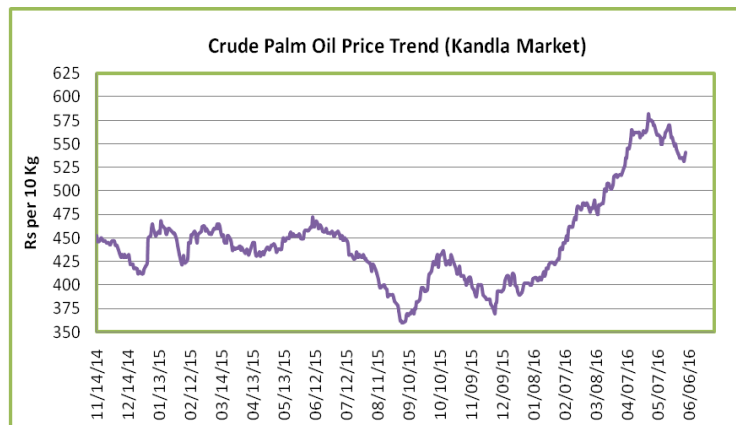
- According to United States Department of Agriculture (USDA), U.S. 2016/17 soy oil end stocks are estimated to fall by 16.3 percent to 2,025 million lbs from 2,355 million lbs in 2015/16. Production of soy oil in 2016/17 is estimated at 22,120 million lbs v/s 21,900 million lbs, up by 1.00 percent y-o-y. 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.
- US soybean planting is 73% complete as on 29 May 2016 which is up from 68% during corresponding period last year and also higher than the 5 year average of 66%. Further, about 45% of the newly planted US soybean has emerged which is slightly up from 44% during the corresponding period last year and also up from 5 year average of 40%.
- 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.
- US processors have crushed 4.75 million tons of soybean during April which is down from 4.99 million during the month of March, said USDA .Market was expecting the April soybean crush at 4.704 million tons. Soy meal inventories at the end of the month April stood at 365,653 tons up from 302,672 tons in March, while crude soy oil inventories stood at 2.049 billion pounds at April end.
- According to U.S. Energy Information Agency (EIA), U.S. biodiesel production in March rose by 13.3 percent to 119 million gallons from 105 million gallons in February. Soy oil was the largest feedstock with 464 million lbs used in March from 395 million lbs in February. Soy oil contributed 55 percent to the total biodiesel production.
- 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 620-680 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 at Kandla on weak demand. CPO prices in Kakinada closed higher at the end of the week.
- Agriwatch View – Prices of palm oil fell on weak demand due to summers. Low soy oil premium over palm oil, which is hovering at USD 107 (USD 95 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 on summers. However, prices may improve in second half of June on renewed demand after arrival of monsoon. 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 while imports of RBD palmolein will rise. 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 692 (USD 680) per ton for June delivery and July delivery quoted at USD 690 (USD 675) per ton. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 690 (USD 685) per ton for June delivery and July delivery offered at USD 687.5 (USD 675) per ton. Ready lift CPO duty paid prices quoted at Rs 538 (Rs 540) per 10 Kg and June delivery duty paid offered at Rs 535 (Rs 536) per 10 kg on June 3, 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 5-10/ton v/s USD 10-15/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein loses USD 0-5/ton v/s positive USD 5-10/ton (last month) parity.
- We expect palm oil to trade sideways to weak in the days ahead.



International Front

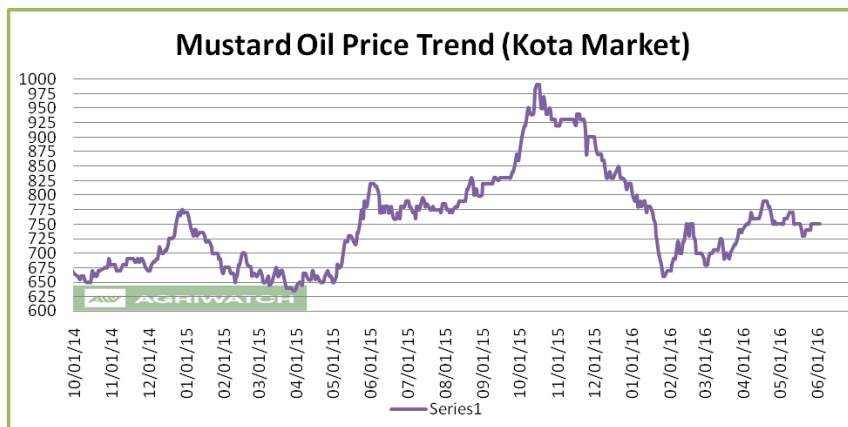
- Agriwatch View – Exports of palm oil from Malaysia in May show rise on demand from importing destinations especially from India. India is driver of demand from Malaysia. Ringgit depreciation has supported prices. Indian buyers have been active in Malaysia due to its competitive pricing against Indonesia CPO.
Exports of palm in May and June are expected show rise on demand before Ramadan. Stock drawdown will be higher in Malaysia in May due to limited rise in production and better exports.
Indonesia's palm oil exports shot up in April on higher demand from India. Demand from China has waned from both Malaysia and Indonesia due to shift in demand towards soy oil due to low soy oil premium over palm oil. Production of palm in Indonesia has touched bottom in April and is expected to improve from May. Major drawdown of palm oil stocks in Indonesia helped price surge on BMD in May and is expected to support in near term.
Malaysia has embarked on biodiesel mandate to increase the use of crude palm oil in domestic consumption. Malaysia imposed export duty to channel more CPO towards refining and biodiesel in place of exporting as raw product.
Market participants should remain conscious of the impact of Chinese contagion on emerging and commodity prices.
Prices are in range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's May palm oil exports rose 15 percent to 1,251,695 tons from 1,088,052 tons in April. Top buyers were India at 362,980 tons (207,000 tons), European Union at 186,277 tons (134,452 tons), China at 112,750 tons (124,368 tons), United States at 105,591 tons (80,015 tons) and Pakistan at 47,850 tons (39,890 tons). Values in brackets are figures of April 2016.
- 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's ministry of plantation industries and commodities, Malaysia will implement its biodiesel mandate and raise blending of bio content in biodiesel to 10 percent for transportation sector and 7 percent for industrial sector starting June. This program will use yearly domestic consumption of crude palm oil by 709,000 tons, according to the ministry.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's April palm and palm kernel oil exports rose by 20 percent to 2.09 MMT from 1.74 MMT in March. Top buyers were India at 568,120 tons (429,910 tons), European Union at 368,770 tons (313,060 tons) and China at 149,340 tons. Values in brackets are figures of March 2016.
- According to Indonesian Palm Oil Association (GAPKI), Indonesia's April palm and palm kernel oil production rose by 1 percent to 2.34 MMT from 2.32 MMT in March. Indonesia's stocks of palm oil fell by 33 percent to 2.27 million tons in April from 3.02 million tons in March.

Price Outlook: We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 520-580 per 10 Kg in the near term.

Rapeseed oil Fundamental Review and Analysis:-

Domestic Front

- Mustard oil prices featured sideways trend at its benchmark market Kota at the end of the week on muted market activity and weak demand.
- Agriwatch view: Prices of rapeseed oil expeller were up Jaipur and Mumbai while it was unchanged in Neewai Alwar, Ganganagar and Hapur Kacchi ghani prices were lower in Kota while unchanged at



Ganganagar, Alwar and Hapur while it was higher in Jaipur, Neewai Bharatpur and Agra.

Prices of rapeseed oil traded sideways on muted activity in cash markets and weak demand. Demand was weak on summers. Rapeseed prices rose along with higher arrivals which kept market balanced. . Stockists are stocking ahead of seasonal uptrend in prices and buying at lower quotes. Demand is expected to improve in second half of June when demand from pickle manufacturers increase and on seasonal uptrend of prices. Retail demand will improve when monsoon arrives. According to Agriwatch estimates India's 2015/16 rapeseed-mustard production is around 5.8 million tons. Markets are expected to trade sideways to firm tone in coming days.

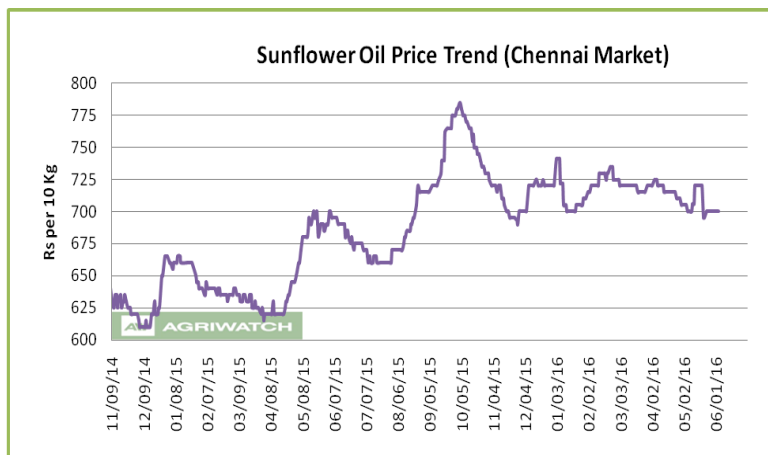
- India imported 0.51 lakh tons of rapeseed (Canola) oil in April 2016 v/s 0.34 lakh tons in April 2015, higher by 50 percent y-o-y. For oil year 2015-2016 (November 2015 – April 2016) India imported 1.53 lakh tons rapeseed (canola) oil v/s 2.01 lakh tons in corresponding period in the oil year 2014-15, lower by 31.4 percent y-o-y: SEA
- CIF canola premium over soybean oil is USD 2 (USD 21 last week) per ton as on 3 June 2016. Low premium of canola over soybean oil may increase imports of canola.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 785 (Rs 775) per 10 Kg, and at Kota market, it is offered at Rs 750 (Rs 750) per 10 kg as on June 3, 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 720-820 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices traded sideways during the week at its benchmark market in Chennai on weak demand. Prices rose in Hyderabad. Prices in Kakinada closed unchanged at the end of week
- Agriwatch view: Prices of sunflower oil traded sideways on muted activity in markets and weak demand. Despite fall in international prices of sunflower oil prices were able to hold on expectation of

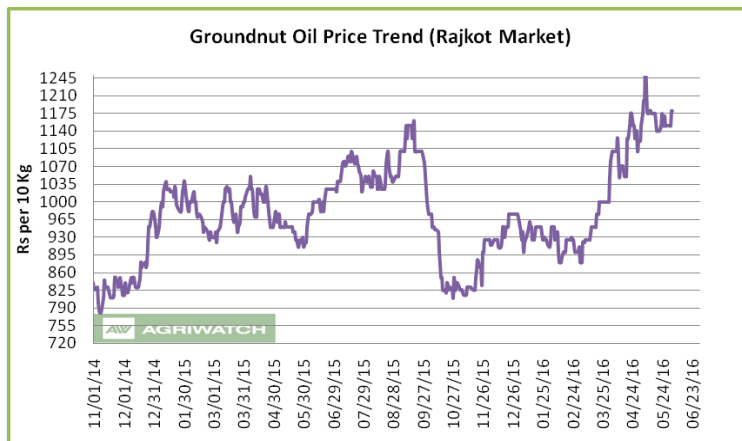


- renewed demand in second half of June when monsoon arrive. Refiners and traders are stocking ahead of seasonal uptrend of prices. Refiners purchase of crude sunflower oil from international markets has increased as the premium of sunflower oil over soybean oil has fallen below USD 100/ton. Currently sunflower oil premium over soy oil is at USD 78 (USD 121 last week) per ton. Imports of sunflower oil were low in April while stocks at ports and pipelines decreased. Prices are expected to trade sideways to firm on firm demand and seasonal uptrend of prices.
- 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 870 (USD 885) per ton for July delivery, AS delivery is quoted at USD 880 (USD 885) per ton and OND delivery is quoted at USD 835 (USD 835) per ton. CIF sun oil (Ukraine origin) April monthly average was around USD 880.62 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 78 (USD 121 last week) per ton for July delivery.
- Currently, refined sunflower oil at Chennai market is offered at Rs 700 (Rs 700) per 10 Kg, and at Hyderabad market, it is offered at Rs 720 (Rs 717) per 10 kg as on June 3, 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 650-750 per 10 Kg.

Groundnut oil Fundamental Review and Analysis:- Domestic Front

- Groundnut oil prices featured uptrend in Rajkot on weak supplies. Prices in Chennai and Hyderabad ended unchanged at the end of week. Prices in Mumbai Jamnagar and Gondal closed higher at the end of the week.
- Agriwatch view: Prices of groundnut rose on weak supplies. There is shortage of good quality groundnut oil in the market. Exports are still steady. Supply of groundnut is weak from producing regions and is not able to



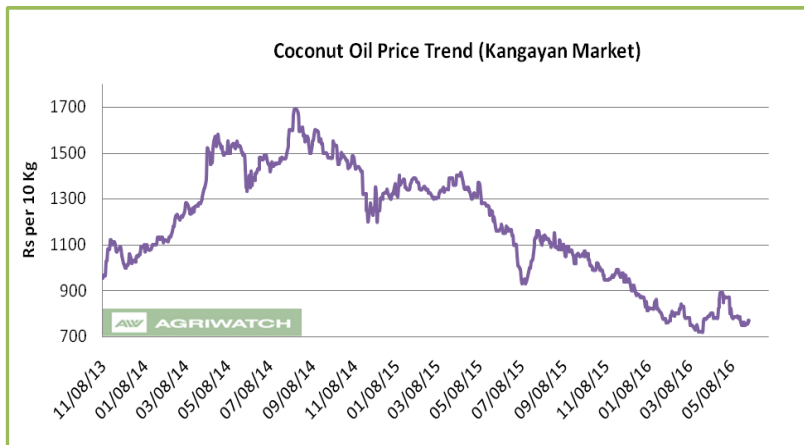
- meet demand. Price have been supported by seasonal uptrend of prices. Demand is weak on summers while retail demand is grounded. Price will rise in second half of the month when demand improve after the onset of monsoon. Rise in prices of groundnut in near term has supported prices. Markets are subdued and market activity is restricted. Mills and stockists are stocking ahead of seasonal uptrend of demand and expectation of pickup in demand in second half of June. Any correction in prices is an opportunity to buy. Groundnut oil prices are expected to trade sideways to firm in near term.
- 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 11,800 (Rs 11,500) per quintal and quoting at Rs 11,800 (Rs 11,800) per quintal in Chennai market on June 3, 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 1100-1250 per 10 Kg.

Coconut Oil Fundamental Review and Analysis:- Domestic Front

- Coconut oil prices featured uptrend during the week at its benchmark market in Kangeyam on renewed buying at lower quotes. In Kochi prices closed lower and prices in Trissur closed higher at the end of the week.
- Agriwatch view: Coconut oil prices closed higher during the week on renewed demand at lower quotes and weak supplies of due to summers. Rise



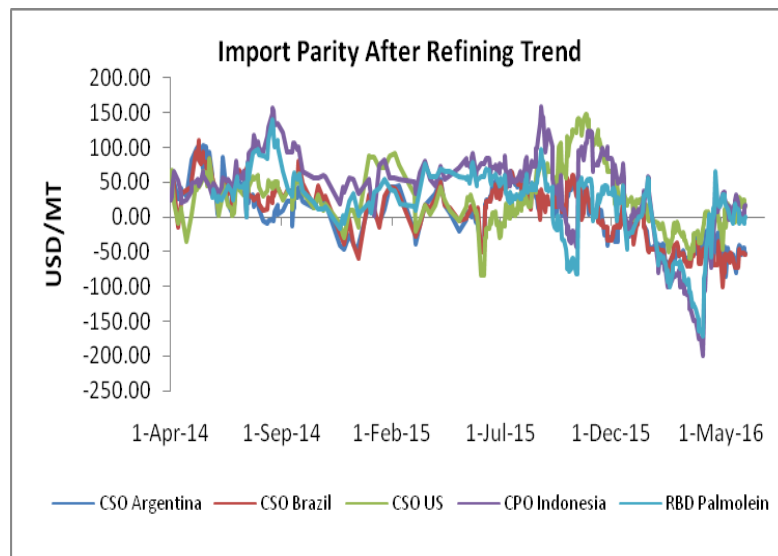
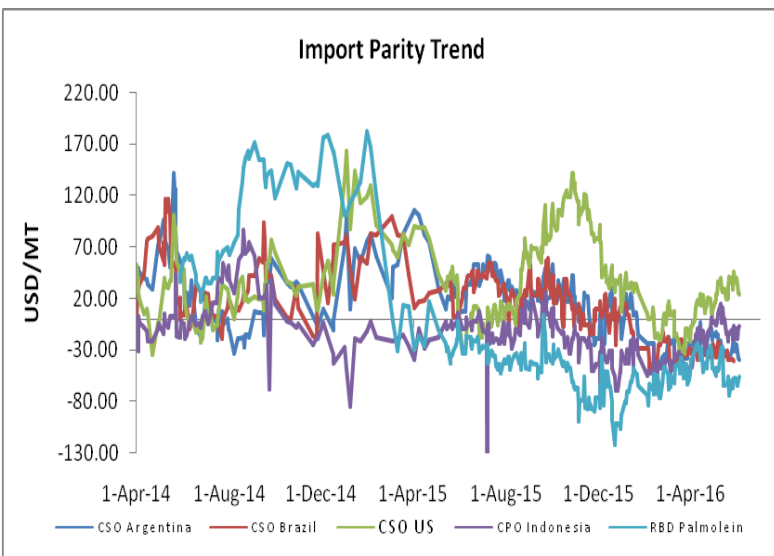
in prices of copra last week has translated into higher price of coconut oil. Harvesting of coconut is slow due to summers. Decision of Tamil Nadu government to procure copra has improved sentiment. Domestic prices of coconut oil are lower than international prices, which helped prices. Recent ban on 14 brands of adulterated coconut oil has helped support demand. Recent steep fall in prices of coconut oil has raised doubt that price rise was temporary. It is all sentiment now. Prices could fall further if corporate demand does not improve. Prices are expected to trade sideways to weak tone in near term.

- Tamil Nadu government will procure copra for the next six months from June 15, by opening Direct Procurement Centres (DPCs). DPC will be opened in 20 districts where copra is produced in higher quantities. Milling copra will be procured at a cost of Rs 59.50 per kg and ball copra will be procured at Rs 62.40 per kg.
- Coconut Development Board (CDB) has expressed that with the onset of monsoon coconut oil prices will inch higher on slowdown of copra harvesting on rains, which will support copra prices thereby supporting coconut oil prices.
- 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 7,800 (7,600) per quintal, and was quoting Rs 7,700 (7,500) per quintal in Erode market on June 3, 2016.

Price Outlook: Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 700-800 per 10 Kg.

Import Parity Trend

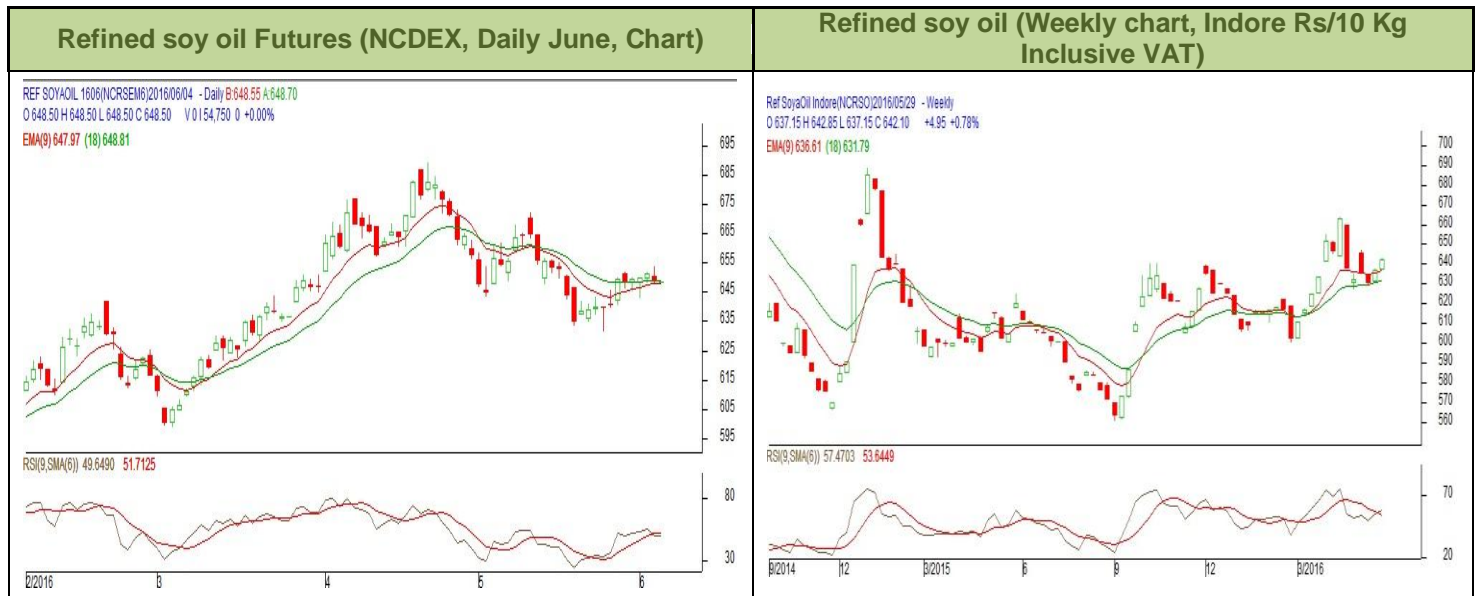
Import Parity After Refining in US dollar per ton (Monthly Average)



	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
Apr, 2016	-38.73	-55.38	-7.45	-49.67	-33.15
May, 2016	-57.34	-62.40	4.06	14.68	8.56

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 firm tone in the coming days.

- Weekly chart of refined soy oil at NCDEX depicts uptrend during the week in review. We expect prices to trade sideways to firm 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 620-680 level in near to medium term. RSI, stochastic and MACD is suggesting uptrend in market.

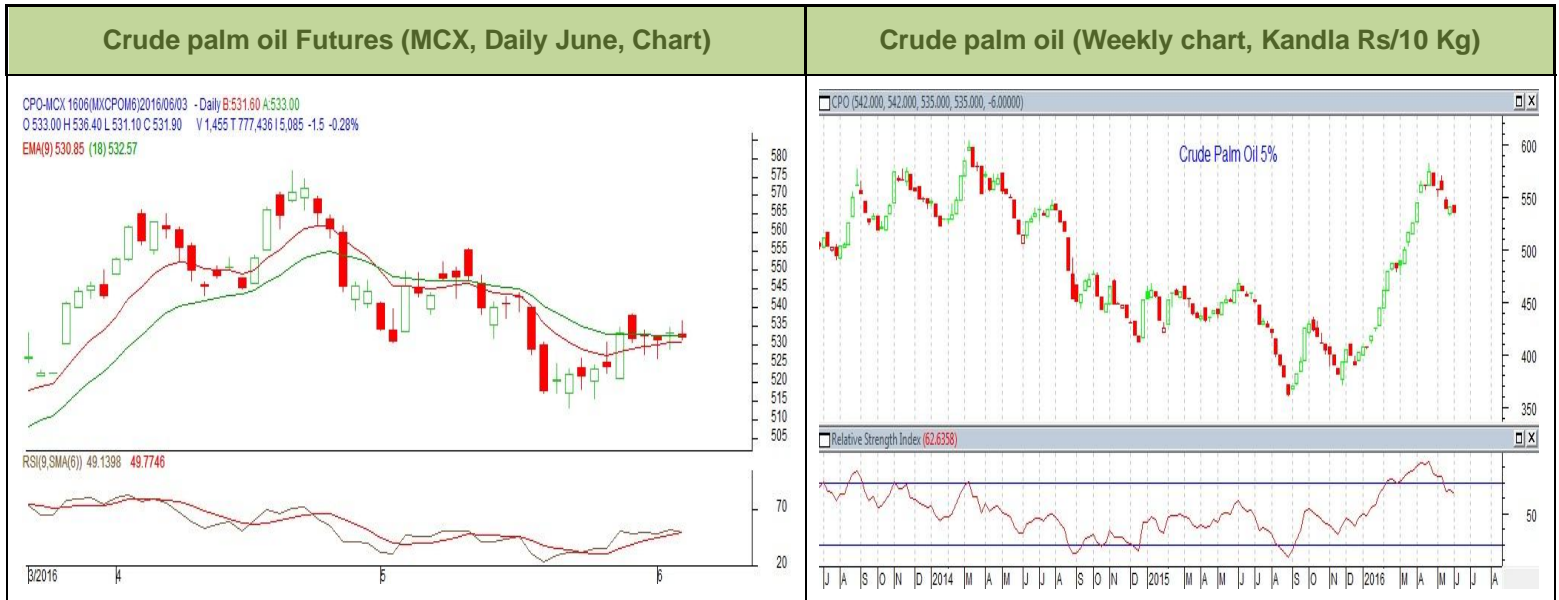
Strategy: Market participants are advised to go long in RSO above 645 levels for a target of 660 and 665 with a stop loss at 635 on closing basis.

RSO NCDEX (June)

Support and Resistance				
S2	S1	PCP	R1	R2
612.00	631.00	648.5	666.00	677.00

Spot Market outlook: Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 620-680 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 540 for a target of 525 and 520 with a stop loss at 550 on closing basis.

CPO MCX (June)

Support and Resistance				
S2	S1	PCP	R1	R2
497.00	514.00	531.9	546.00	566.00

Spot Market outlook: Crude palm oil is likely to stay in the range of Rs 520-580 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Jun-16	27-May-16	
Refined Soybean Oil	Indore	645	635	10
	Indore (Soy Solvent Crude)	615	600	15
	Mumbai	640	640	Unch
	Mumbai (Soy Degum)	595	585	10
	Kandla/Mundra	620	635	-15
	Kandla/Mundra (Soy Degum)	595	592	3
	Kolkata	620	615	5
	Delhi	665	665	Unch
	Nagpur	619	621	-2
	Rajkot	625	620	5
	Kota	635	630	5
	Hyderabad	641	641	Unch
	Akola	658	660	-2
	Amrawati	658	659	-1
	Bundi	638	630	8
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	535	541	-6
	Kandla (RBD Palm oil)	560	560	Unch
	Kandla RBD Pamolein	585	580	5
	Kakinada (Crude Palm Oil)	528	520	8
	Kakinada RBD Pamolein	572	570	2
	Haldia Pamolein	577	573	4
	Chennai RBD Pamolein	575	575	Unch
	KPT (krishna patnam) Pamolein	572	570	2
	Mumbai RBD Pamolein	590	585	5
	Delhi	625	625	Unch
	Rajkot	585	580	5
	Hyderabad	589	584	5
	Mangalore RBD Pamolein	578	575	3
	PFAD (Kandla)	390	395	-5
	Refined Palm Stearin (Kandla)	450	455	-5
Refined Sunflower Oil	Chennai	700	700	Unch

	Mumbai	740	740	Unch
	Mumbai(Expeller Oil)	660	660	Unch
	Kandla	745	745	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	720	717	3
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	1180	1150	30
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1170	Unch
	Mumbai	1190	1180	10
	Gondal	1200	1160	40
	Jamnagar	1200	1160	40
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	785	775	10
	Jaipur (Kacchi Ghani Oil)	820	821	-1
	Kota (Expeller Oil)	750	750	Unch
	Kota (Kacchi Ghani Oil)	823	825	-2
	Neewai (Kacchi Ghani Oil)	765	803	-38
	Neewai (Expeller Oil)	805	765	40
	Bharatpur (Kacchi Ghani Oil)	835	830	5
	Alwar (Kacchi Ghani Oil)	780	800	-20
	Alwar (Expeller Oil)	800	780	20
	Sri-Ganga Nagar(Exp Oil)	760	760	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	810	810	Unch
	Mumbai (Expeller Oil)	825	810	15
	Kolkata(Expeller Oil)	930	930	Unch
	New Delhi (Expeller Oil)	777	777	Unch
	Hapur (Expeller Oil)	886	886	Unch
	Hapur (Kacchi Ghani Oil)	992	992	Unch
	Agra (Kacchi Ghani Oil)	840	835	5
Refined Cottonseed Oil	Rajkot	655	652	3
	Hyderabad	635	630	5
	Mumbai	650	645	5
	New Delhi	635	635	Unch
Coconut Oil	Kangayan (Crude)	770	750	20
	Cochin	780	790	-10

	Trissur	780	760	20
Sesame Oil	New Delhi	810	810	Unch
	Mumbai	800	790	10
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	480	480	Unch
Rice Bran Oil (4%)	Punjab	565	565	Unch
Rice Bran Oil (4%)	Uttar Pradesh	565	565	Unch
Malaysia Palmolein USD/MT	FOB	680	680	Unch
	CNF India	690	685	5
Indonesia CPO USD/MT	FOB	655	660	-5
	CNF India	693	688	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	675	675	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	625	625	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1350	1330	20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	580	583	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	1290	1240	50
Ukraine Origin CSFO USD/MT Kandla	CIF	875	885	-10
Rapeseed Oil Rotterdam Euro/MT	FOB	725	717	8
Argentina FOB (\$/MT)		2-Jun-16	26-May-16	Change
Crude Soybean Oil Ship		722	696	26
Refined Soy Oil (Bulk) Ship		747	720	27
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		702	676	26
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

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