

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 and coconut oil prices closed lower while sunflower oil and groundnut closed sideways.

On the currency front, Indian rupee against USD closed at 67.36, up 5 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 depreciate and crude oil prices will fall.

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 640 levels for a target of 625 and 620 with a stop loss at 650 on closing basis. We expect refined soy oil at Indore (with VAT) to stay in the range of Rs 600-650 per 10 Kg in the near term.

Market participants are advised to go short in CPO below 500 for a target of 485 and 480 with a stop loss at 510 on closing basis. We expect CPO Kandla 5 percent (with VAT) to stay in the range of Rs 460-520 per 10 Kg in the near term.

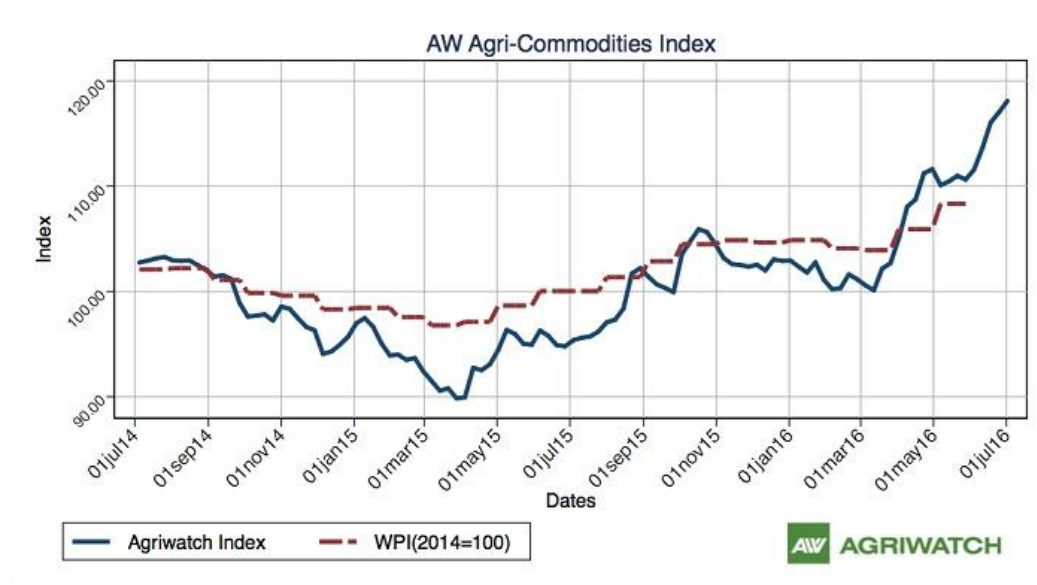
International Veg. Oil Market Summary

According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June palm oil exports fell 11.2 percent to 1,111,413 tons compared to 1,251,695 tons in May 2016. Top buyers were European Union at 203,251 tons (186,277 tons), India at 195,105 tons (362,980 tons), China at 134,675 tons (112,750 tons), United States at 69,560 tons (105,591 tons) and Pakistan at 50,000 tons (47,850 tons). Values in brackets are figures of last May 2016.

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

Higher end stocks of palm oil in Malaysia, weak exports of palm oil from Malaysia, improving production of palm oil in Malaysia, Chinese commodity market turmoil 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 rose 0.91% to 118.11 during the week ended July 2, 2016, its 5th straight weekly gain, led by higher price of pulses. The base for the Index and all sub-Indices is 2014 (= 100).
- Among pulses, chana was the prime mover with the Chana Index posting a weekly gain of 10.63% while other pulses saw more modest increases of 0.2 to 3.0%.

Agriwatch edible oil index

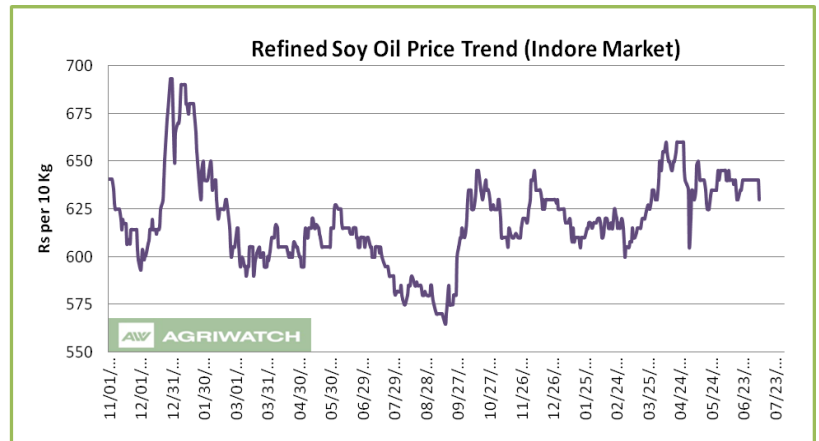


- Agriwatch edible oil index rose 0.29 percent last week to 112.63

"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 lower at its benchmark market in Indore during the week on fall in prices of soy and palm oil in international markets. Prices were lower in Mumbai, Kolkata and Kandla/Mudra. CDSO prices closed lower at JNPT and Kandla/Mudra at the end of the week.
- Agriwatch View- Soy oil prices witnessed downtrend trend during the week on fall in prices of soy and palm oil in international markets. Demand is firm as fall in India was limited despite sharp fall in international markets. Demand has improved on arrival of monsoon. Fall in prices of soybean translated into lower prices. Prices of soy oil expected to be firm on low premium of soy oil over palm oil at Rs 130 (Rs 137 last week) per 10 Kg. Weak refining margins may slow imports. Pick up in pace of sowing in Kharif season has affected sentiment. In USD terms, premium of soy oil over palm oil is low and was USD 110 (USD 114.5 last week) which will increase imports. Prices of soy oil are expected to be weak in near term.
- All India sowing of soybean has reached 59.88 lakh hectares as on 8 July 2016, compared to 75.39 lakh hectares in the corresponding period last year.
- 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 735 (USD 762) per ton for JJ delivery. AS delivery is offered at USD 735 (USD 762) per ton as on July 8, 2016. Last month, CIF CDSO June average price was USD 768.8 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 20-25/ton v/s loss of USD 40-45/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 – Soybean crop condition is very good in US and soil moisture is good to support crop in pollination phase. Long term weather projection show that weather in US Midwest will stay conducive for soybean till September.

Projection of record area under soybean in US and conducive weather are expected to underpin soy complex prices.

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 June soy oil stocks are expected to rise on higher production of soy oil due to higher crush of soybean by crushers. 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.

China's commodity market concerns on slowdown of Chinese economy have led to fall of prices on global commodities. Commodities linked to China will take a hit in near term. China's effect on soybean complex is very high which will underpin prices in near term.

Weakness in crude oil prices, strong dollar and Britain exit from EU will adversely affect soy oil prices.

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

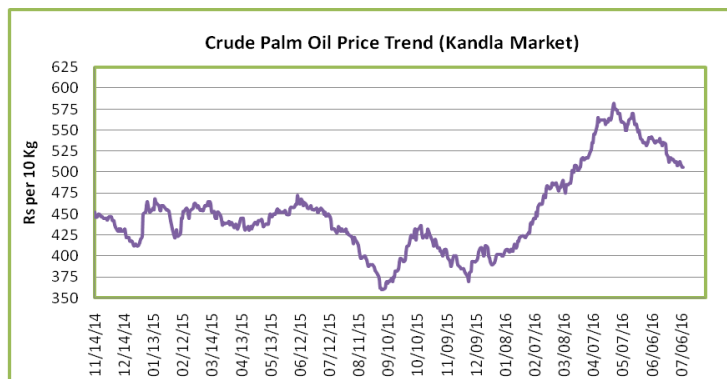
- In the June USDA acreage report, US soybean planted area for 2016 is estimated at a record high 83.7 million acres, up 1 percent from last year. Area for harvest, at 83.0 million acres, is also up 1 percent from 2015 and will be a record high if realized. Record high planted acreage is estimated in Michigan, Minnesota, New York, North Dakota, Ohio, Pennsylvania, and Wisconsin. The acreage is also higher than previously estimated by the analysts of the department. If weather and crop condition remain good, it will result in all-time high US soybean production for coming season too.
- US processors have crushed 4.83 million tons of soybean during May which is up from 4.75 million during the month of April, said USDA. Crush in May 2015 was 4.68 million tons. Market was expecting the May soybean crush at 4.874 million tons. Soy meal inventories at the end of the month May stood at 343,411 tons down from 365,653 tons in April, while crude soy oil inventories stood at 2.063 billion pounds at May end compared to 2.049 billion pounds at April end. Refined soy oil stocks are at 402.9 million pounds.
- According to U.S. Energy Information Agency (EIA), U.S. biodiesel production in April fell to 119 million gallons from 120 million gallons in March. Soy oil was the largest feedstock with 415 million lbs used in April from 464 million lbs in March. Soy oil contributed 49 percent to the total biodiesel production compared to 55 percent in March.
- 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 May 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.

- In the US crop progress report, as on 3 July 2016, the newly planted US soybean is blooming at 22% which is up from 17% during the corresponding period last year and up from 5 year average of 16%. Also about 70% of the newly planted US soybean crop is under good to excellent conditions which is up from 63% during the same period last year.
- 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 600-650 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 spillover of weak international palm and soy oil prices. CPO prices in Kakinada closed down at the end of the week.
- Agriwatch View – Prices of palm oil were down during the week on weak BMD Malaysia and CBOT. Demand is firm in India as domestic prices fell marginally despite sharp fall in international prices. Seasonal downtrend of prices led to the fall. Low soy oil premium over palm oil, which is hovering at USD 110 (USD 114.5 last week) per ton may bring down palm oil prices. Positive refining margins may increase imports and underpin prices. 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 at high sea are at disparity, disparity has decreased in recent weeks. Prices are expected to fall on seasonal downtrend of prices and fall in international prices of soy oil and palm oil. 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 625 (USD 647.5) per ton for July delivery while August delivery is quoted at USD 617.5 per ton. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port, offered at USD 620 (USD 647.5) per ton for July delivery while August delivery is quoted at USD 612.5 per ton. Ready lift CPO duty paid prices quoted at Rs 495 (Rs 503) per 10 Kg and July delivery duty paid offered at Rs 495 (Rs 503) per 10 kg on July 8, 2016. Values in bracket depict last week quotes.
- On the parity front, margins improved during this week due to fall in prices of palm oil products. Currently refiners fetch USD 30-35/ton v/s USD 20-25/ton (last month) margin in processing the imported CPO and imports of ready to use palmolein fetches USD 30-35/ton v/s USD 15-20/ton (last month) parity.
- We expect palm oil to trade sideways to weak in the days ahead.



International Front

- Agriwatch View – Expectation of rise in end stocks of palm oil in Malaysia in June on higher production and weak exports will underpin prices in near term. Production is expected to rise on seasonal uptrend of production and conducive weather conditions for higher palm yields. Exports fell 9-11 percent in June and most of demand slowdown was from India and China.

Demand from India is not expected to revive before festive season after monsoons or on sharp fall in prices of palm. Price elastic countries like India and China tend to increase demand when prices fall.

China's demand is weak on shift in demand from palm oil to domestic crushed soy oil on lower soy oil premium over palm oil. Depreciation of Yuan has made palm oil expensive in China.

Depreciation of Ringgit is expected to support prices in near term. Fall in prices of competitive oil will underpin prices in near term.

Chinese commodity market turmoil due to slowdown of China will adversely affect commodity prices in near term. China is second largest importer of palm oil which will affect palm oil adversely in near term.

Global selloff in commodities and Britain exit from EU are additional bearish factors in near term.

Prices are in range with downward bias.

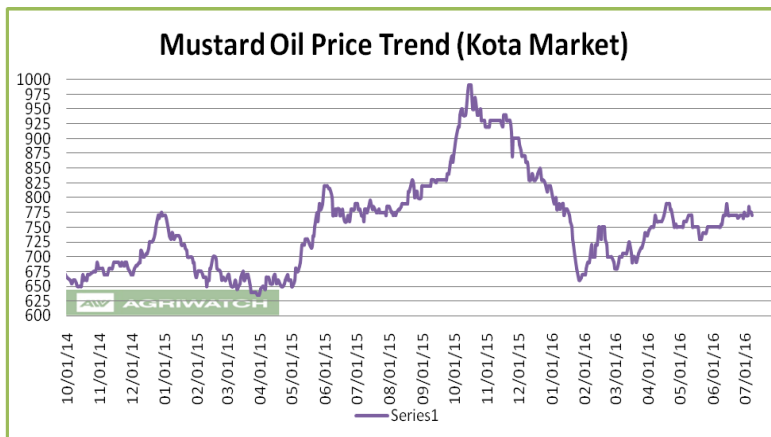
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's June palm oil exports fell 11.2 percent to 1,111,413 tons compared to 1,251,695 tons in May 2016. Top buyers were European Union at 203,251 tons (186,277 tons), India at 195,105 tons (362,980 tons), China at 134,675 tons (112,750 tons), United States at 69,560 tons (105,591 tons) and Pakistan at 50,000 tons (47,850 tons). Values in brackets are figures of last May 2016.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's May palm and palm kernel oil exports fell by 16 percent to 1.76 MMT from 2.09 MMT in March. Top buyers were India at 471,530 tons (568,120 tons), European Union at 270,190 tons (368,770 tons) and China at 119,320 tons (149,340 tons). Values in brackets are figures of April 2016.
- According to Indonesia's trade ministry, Indonesia will not charge export duty on export of crude palm oil (CPO) in July compared to \$3/ton duty above reference prices of \$750/ton for June. Uncompetitive exports of palm oil from Indonesia compared to Malaysia's palm products have led to this step.
- 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 460-520 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 fell in Kota, Jaipur and Mumbai while it was unchanged in Neewai and Kolkata. Prices increased in Ganganagar and Hapur. Kacchi ghani prices were up Gangaagar, Kota, Jaipur, Hapur and Neewai while it fell in Agra and Bharatpur at the end of the week.



Prices of rapeseed oil traded lower during the week on weak demand and fall in prices of soy oil and palm oil. Weak international oils and fats markets contributed to fall. Reports of bulk arrival of canola oil at Kandla to the tune of 47,000 tons adversely affected sentiment. 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 with steady progress of monsoon. Markets are expected to trade sideways to firm tone in coming days.

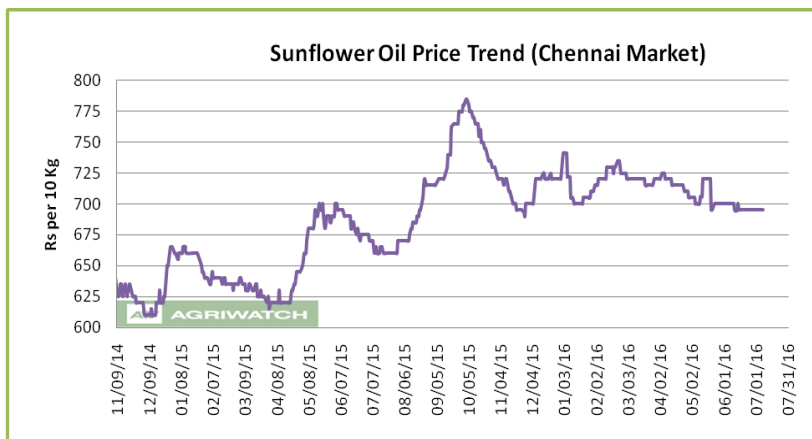
- India imported 0.18 lakh tons of rapeseed (Canola) oil in May 2016 v/s 0.09 lakh tons in May 2015, higher by 100 percent y-o-y. For oil year 2015-2016 (November 2015 – May 2016) India imported 1.71 lakh tons rapeseed (canola) oil v/s 2.10 lakh tons in corresponding period in the oil year 2014-15, lower by 18.6 percent y-o-y: SEA
- CIF canola premium over soybean oil is USD 15 (USD -2 last week) per ton as on 8 July 2016. Low premium of canola over soybean oil may increase imports of canola.
- Currently, RM oil at Jaipur market, (expeller) is offered at Rs 829 (Rs 830) per 10 Kg, and at Kota market, it is offered at Rs 770 (Rs 775) per 10 kg as on July 8, 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 750-800 per 10 Kg.

Sunflower oil Fundamental Review and Analysis:-

Domestic Front

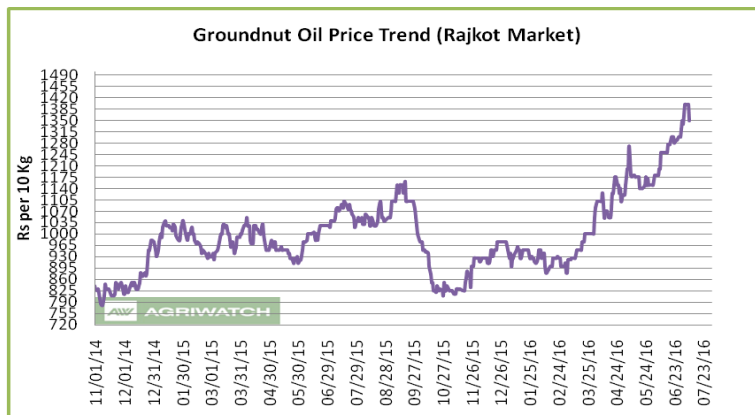
- Sunflower oil prices featured sideways trend during the week at its benchmark market in Chennai on firm demand and higher supplies. Prices were lower in Hyderabad and Kakinada at the end of week.
- Agriwatch view: Prices of sunflower oil traded sideways on firm demand and higher supplies. Fall in prices of palm oil capped upside. Arrival of monsoon in South India has supported demand. Supply and demand is matching which has kept prices stable. Prices are expected to increase with intensification of monsoon. Refiners and traders are stocking ahead of seasonal uptrend of prices. Refiner's purchases of crude sunflower oil from international markets are continuing as the premium of sunflower oil over soybean oil is around USD 100/ton. Currently sunflower oil premium over soy oil is at USD 110 (USD 98 last week) per ton. Imports of sunflower oil improved in May 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 845 (USD 860) per ton for August delivery, September delivery is quoted at USD 825 (USD 852.5) per ton and OND delivery is quoted at USD 802.5 (USD 815) per ton. CIF sun oil (Ukraine origin) June monthly average was around USD 867.3 per ton. Values in brackets are figures of last week.
- Prices are likely to stay in the range of USD 830-870 per ton in the near term. CIF Sunflower oil premium over soybean oil increased from last week and is hovering at USD 110 (USD 98 last week) per ton for August 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 703 (Rs 713) per 10 kg as on July 8, 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 sideways trend in Rajkot on weak supplies. Prices in Chennai and Hyderabad fell at the end of week. Prices in Mumbai, Jamnagar and Gondal closed higher at the end of the week.



- Agriwatch view: Prices of groundnut oil closed sideways in the week in review after touching record high prices in the week. Weak supplies remain an overhang on the

markets. Fall in prices of soy oil and palm oil capped upside. Demand tends to weaken after sudden spurt of prices in short term. 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. 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.

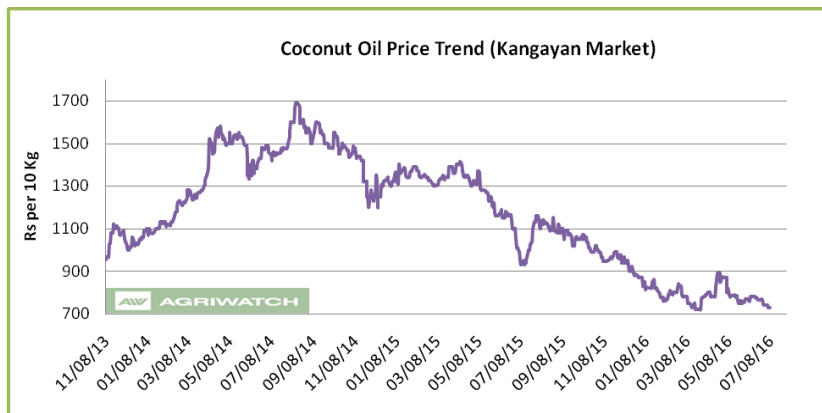
- All India sowing of groundnut has reached 18.59 lakh hectares as on 8 July 2016, compared to 21.53 lakh hectares in the corresponding period last year. Weak start of monsoons has resulted in slow sowing of groundnut.
- USDA has increased India's groundnut production to 4.6 MMT in 2016/17 from 4.47 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 13,500 (Rs 13,500) per quintal and quoting at Rs 11,800 (Rs 11,200) per quintal in Chennai market on July 8, 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 1300-1500 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



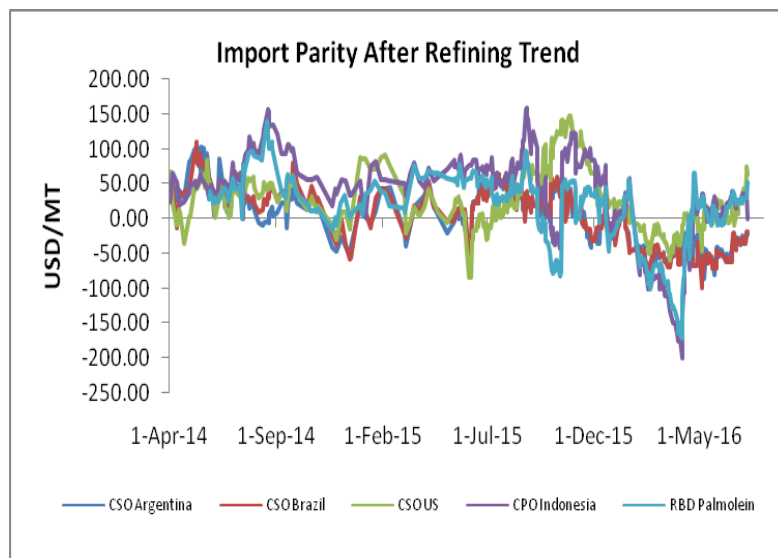
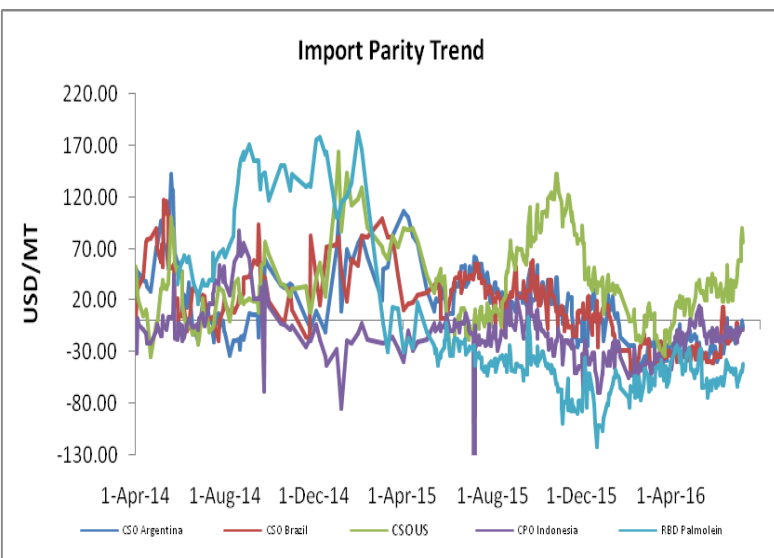
India has not picked up. Corporate demand, which accounts for 80 percent of demand, is weak. Low prices of copra have resulted in lower prices of coconut oil. There is oversupply of copra in the market while coconut harvest has slowed down due to monsoons. Coconut production will be adversely affected due to erratic rainfall in last two years. Millers have good stocks of copra and they have processed copra 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. Domestic prices of coconut oil are lower than international prices, which may support price. However, due to oversupply of coconut oil in the market prices are expected to trade sideways to weak tone in near term.

- Kerala government has proposed tax on packaged foods, coconut oil and “fat tax” of 14.5 percent on various food items sold in retails chains in the state of Kerala. A levy of 5 percent has been imposed on coconut oil.
- On the price front, currently the coconut oil prices in Trissur is hovering near Rs 7,300 (7,400) per quintal, and was quoting Rs 7,300 (7,400) per quintal in Erode market on July 8, 2016.

Price Outlook: Coconut oil (withut VAT) prices in Erode may stay in the range of Rs 690-760 per 10 Kg.

Import Parity Trend

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

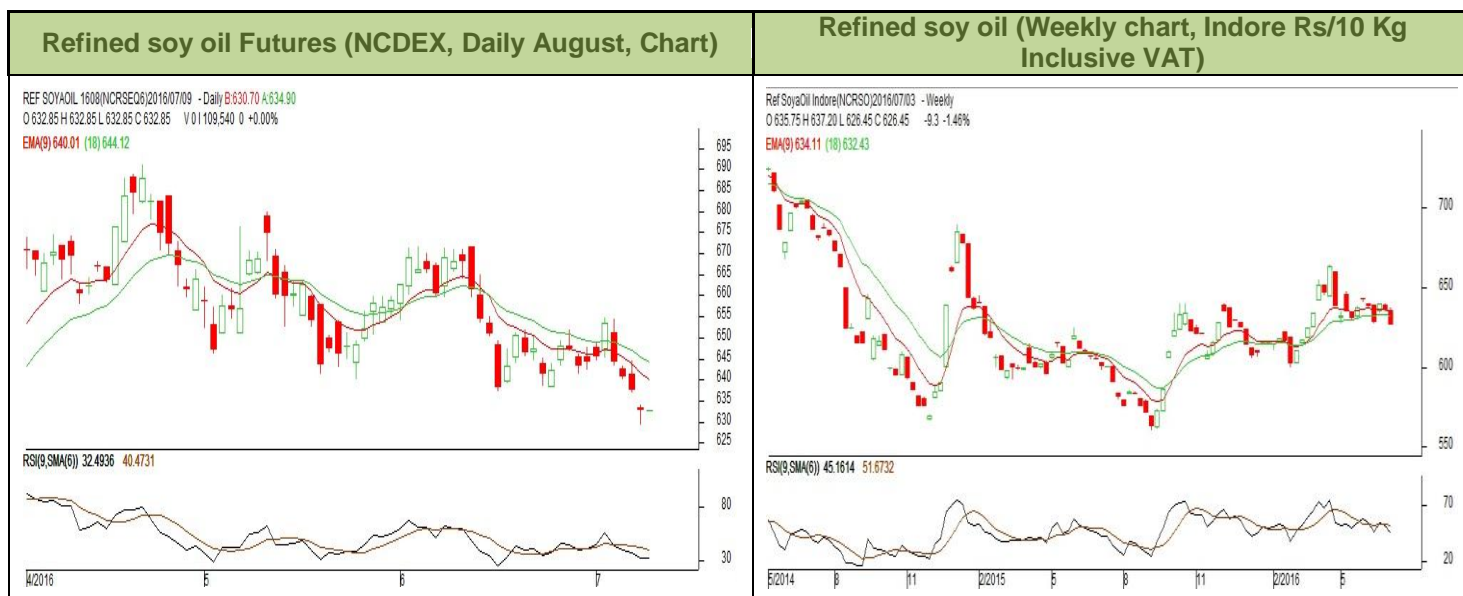


	CSO Argentina	CSO Brazil	CSO US	CPO Indonesia	RBD Palmolein
May, 2016	-57.34	-62.40	4.06	14.68	8.56
June, 2016	-42.57	-45.44	12.04	22.94	18.73

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 will change the sentiment and might take the prices below 600 levels.
- Expected price band for next week is 610-650 level in near to medium term. RSI, stochastic and MACD is suggesting downtrend in market.

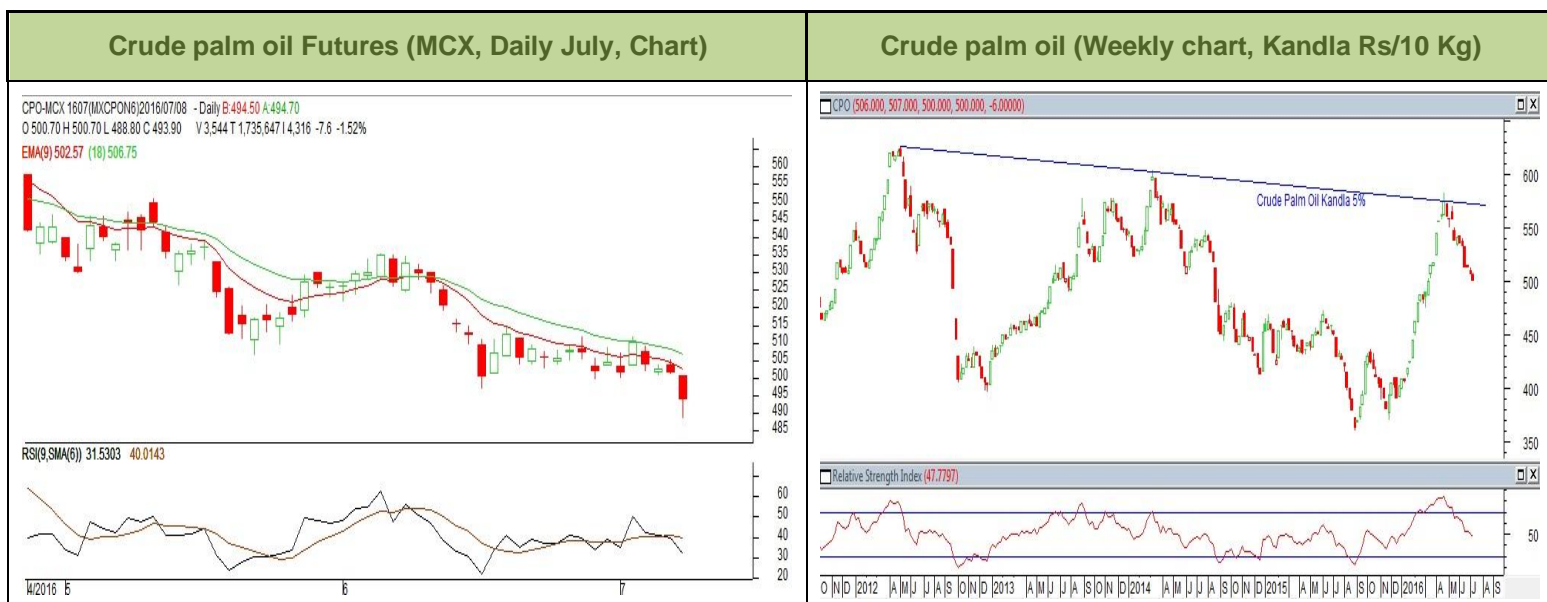
Strategy: Market participants are advised to go short in RSO below 640 levels for a target of 625 and 620 with a stop loss at 650 on closing basis.

RSO NCDEX (August)

Support and Resistance				
S2	S1	PCP	R1	R2
599.00	612.00	632.85	644.00	655.00

Spot Market outlook: Refined soy oil Indore (with VAT) is likely to stay in the range of Rs 600-650 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 500 for a target of 485 and 480 with a stop loss at 510 on closing basis.

CPO MCX (July)

Support and Resistance				
S2	S1	PCP	R1	R2
465.00	480.00	493.9	511.00	524.00

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

Veg. Oil Prices at Key Spot Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		8-Jul-16	1-Jul-16	
Refined Soybean Oil	Indore	630	640	-10
	Indore (Soy Solvent Crude)	595	610	-15
	Mumbai	625	635	-10
	Mumbai (Soy Degum)	577	590	-13
	Kandla/Mundra	615	620	-5
	Kandla/Mundra (Soy Degum)	583	595	-12
	Kolkata	620	625	-5
	Delhi	670	670	Unch
	Nagpur	631	636	-5
	Rajkot	605	618	-13
	Kota	635	640	-5
	Hyderabad	646	641	5
	Akola	670	674	-4
	Amrawati	671	674	-3
	Bundi	635	640	-5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	500	506	-6
	Kandla (RBD Palm oil)	520	525	-5
	Kandla RBD Pamolein	545	555	-10
	Kakinada (Crude Palm Oil)	500	505	-5
	Kakinada RBD Pamolein	540	550	-10
	Haldia Pamolein	550	555	-5
	Chennai RBD Pamolein	545	555	-10
	KPT (krishna patnam) Pamolein	535	540	-5
	Mumbai RBD Pamolein	552	560	-8
	Delhi	610	610	Unch
	Rajkot	536	550	-14
	Hyderabad	551	565	-14
	Mangalore RBD Pamolein	545	555	-10
	PFAD (Kandla)	420	410	10
	Refined Palm Stearin (Kandla)	455	450	5
Refined Sunflower Oil	Chennai	695	695	Unch
	Mumbai	750	750	Unch
	Mumbai(Expeller Oil)	655	650	5

	Kandla	750	750	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	703	713	-10
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	715	725	-10
Groundnut Oil	Rajkot	1350	1350	Unch
	Chennai	1120	1180	-60
	Delhi	1200	1150	50
	Hyderabad *	1120	1175	-55
	Mumbai	1390	1325	65
	Gondal	1350	1350	Unch
	Jamnagar	1350	1325	25
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	829	830	-1
	Jaipur (Kacchi Ghani Oil)	888	885	3
	Kota (Expeller Oil)	770	775	-5
	Kota (Kacchi Ghani Oil)	890	875	15
	Neewai (Kacchi Ghani Oil)	873	865	8
	Neewai (Expeller Oil)	825	825	8
	Bharatpur (Kacchi Ghani Oil)	900	905	-5
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Alwar (Expeller Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	845	820	25
	Sri-Ganga Nagar (Kacchi Ghani Oil)	895	870	25
	Mumbai (Expeller Oil)	870	870	Unch
	Kolkata(Expeller Oil)	970	970	Unch
	New Delhi (Expeller Oil)	860	835	25
	Hapur (Expeller Oil)	1020	960	60
	Hapur (Kacchi Ghani Oil)	1100	1005	95
	Agra (Kacchi Ghani Oil)	905	910	-5
Refined Cottonseed Oil	Rajkot	705	700	5
	Hyderabad	650	650	Unch
	Mumbai	705	690	15
	New Delhi	655	655	Unch
Coconut Oil	Kangayan (Crude)	730	740	-10
	Cochin	790	790	Unch
	Trissur	730	740	-10

Sesame Oil	New Delhi	750	750	Unch
	Mumbai	740	740	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	460	475	-15
Rice Bran Oil (4%)	Punjab	570	570	Unch
Rice Bran Oil (4%)	Uttar Pradesh	570	570	Unch
Malaysia Palmolein USD/MT	FOB	610	635	-25
	CNF India	620	646	-26
Indonesia CPO USD/MT	FOB	Unq	620	-
	CNF India	625	645	-20
RBD Palm oil (Malaysia Origin USD/MT)	FOB	603	628	-25
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	598	623	-25
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1333	1380	-47
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	550	563	-13
Crude palm Kernel Oil India (USD/MT)	CNF India	1310	1325	-15
Ukraine Origin CSFO USD/MT Kandla	CIF	858	858	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	680	684	-4
Argentina FOB (\$/MT)		7-Jul-16	30-Jun-16	Change
Crude Soybean Oil Ship		667	687	-20
Refined Soy Oil (Bulk) Ship		690	711	-21
Sunflower Oil Ship		790	Unq	-
Cottonseed Oil Ship		647	667	-20
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

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