

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 losses in CBOT soy oil and BMD CPO. Soy oil and groundnut oil closed higher while sunflower oil and rapeseed oil closed sideways. Palm oil and coconut oil prices closed lower.

On the currency front, Indian rupee against USD closed at 67.97, up 90 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 fall.

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 640 levels for a target of 655 and 660 with a stop loss at 630 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 620-670 per 10 Kg in the near term.

Market participants are advised to go short in CPO below 510 for a target of 495 and 490 with a stop loss at 520 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 480-540 per 10 Kg in the near term.

International Veg. Oil Market Summary

According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June 1-20 palm oil exports fell by 10.2 percent to 711,367 tons compared to 792,393 tons in the corresponding period last month. Top buyers were European Union at 118,326 tons (94,885 tons), China at 99,675 tons (62,650 tons), India at 95,570 tons (259,680 tons), Pakistan at 50,000 tons (47,850 tons) and United States at 15,065 tons (35,265 tons). Values in brackets are figures of corresponding period last month.

On the international front, US soybean crop condition, Argentina soybean crop condition, soy oil stocks in US, weak crude oil, strong dollar and global risk aversion is bearish for the soy complex in the coming days.

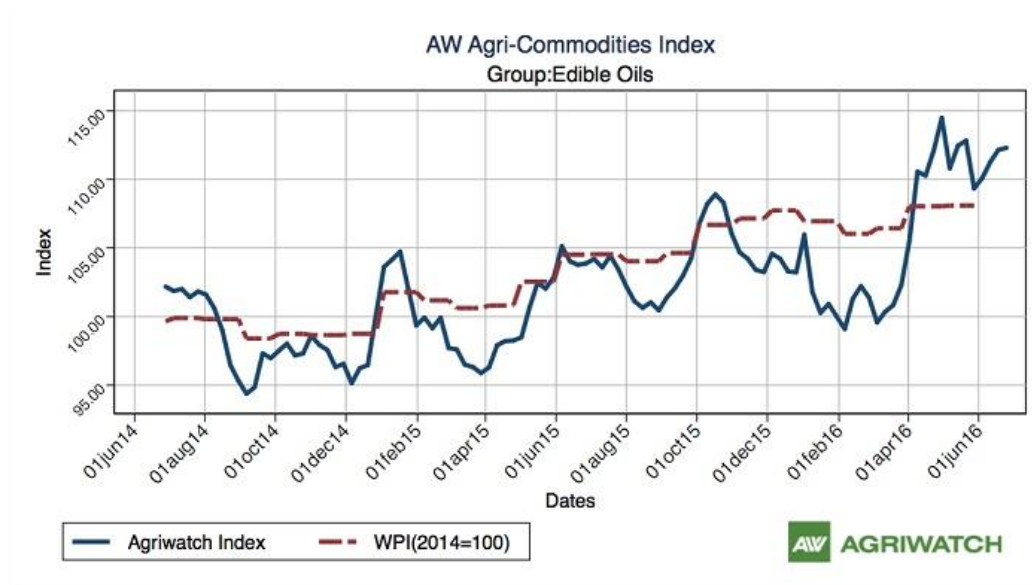
Weak exports from Malaysia, improving production of palm oil in Malaysia and weak Indian demand will weaken CPO prices in near term. Global risk aversion may underpin prices in near term.

Agriwatch Index



- The Agriwatch Agri Commodities Index gained 0.84% during the week ended June 25, 2016, lower than weekly gains of 2.15% and 1.84% in the preceding two weeks, but still closed at a new high of 117.04. The base for the Index and all sub-Indices is 2014 (= 100).
- Pulses, Sweeteners (Sugar, jaggery & khandsari) and Oilseeds were the only sub-Indices to decline during the week while the other six sub-Indices gained.

Agriwatch edible oil index

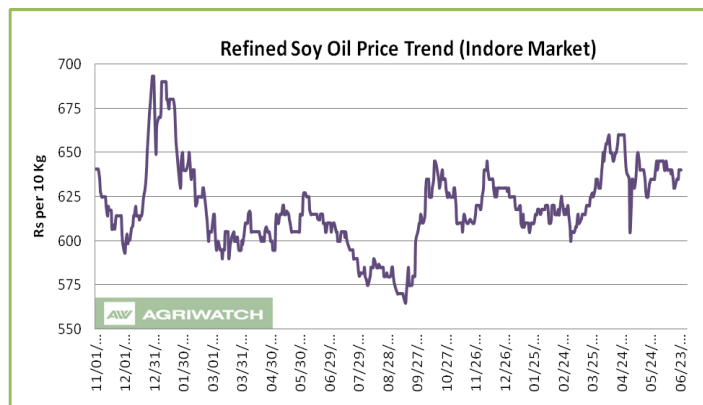


- Agriwatch edible oil index rose 0.13 percent last week to 112.30

"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 firm demand. Prices were down in Mumbai while it was unchanged Kandla/Mudra and Kolkata. CDSO prices closed higher at JNPT while it closed lower at Kandla/Mudra at the end of the week.
- Agriwatch View- Soy oil prices witnessed uptrend during the week in review on firm demand. Soy oil prices closed higher despite fall in international prices of soy oil indicating firm demand. Fall in palm oil prices capped upside. Fall in prices of soybean translated into lower prices. Imports of soy oil fell in May on low demand due to summers. Prices of soy oil expected to be firm on low premium of soy oil over palm oil at Rs 132 (Rs 95 last week) per 10 Kg. Weak refining margins may slow imports. Slow pace of sowing in Kharif season has affected sentiment. Demand will improve on onset of monsoons. Imports fell in May while stocks at ports and in pipelines decreased, which may support prices. Lower prices of soy oil will induce demand. In USD terms, premium of soy oil over palm oil was USD 95 (USD 93 last week) which will increase imports. Prices of soy oil are expected to be firm in near term.
- USDA increased soy oil imports in 2015/16 to 4.00 MMT from 3.7 MMT in its June estimate on strong pace of trade, primarily from Argentina and reduction in imports of other edible oils (palm kernel oil and rapeseed oil). Domestic consumption is raised from 4.75 MMT to 4.95 MMT in 2015/16.
- Soybean oil import scenario – According to SEA India imported 1.78 lakh tons of soybean oil in May 2016 v/s 2.89 lakh tons in May 2015, down 38 percent y-o-y. In the oil year 2015-16 (November 2015-May 2016) imports of soy oil is reported at 24.19 lakh tons v/s 13.50 lakh tons in corresponding period last oil year, higher by 79 percent y-o-y. In the period November 2015-May 2016, share of soft oil in imports has risen from 34 percent to 41 percent.
- Imported crude soy oil CIF at West coast port is offered at USD 745 (USD 753) per ton for JJ delivery. AS delivery is offered at USD 755 (USD 756) per ton as on June 24, 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 30-35/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 – Projection of higher crop in Argentina due to increased yield in areas, which were lost due to rains in April, and very high yields in provinces, which were not affected by rains, has affected sentiment. However, harvesting is still lower than corresponding period last year.

Brazil exports of soybean are expected to be lower in 2015/16 due to lower crop and appreciation of Real.

US soybean crop condition is very good and good moisture levels will increase pollination, improving yields. Rains in Midwest, which were dry, have received beneficial rains.

Expectation of higher soy oil stocks in US in June on higher production of soy oil due to better crush margins will affect prices adversely. US soy oil stocks rose by 3.5 percent in May compared to April and higher by 26 percent from May 2015. Higher stocks of soy oil was due to weak demand in US and higher production of soy oil due to higher crushing of soybean. Higher prices of soy meal in May improved crush leading to higher soy oil production. Soy oil production is expected to be firm on higher crush margins on higher prices of soy meal, which will increase soy oil stocks in US and underpin prices. Spreading with soy meal may improve soy oil prices on CBOT.

Demand of soy oil has weakened from India, which is world-leading importer of soy oil.

Lower crop in Argentina and Brazil have helped US farmers, which has led to surge in exports and prices reaching 5-year highs. USDA reduced US soybean end stocks in its June report. Soy meal demand from US is strong and USDA has upgraded export numbers. USDA increased US stocks of soy oil on higher opening stocks.

Weakness in crude oil prices and strong dollar due global sell off in various asset classes and risk aversion due to Britain exit from European Union along with weakness in China will adversely affect soy oil prices.

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 16.1 percent to 2,045 million lbs from 2,375 million lbs in 2015/16. Opening stocks are increased from 2355 million lbs to 2375 million lbs in June estimate. 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 National Oilseed Processors Association (NOPA), U.S. May soybean crush rose to 152.82 billion bushels from 147.614 billion bushels in April, up by 3.5 percent m-o-m. Crush of soybean in May 2015 was 148.416 billion bushels which was record in May. May crush is best in history. Production of soy oil in U.S. in April rose to 1.786 billion lbs from 1.729 billion lbs, up by 3.3 percent m-o-m. Production in May 2015 was 1.682 billion lbs. Higher production in May was due to higher crush of soybean. Soy oil stocks in U.S. at the end of May rose by 2.7 percent m-o-m to 1.994 billion lbs compared to 1.942 billion lbs in April 2016. Stocks of soy oil in May were higher by 26.4 percent compared to April 2015 which was reported at 1.578 million lbs. Yield fell to 11.69 lbs/bushel in May from 11.72 lbs/bushel in April. Yield in May 2015 was reported at 11.34 lbs/bushel.
- US soybean planting is 96% complete as on 19 June 2016 which is up from 89% during corresponding period last year and also higher than 5 year average of 93%. Further, about 89% of the newly planted US soybean has emerged which is up from 81% during the corresponding period last year and also up from 5 year average of 84%. About 73% of the newly planted US soybean crop is under good to excellent conditions which up 65% during the same period last year.
- Argentina's government increased soybean crop estimate to 58 MMT from 57.6 MMT from its previous estimate on higher recovery in areas, which were expected to be destroyed by floods in April. Very high yields were seen

in Buenos Aires and La Pampa provinces, and some parts of Cordoba and Santa Fe. Harvesting is 93 percent complete compared to 99 percent in corresponding period last year. Harvesting accelerated after flood water receded but it lost track on fresh rains in Cordoba and Santa Fe in early June.

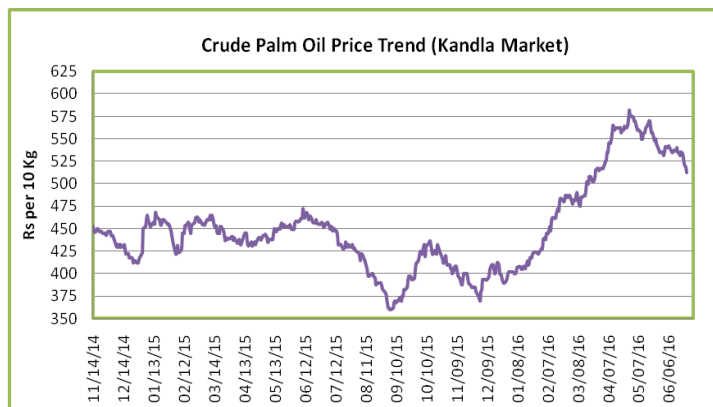
- Buenos Aires Grains Exchange kept its soybean crop estimate of Argentina unchanged at 56 MMT.
- USDA WASDE Oilseeds Highlights: The 2016/17 season-average price for soybeans is forecast at \$8.75 to \$10.25 per bushel, up 40 cents at the midpoint. Soybean meal prices are forecast at \$320 to \$360 per short ton, up \$20 at the midpoint. Soybean oil prices are unchanged at 30.5 to 33.5 cents per pound.

Price Outlook: We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 620-670 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 lower at the end of the week.
- Agriwatch View – Prices of palm oil were down during the week on weak demand and spillover of fall in international prices of palm oil. Seasonal downtrend of prices led to the fall. Demand was low due to summers. Low soy oil premium over palm oil, which is hovering at USD 95 (USD 93 last week) per ton may bring down palm oil prices. Positive refining margins may increase imports. Lower prices will induce demand in medium term. Imports of RBD palmolein will rise on discount of its prices at CNF compared to CNF CPO. Prices are expected to fall on weak demand and seasonal downtrend of prices. Prices are expected to be sideways to weak in near term.
- Palm oil import scenario – According to SEA, India imported 6.56 lakh tons of palm oil in May 2016 v/s 9.07 lakh tons in May 2015, down 27.7 percent y-o-y. CPO imports slowed to 3.92 lakh tons in May compared to 6.24 lakh tons in May 2015, lower by 47.8 percent y-o-y. RBD palmolein imports surged to 2.61 lakh tons from 2.75 lakh tons in May 2015, down by 5 percent y-o-y. In the oil year 2015-16 (November 2015-May 2016) imports of palm oil is reported at 49.46 lakh tons v/s 50.04 lakh tons in corresponding period last oil year, lower by 1.15 percent y-o-y. RBD palmolein reported sharp rise at 15.87 lakh tons (November 2015-May 2016) v/s 7.66 lakh tons in corresponding period of oil year 2014-15, rise of 107 percent y-o-y. Crude palm imports in the period (November 2015-May 2016) fell to 33.50 lakh tons from 42.67 lakh tons in the corresponding period last oil year, fall of 21.5 percent y-o-y. In the period November 2015-April 2016, share of palm product imports fell to 59 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 650 (USD 660) per ton for June delivery and July delivery quoted at USD 650 (USD 660) per ton. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 645 (USD 660) per ton for June delivery and July delivery offered at USD 645 (USD 655) per ton. Ready lift CPO duty paid prices quoted at Rs 508 (Rs 515) per 10 Kg and July delivery duty paid offered at Rs 508 (Rs 513) per 10 kg on June 24, 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 fetch USD 20-55/ton v/s USD 10-15/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein fetches USD 25-30/ton v/s USD 5-10/ton (last month) parity.
- We expect palm oil to trade sideways to weak in the days ahead.



International Front

- Agriwatch View – Weak exports of palm oil from Malaysia and expectation of increase in production of palm oil in medium term has underpinned prices. There is no driver of demand after Ramadan demand. India was driving palm oil demand has faltered in June and fresh demand from India will only come when prices correct further. Production of palm oil is expected to be higher in coming months on seasonal uptrend of production and improvement of weather in palm growing regions of Southeast Asia. However, due to intensification of La Nina production can be affected in medium term. Production will creep up while demand will slow down, weakening prices. Stocks of palm oil may not fall and may increase in medium term on weak demand and higher supplies.

Demand from China is weak, as buyers have moved to domestic crushed soy oil as soy oil premium over palm oil has weakened. Depreciation of Yuan has made palm oil imports costlier.

Depreciation of Ringgit is expected to supported price in near term.

Postponing of Malaysia's B10 biodiesel mandate to July and increase in export duty of palm oil from Malaysia has adversely affected sentiment. Malaysia increased export duty to channel more CPO towards refining and biodiesel in place of exporting as raw product. However, Malaysia is a small country and palm demand towards biodiesel will be less than incremental production. Lower prices of crude oil will discourage biodiesel production in Malaysia.

Prices are in range.

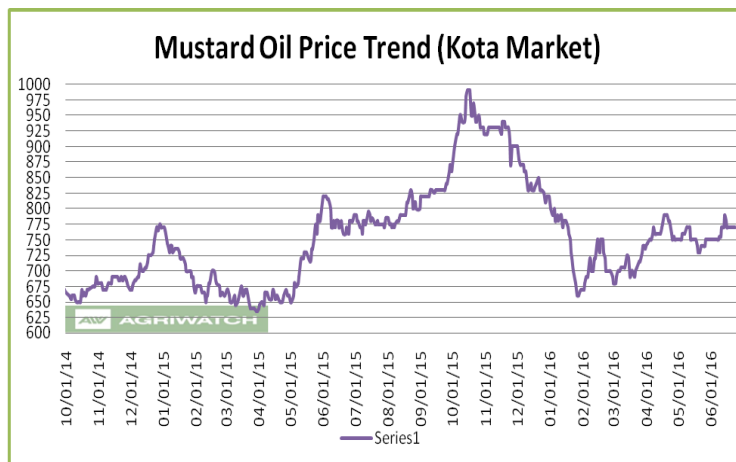
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June 1-20 palm oil exports fell by 10.2 percent to 711,367 tons compared to 792,393 tons in the corresponding period last month. Top buyers were European Union at 118,326 tons (94,885 tons), China at 99,675 tons (62,650 tons), India at 95,570 tons (259,680 tons), Pakistan at 50,000 tons (47,850 tons) and United States at 15,065 tons (35,265 tons). Values in brackets are figures of corresponding period last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's May palm oil end stocks fell by 8.78 percent to 16.46 lakh tons compared to 18.00 lakh tons in April 2016. Production in May rose by 4.86 percent to 13.65 lakh tons compared to 13.01 lakh tons in April. Exports in May rose by 9.33 percent to 12.82 lakh tons compared to 11.73 lakh tons in April. Imports in May fell by 71.07 percent to 0.11 lakh tons compared to 0.36 lakh tons in April.

Price Outlook: We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 480-540 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 firm demand.
- Agriwatch view: Prices of rapeseed oil expeller in Kota were unchanged while it was higher in Jaipur, Neewai, Ganganagar, Hapur and Mumbai. Kacchi ghani prices were up across board in India except Kolkata and Hapur where prices were unchanged at the end of the week.



Prices of rapeseed oil traded uptrend on firm

demand. Prices rose during the week on sharp rise in prices of rapeseed. Demand was higher and is expected to improve on arrival of monsoon. Fall in prices of palm capped upside. Stockists are stocking ahead of seasonal uptrend in prices and buying at lower quotes. Demand is expected to improve in July when demand from pickle manufacturers increase and on seasonal uptrend of prices. Retail demand will improve when monsoon arrives. Markets are expected to trade sideways to firm tone in coming days.

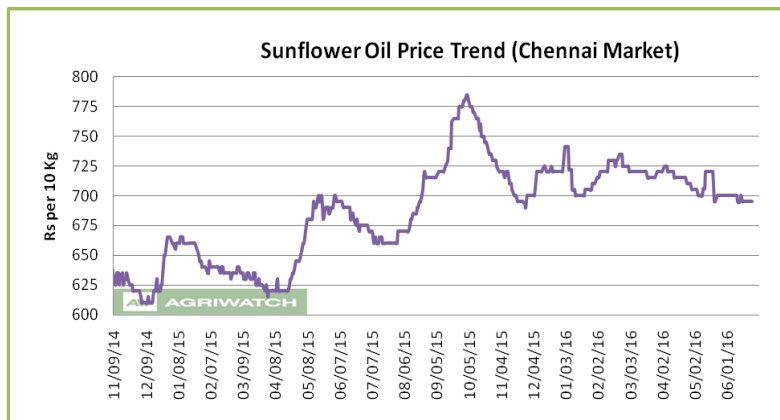
- USDA reduced rapeseed oil imports to India by 1.00 lakh tons to 3.00 lakh tons from 4.00 lakh tons in 2015/16 on slower trade to date in its June estimate.
- India imported 0.18 lakh tons of rapeseed (Canola) oil in May 2016 v/s 0.09 lakh tons in May 2015, higher by 100 percent y-o-y. For oil year 2015-2016 (November 2015 – May 2016) India imported 1.71 lakh tons rapeseed (canola) oil v/s 2.10 lakh tons in corresponding period in the oil year 2014-15, lower by 18.6 percent y-o-y: SEA
- CIF canola premium over soybean oil is USD 15 (USD 22 last week) per ton as on 24 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 825 (Rs 809) per 10 Kg, and at Kota market, it is offered at Rs 770 (Rs 770) per 10 kg as on June 24, 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 740-820 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

- Sunflower oil prices featured sideways trend during the week at its benchmark market in Chennai on firm demand and higher supplies. Prices were unchanged in Hyderabad and Kakinada at the end of week.
- Agriwatch view: Prices of sunflower oil traded sideways on firm demand and higher supplies. Arrival of monsoon in South India has supported demand.



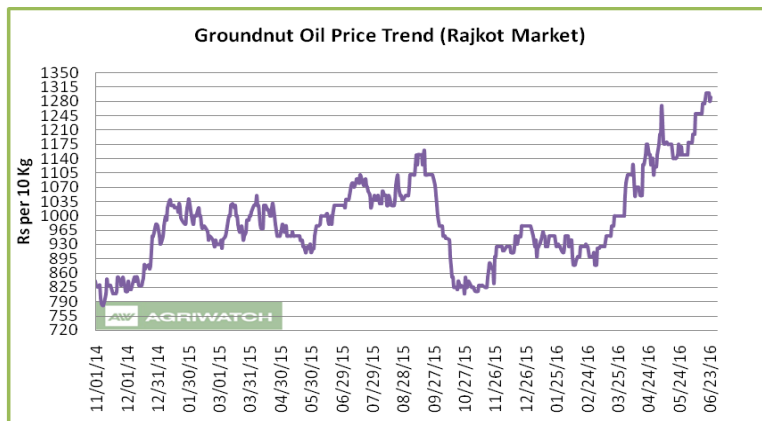
Prices are expected to increase with intensification of monsoon. Refiners and traders are stocking ahead of seasonal uptrend of prices. Refiners purchase of crude sunflower oil from international markets has slowed down as the premium of sunflower oil over soybean oil is above USD 100/ton. Currently sunflower oil premium over soy oil is at USD 115 (USD 102 last week) per ton. Imports of sunflower oil improved in May while in anticipation of improvement of demand. Sunflower oil stocks at ports and pipelines increased in May, which has capped prices. 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 1.50 lakh tons of crude sunflower oil during May 2016 v/s 1.53 lakh tons in May 2015, down by 1.3 percent y-o-y. Imports during oil year 2015-16 (November 2015 –May 2016) were reported at 9.21 lakh tons v/s 10.31 lakh tons during the corresponding period in last oil year, down by 10.7 percent y-o-y.
- On the trade front, CIF sunflower oil prices (Ukraine origin) at West coast of India quoted at USD 860 (USD 855) per ton for JA delivery, September delivery is quoted at USD 855 (USD 855) per ton and OND delivery is quoted at USD 815 (USD 800) per ton. CIF sun oil (Ukraine origin) May 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 830-900 per ton in the near term. CIF Sunflower oil premium over soybean oil increased from last week and is hovering at USD 115 (USD 102 last week) per ton for July delivery.
- Currently, refined sunflower oil at Chennai market is offered at Rs 695 (Rs 695) per 10 Kg, and at Hyderabad market, it is offered at Rs 717 (Rs 717) per 10 kg as on June 24, 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 670-730 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 were unchanged at the end of week. Prices in Mumbai and Jamnagar were higher while prices in Gondal closed lower at the end of the week.
- Agriwatch view: Prices of groundnut rose on weak supplies and renewed demand on expectation of arrival of monsoon. Groundnut prices have shot up in near term



and supply of groundnut is short supporting groundnut oil prices. Supply of groundnut is not sufficient to meet demand. There is shortage of good quality groundnut oil in the market. Delayed monsoon has affected sentiment of groundnut sowing. Prices have been supported by seasonal uptrend of prices. Demand is expected to improve after arrival monsoons. Price will continue to stay elevated in July when demand improves after the onset of monsoon. Millers and stockists are stocking ahead of seasonal uptrend of demand and expectation of pickup in demand on arrival of monsoon. Prices are expected to touch record highs in medium term. Any correction in prices is an opportunity to buy. Groundnut oil prices are expected to trade sideways to firm in near term.

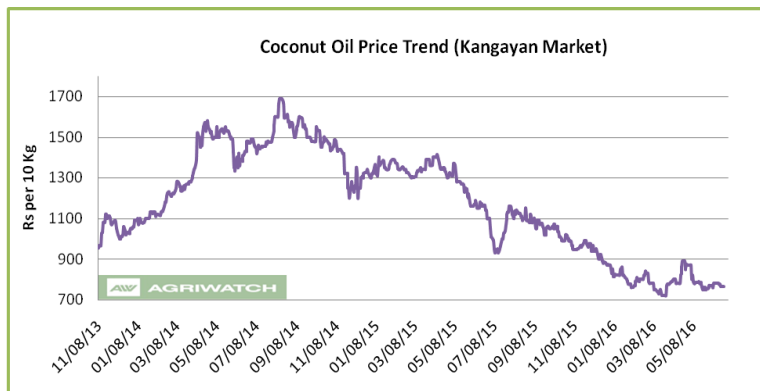
- USDA has increased India's groundnut production to 4.6 MMT in 2016/17 from 4.47 MMT in 2015/16 in its May report, higher by 2.9 percent y-o-y. Consumption has been increased to 0.93 MMT in 2016/17 from 0.90 MMT in 2015/16 in its May estimate, higher by 3.33 percent y-o-y.
- On the price front, currently the groundnut oil prices in Rajkot is hovering near Rs 12,900 (Rs 12,750) per quintal and quoting at Rs 11,800 (Rs 11,800) per quintal in Chennai market on June 24, 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 1200-1350 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. In Kochi prices were unchanged while prices in Trissur closed lower at the end of the week.
- Agriwatch view: Coconut oil prices closed lower during the week on weak demand. Fall in palm oil prices supported the fall. Demand from North India has not picked up.



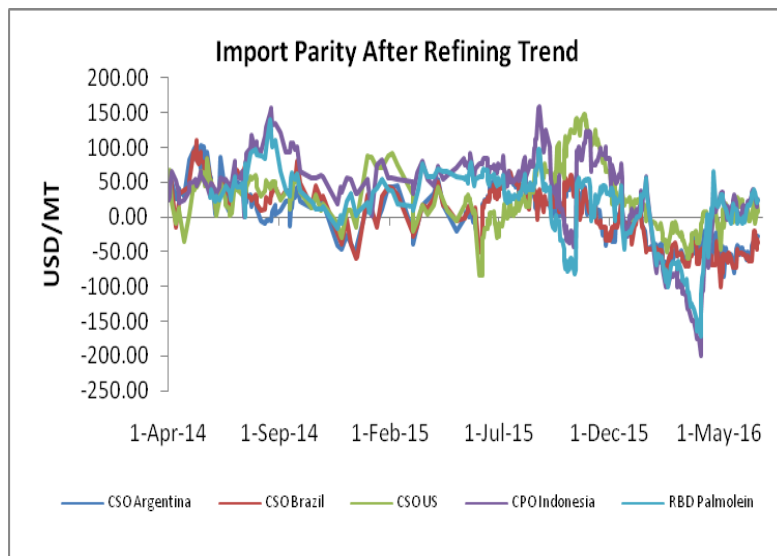
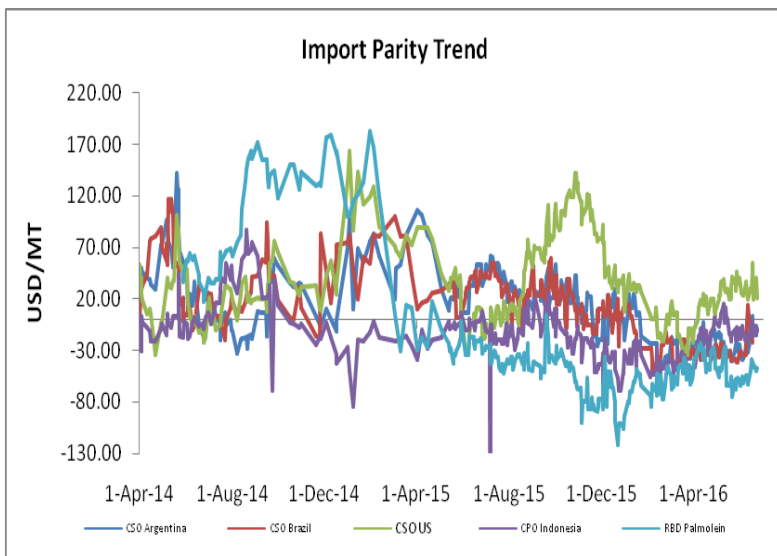
Corporate demand, which accounts for 80 percent of demand, is weak. Millers have good stocks of coconut oil as they processed copra, which is available at cheap rate. Millers are not holding their produce in anticipation of fall of prices. Stockists and upcountry are staying away from market and relying on ready market. Harvesting of coconut has slowed due to monsoon. Demand from North India is expected to improve with arrival of monsoon. Domestic prices of coconut oil are lower than international prices, which will support price. Recent ban on 14 brands of adulterated coconut oil has helped support demand. Prices are expected to trade sideways to firm tone in near term.

- Tamil Nadu government will procure copra for the next six months from June 15, by opening Direct Procurement Centers (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 (7,900) per quintal, and was quoting Rs 7,650 (7,750) per quintal in Erode market on June 24, 2016.

Price Outlook: Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 730-800 per 10 Kg.

Import Parity Trend

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

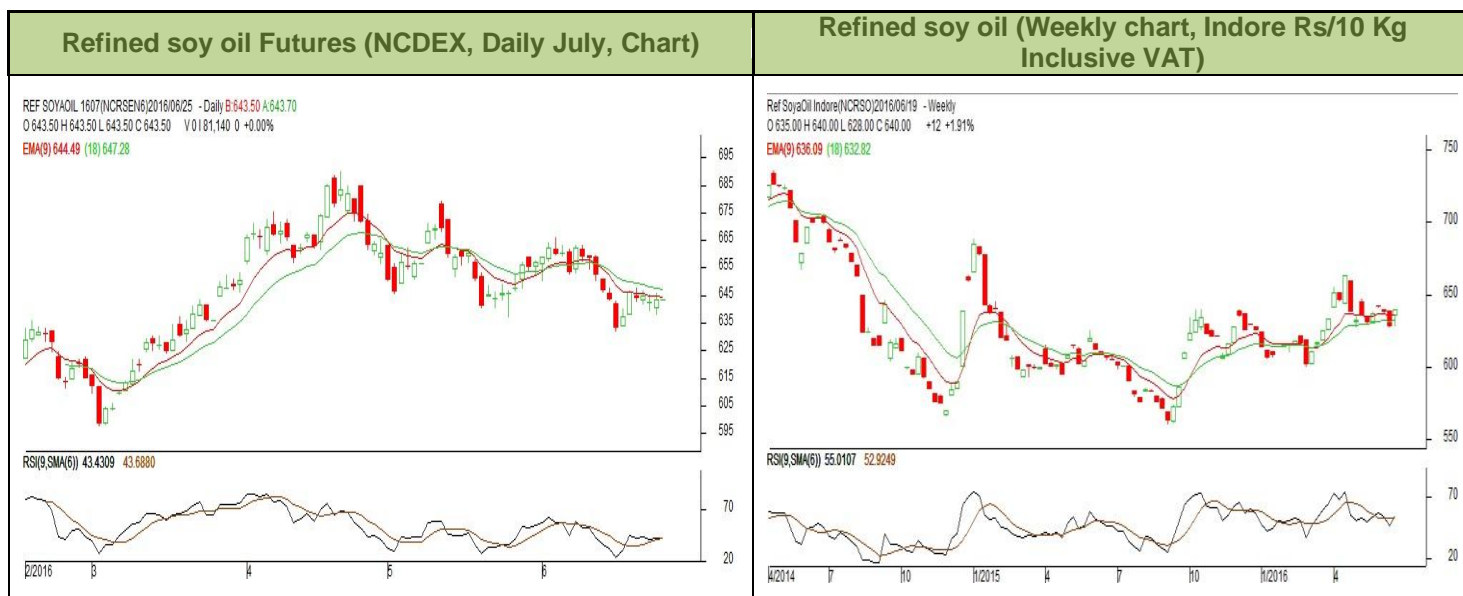


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
Apr, 2016	-38.73	-55.38	-7.45	-49.67	-33.15
May, 2016	-57.34	-62.40	4.06	14.68	8.56

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 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 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 will change the sentiment and might take the prices below 600 levels.
- Expected price band for next week is 625-665 level in near to medium term. RSI, stochastic and MACD is suggesting uptrend in market.

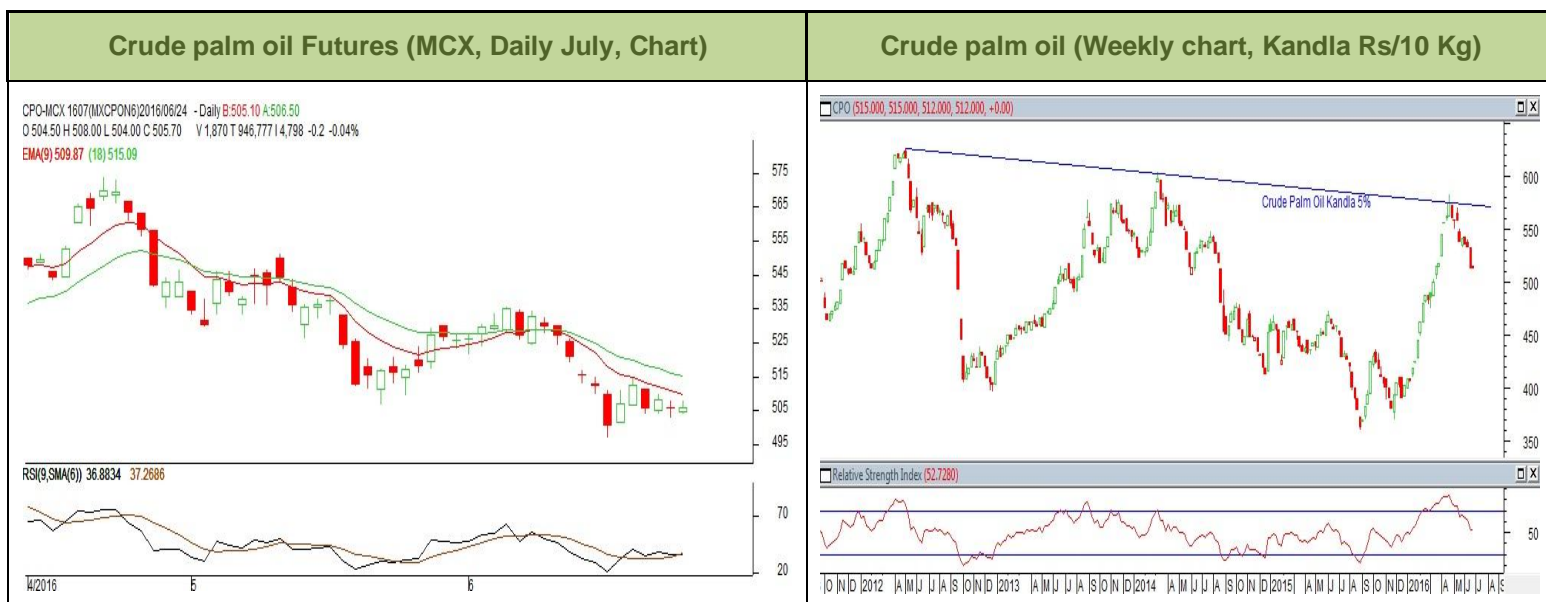
Strategy: Market participants are advised to go long in RSO above 640 levels for a target of 655 and 660 with a stop loss at 630 on closing basis.

RSO NCDEX (July)

Support and Resistance				
S2	S1	PCP	R1	R2
612.00	631.00	643.5	651.00	665.00

Spot Market outlook: Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 620-670 per 10 Kg.

Technical Analysis (Crude Palm oil)



Outlook - Prices show downtrend in prices during the week. We expect that CPO July 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 480 in weekly chart may bring the prices to 450 levels.
- Expected price band for next week is 480-540 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 510 for a target of 495 and 490 with a stop loss at 520 on closing basis.

CPO MCX (July)

Support and Resistance				
S2	S1	PCP	R1	R2
470.00	492.00	505.7	546.00	566.00

Spot Market outlook: Crude palm oil is likely to stay in the range of Rs 480-540 per 10 Kg.

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		24-Jun-16	17-Jun-16	
Refined Soybean Oil	Indore	640	630	10
	Indore (Soy Solvent Crude)	605	595	10
	Mumbai	631	635	-4
	Mumbai (Soy Degum)	588	585	3
	Kandla/Mundra	620	630	-10
	Kandla/Mundra (Soy Degum)	592	595	-3
	Kolkata	620	615	5
	Delhi	670	670	Unch
	Nagpur	635	625	10
	Rajkot	620	615	5
	Kota	640	630	10
	Hyderabad	641	641	Unch
	Akola	673	671	2
	Amrawati	674	664	10
	Bundi	640	635	5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	508	515	-7
	Kandla (RBD Palm oil)	535	540	-5
	Kandla RBD Pamolein	555	560	-5
	Kakinada (Crude Palm Oil)	510	515	-5
	Kakinada RBD Pamolein	550	560	-10
	Haldia Pamolein	555	560	-5
	Chennai RBD Pamolein	555	565	-10
	KPT (krishna patnam) Pamolein	545	555	-10
	Mumbai RBD Pamolein	558	565	-7
	Delhi	610	620	-10
	Rajkot	555	556	-1
	Hyderabad	589	570	19
	Mangalore RBD Pamolein	555	565	-10
	PFAD (Kandla)	400	410	-10
	Refined Palm Stearin (Kandla)	460	460	Unch
Refined Sunflower Oil	Chennai	695	695	Unch
	Mumbai	745	745	Unch

	Mumbai(Expeller Oil)	655	655	Unch
	Kandla	740	740	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	717	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	720	725	-5
Groundnut Oil	Rajkot	1290	1275	15
	Chennai	1180	1180	Unch
	Delhi	1150	1150	Unch
	Hyderabad *	1170	1170	Unch
	Mumbai	1290	1280	10
	Gondal	1280	1275	5
	Jamnagar	1300	1275	25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	809	16
	Jaipur (Kacchi Ghani Oil)	875	858	17
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	877	860	17
	Neewai (Kacchi Ghani Oil)	855	840	15
	Neewai (Expeller Oil)	855	800	55
	Bharatpur (Kacchi Ghani Oil)	900	875	25
	Alwar (Kacchi Ghani Oil)	NA	780	-
	Alwar (Expeller Oil)	NA	800	-
	Sri-Ganga Nagar(Exp Oil)	810	810	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	860	860	Unch
	Mumbai (Expeller Oil)	860	840	20
	Kolkata(Expeller Oil)	940	940	Unch
	New Delhi (Expeller Oil)	835	840	-5
	Hapur (Expeller Oil)	920	900	20
	Hapur (Kacchi Ghani Oil)	980	980	Unch
	Agra (Kacchi Ghani Oil)	905	880	25
Refined Cottonseed Oil	Rajkot	690	670	20
	Hyderabad	640	635	5
	Mumbai	680	670	10
	New Delhi	655	650	5
Coconut Oil	Kangayan (Crude)	765	775	-10
	Cochin	790	790	Unch
	Trissur	780	790	-10

Sesame Oil	New Delhi	750	750	Unch
	Mumbai	740	740	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	475	475	Unch
Rice Bran Oil (4%)	Punjab	570	570	Unch
Rice Bran Oil (4%)	Uttar Pradesh	570	570	Unch
Malaysia Palmolein USD/MT	FOB	633	640	-7
	CNF India	648	658	-10
Indonesia CPO USD/MT	FOB	620	635	-15
	CNF India	653	655	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	625	633	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	605	610	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1375	1420	-45
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	550	563	-13
Crude palm Kernel Oil India (USD/MT)	CNF India	1330	1370	-40
Ukraine Origin CSFO USD/MT Kandla	CIF	860	855	5
Rapeseed Oil Rotterdam Euro/MT	FOB	720	700	20
Argentina FOB (\$/MT)		23-Jun-16	16-Jun-16	Change
Crude Soybean Oil Ship		694	689	5
Refined Soy Oil (Bulk) Ship		718	713	5
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		674	669	5
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

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