

Report for week beginning 19 May 2017

SOYBEAN MEAL

Indian Soymeal Price Outlook Summary				
May 18, 2017	Soymeal Indore INR/MT	CME Soy Meal May'17 USD/SMT	Brazil Soy Meal USD/MT	Argentina Soy Meal USD/MT
Closing Prices	24000	307.5	309.0	312.5
Change	-1000	-10.2	+3.35	-5.29
Fundamental Summary	Critical Price drivers			Price Direction
	Bearish international soy complex			Downward
	Falling m-o-m exports of soymeal			Downward
Price Outlook Summary	Soymeal Indore		CME Soy Meal Mar'17	
	Prices are likely to stay below INR 25500 and form a consolidation within INR 25500-23500		Prices are likely to trade mixed within USD 305-325 and turn lower	
Direction	0 to 1 Month	0 to 2 Months	0 to 1 Months	0 to 2 Months
Price Range	Mixed	Mixed	Mixed	Downward
	25000-23500	2500-22500	320-300	320-285

Weather and Other Factors

- ✓ At weather front, probability of occurrence of El Nino has been still maintained with 50% probability. In El Nino years the IMD forecast of monsoon is revised down or kept unchanged.
- ✓ IMD in a statement has said that the monsoon will be in the range of 96-104% which is normal. Present conditions of El Nino is not expected to impact the monsoon in the coming season. June monsoon forecast has yet to be declared and expectations are high for its upward revision.

- ✓ At poultry front, the eggs and chicken prices has shown noticeable rise as temperature soared which has resulted in decline in supplies (normal decline in production by 15-20%). However in April the ban on alcohol had taken a toll on sale and consumption of chicken. The industry had recorded a 40 per cent dip in consumption due to the ban and prices had also nosedived in the first two weeks of April.
- ✓ However, prices have increased since then with the farm gate price of a 1 kg bird touching Rs 80; in April, the average recorded price was Rs 70 per kg.

Fundamental Analysis: Soybean Complex

- ✓ Soymeal prices edged higher over lean season premium and good offtake by poultry hatcheries.
- ✓ The soybean crush margin at Indore is recovering in past couple of days as meal prices has edged higher and bean prices has fallen significantly. With soy oil also started moving up giving scope of bullishness in meal prices. However bearishness in bean has remained as we might end up in all time high end stocks at the end of marketing season.
- ✓ Indian meal is at premium to Argentinean meal by \$52 per ton which is usual for lean season. However such conditions will not help India to completely push their exportable surplus and hence we may end up in surplus bean stock.
- ✓ As per data released by SEA the meal exports for April month was at 1.24 lakh tons which was in line with ours and market anticipation. Thus with such exports pace and Argentina and Brazil coming into international trade in meal with their seasons new crop, India hardly will be able to push their meal surpluses. This is expected to result in huge stock built up of uncrushed soybeans.
- ✓ Further as their good chances that new season acreages will not fall down from last year acreages, and with average monsoon rainfall forecast, bearish sentiments is expected remain. However weather premium building up can not be ruled out when the crop is underway.
- ✓ SEA has requested to central minister to uplift the stock limit (storage control order) imposed on edible oils and oilseeds on Oil Mills, Solvent plants, refiners, and traders. Any positive development with reference to this is expected to give positive sentiments for traders amidst oversupplies limiting aggressive gains.
- ✓ As the soybean prices has remained bearish in the lean season farmers are less enthusiastic in selling of their stocks. This has resulted in very limited soybean arrivals in the physical market.
- ✓ However as the crush margins are very low and there is very poor exports demand of meal, crushers has limited their crush volumes and trying to sell of their stocks which were built up in anticipation of major exports demand.

- ✓ The cumulative arrivals for May is expected to be 4 to 5 lakh tons with current pace of daily arrivals of 1.2 lakh bags. However we can expect some slight improvement in arrivals in June as farmers tend to liquidate the stock in order to purchase inputs for new season crop.
- ✓ Current pace of meal exports is expected to result in all time high stocks of soybean in the current marketing season which is expected to anything between 17-18 lakh tons.

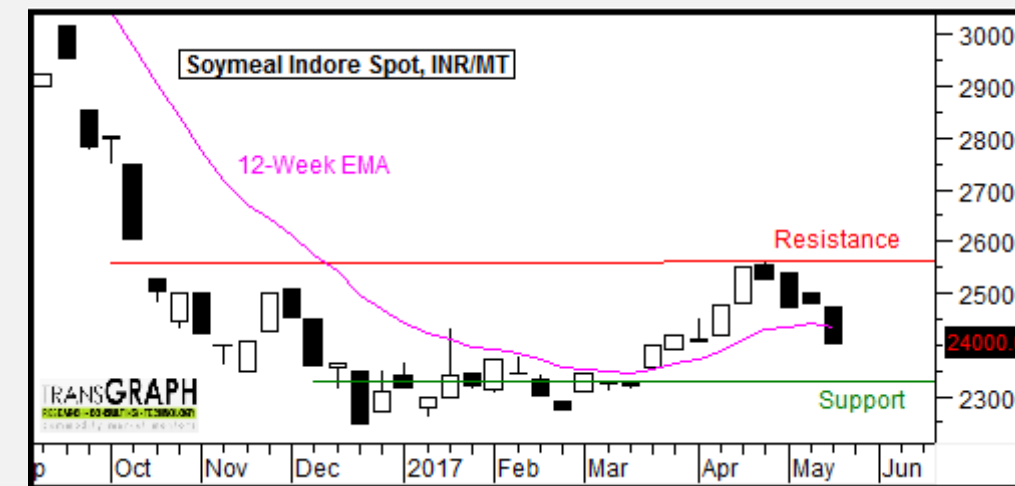
Thus prices are expected to fall with crush margins improving and falling seed prices giving scope for meal to further decline.

Procurement Strategy: Indore Soymeal Spot

Soymeal Indore Spot Procurement Strategy for spot month*					
Open Position	Pricing Window		Already Priced		
	Start	End	Avg Till Date	Weighted Average Price	Quantity
				NA	0%
	16 May 2017	15 June 2017	INR 24233	Yet to be Priced (Remaining quantity)	
			INR 24000	50%	
			Cover @ INR 23500	50%	
Strategy Review	May'17 buying was covered at INR 24875 against the monthly avg of INR 25126. For June'17 procurement pricing one may consider the above mentioned strategy.				
Closed Positions Audit	Market	Period	Procurement savings % (Bettering the market average)		
	Soymeal	2003 to Till Date	2.06%		
	Indore Spot	May 2017	1.00%		

* Please contact Engagement manager for forward / long term buying strategies

Technical Outlook: Soybean Meal Indore Spot INR/MT



Prices are likely to stay below INR 25500 and form a consolidation within INR 25500-23500 in the coming 3-4 weeks.

SUNFLOWER MEAL

Indian Sunflower Meal Price Outlook Summary				
May 18, 2017	Sunflower Meal Latur INR/MT	Sunflower Meal Adoni INR/MT	Sunflower Seed Expeller Cake Maharashtra INR/MT	
	Closing Prices	16900	17600	20500
	Change	0	100	-200
Fundamental Summary	Critical Price drivers		Price Direction	
	Unfavorable crush margin for imported sunseed		Upward	
	Competition from soymeal		Downward	
Price Outlook Summary	Expected improvement in sunseed acreages		Downward	
	Prices are likely to find support at INR 16600 and trade mixed below INR 18000 in coming 2-3 weeks			

	0 to 1 Month	0 to 2 Months
Direction	Mixed	Mixed
Price Range	16600 to 18000	16600 to 18500

Fundamental Analysis: Sunflower Meal

- ✓ Sunmeal prices remained range bound as market lack direction in the period under consideration with competitive meal prices driving sun meal prices.
- ✓ Imported sunseed is not finding crush margins @ mumbai esp after GOI in a notification increased the inspection fees of oilseeds. Earlier the inspection fee used to come at INR 100 per ton and now it has been at INR 2000 per ton for a 100 ton consignment.
- ✓ Thus the imports of seed is expected to remain sluggish and will not increase the supplies of meal from crushing of imported seeds.
- ✓ However the meal are finding parity although the lower demand due to robust supplies of soy meal has kept the imports of sunmeal at bay.
- ✓ Over all the meal is expected to remain under the influence of competitive meal price incoming weeks.

Summing up prices is expected to remain range bound taking cues from competitive meal prices.

Procurement Strategy: Latur Sunflower Meal

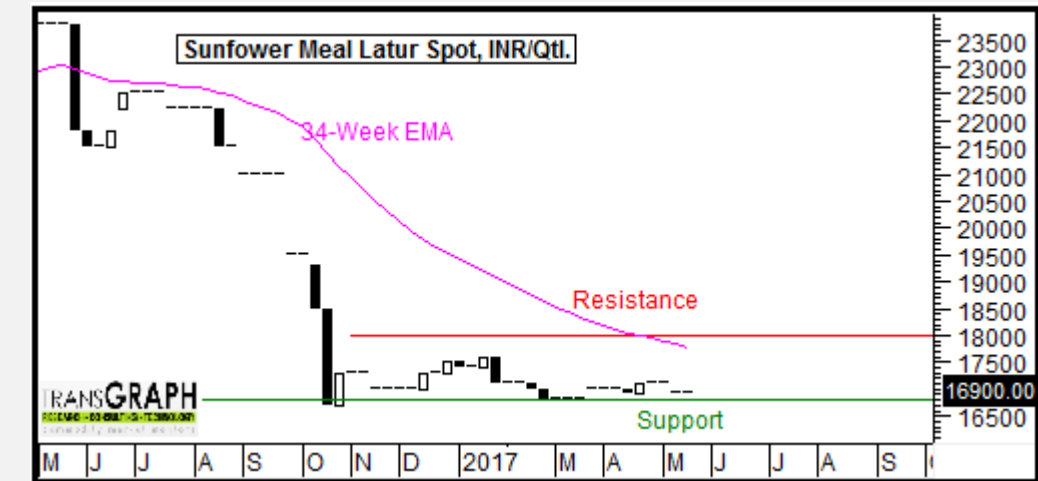
Sunflower Meal Latur Spot Procurement Strategy for spot month*					
Open Position	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity
Open Position				NA	0%
	16 May 2017	15 June 2017	16900	Yet to be Priced (Remaining quantity)	
				16900	50%
			16600	50%	
Strategy Review	May'17 buying was covered at INR 16900 against the monthly avg of INR 17037.				

For June'17 procurement pricing one may consider the above mentioned strategy.

Closed Positions Audit	Market	Period	Procurement savings % (Bettering the market average)
	Sunflower Meal Latur Spot	2003 to Till Date	May 2017
			0.80%

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Technical Outlook: Sunflower Meal Latur Spot INR/MT



Prices are likely to find support at INR 16600 and trade mixed below INR 18000 in coming 2-3 weeks.

RAPSEED EXTRACT

Indian Rapeseed Extract Price Outlook Summary		
May 18, 2017	Rapeseed Extract Jaipur INR/MT	Rapeseed Extract Kota INR/MT
Closing Prices	14350	15200

Bi-weekly Oilseed Meal Market Analysis and Price Outlook

Decision enabling market analysis & price outlook



Change	-650	-100
Fundamental Summary	Critical Price drivers	
	Price Direction	
	Falling crush volumes of rapeseed	Upward
Price Outlook Summary	Increasing domestic demand due to demand rationing by poultry farmers	
	Expected lower exports demand	
	Prices are likely to find support above INR 14000 and recover gradually towards 15000/15500 in the coming 2-3 weeks	
Direction	0 to 1 Month	0 to 2 Months
	Upward	Mixed
Price Range	14000 to 15500	16000 to 14500

- ✓ In Mahenderagr market of Haryana the mustard procurement culminated as the most of produce has arrived in the physical market. However in dadari market, HAFED/NAFED is going to start the msuatrd procurement at MSP including bonus.
- ✓ In atteli and Naranul markets HAFED has finsihed the procurement process by HAFED as per orders of prcuring till 10th May. The procurement was only 1/6th of the total produce as farmers were not allowed to sell more than 25 quintals per day per farmer. Thus mustard glut is epxected to remain in physical market.
- ✓ The daily arrivals of 2.4-2.6 lakh bags May arrivals is expected to accumulate upto 6.5 to 7 lakh tons. Thus the stocks with farmers is expected to remain still high to restrict any aggressive gains.
- ✓ Further bearishness in soyeban prices is also expected to retard any buying sentiments in the mustard complex.
- ✓ Indian rapemeal exports is expected to remain sluggish as international soymeal prices has crashed and thus Argentinean meal is at premium of \$70-80 per ton only with Indian rapemeal

Thus bearishness in mustard seed coupled with oversupplies of competitive meal is expected to keep the prices in range, offsetting the wekk on week fall in supplies due to lower crush.

Fundamental Analysis: Rapeseed Extract

- ✓ Mustard meal prices traded on weaker note as falling mustard seed prices has resulted in weaker sentiments coupled with fall in summer demand.
- ✓ At Mustard front, seed surpluses due to bumper Mustard crop has led to weakness in Mustard seed to continue.
- ✓ At Mustard front, crushing pace has been recorded slower at main crusher site on account of rising temerature in summer. And on the other hand, heavy arrivals due to Y-O-Y higher Mustard crop is expected to weakness in seed price at immediate front.
- ✓ At Mustard front, Haryana State Cooperative Supply and Marketing Federation (HAFED) has so far procured more than 1.67 lakh quintals of mustard seed from 7,536 farmers of 1,130 villages in the State. The procurement would continue till May 10, 2017.
- ✓ Due to unremunerative prices offered by stockiest at physical market farmers are reluctant in selling their produce. The daily arrivals has fallen to 2.4 lakh bags. Yesterday arrivals in Rajasthan 1.25 lakh bags, HP 30 thd bags, Gujarat 10 thd bags, and others 30 thd bags.

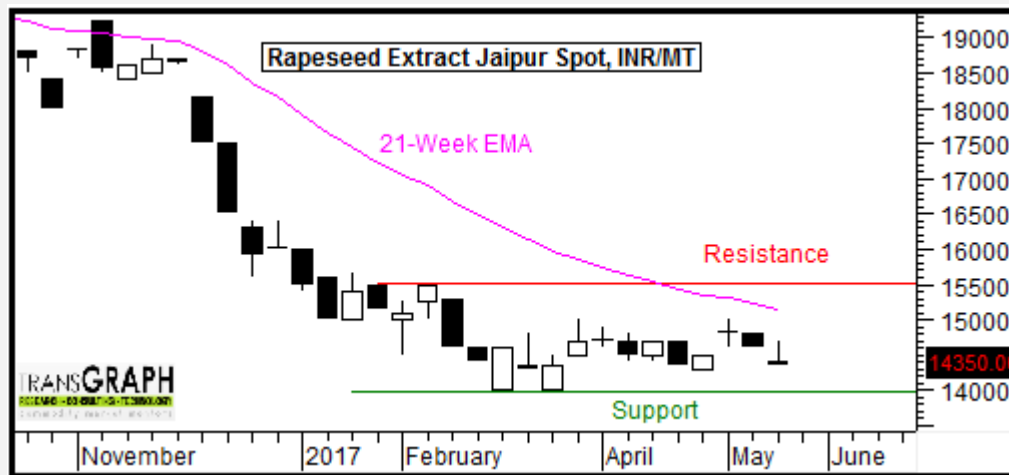
Procurement Strategy: Rapeseed Extract

Rapeseed Extract Jaipur Spot Procurement Strategy for spot month*					
Open Position	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity
	16 May 2017	15 June 2017	14483	NA	0%
Strategy Review	Yet to be Priced (Remaining quantity)				
				14100	50%
Closed Positions Audit	May'17 procurement was priced at INR 14500 against the monthly average of INR 14635. For June'17 procurement pricing consider the above mentioned strategy.				
	Market	Period	Procurement savings % (Bettering the market average)		
	Rapeseed	2003 to Till Date	2.04%		

Extract Spot May 2017 1.30%

* Please contact Engagement manager for forward / long term buying strategies

Technical Outlook: Rapeseed Extract Jaipur Spot INR/MT



Prices are likely to find support above INR 14000 and recover gradually towards 15000/15500 in the coming 2-3 weeks.

GROUNDNUT DOC

Indian Groundnut DOC Price Outlook Summary

May 18, 2017	Groundnut DOC Jamnagar INR/MT	Groundnut DOC Rajkot INR/MT
Closing Prices	20000	17200
Change	-1250	-200
Fundamental Summary	Critical Price drivers	Price Direction
	Supplies pressure from competitive oilcakes Robust exports pace of groundnut and potential to squeeze crushing surplus	Downward Upward

Price Outlook Summary

Prices are likely to find resistance near INR 21000 and turn lower towards INR 19000 in the coming 2-3 weeks

Direction

Downward

Mixed

Price Range

21000 to 19000

21000 to 19000

Fundamental Analysis: Groundnut DOC

- ✓ Groundnut meal prices has weakened in the period under consideration taking cues from competitive meal prices.
- ✓ Currently crush has moderated due to heat wave conditions as well as arrival has also taken aback due to same reason.
- ✓ In coming months with rising crush the prices is expected to fall further. However weather premium building up on the prospects of the Kharif GN acreages and production is expected to limit the losses.
- ✓ At international front, Argentina ground nut harvesting progress being impacted by heavy rains in April. On other hand, early harvest at South Africa due to dry conditions which might keep lower yield Y-o-Y.
- ✓ Moreover, weaker market over quality issue might support robust import while ground nut harvesting has been completed at Brazil and we might see higher export Y-o-Y moving forward.
- ✓ **Summing up GN meal prices is expected to remain range bound to marginal positive over decline in crushing of seeds.**

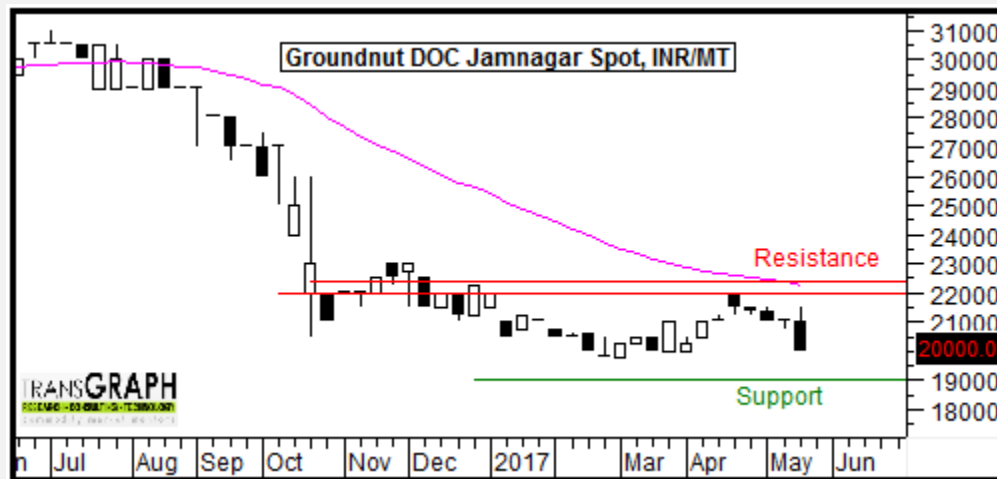
Procurement Strategy: Jamnagar Groundnut DOC

Groundnut DOC Jamnagar Spot Procurement Strategy for spot month*					
Open Position	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity

Strategy Review	16 May 2017	15 June 2017	20833	20200	100%
				Yet to be Priced (Remaining quantity)	
Closed Positions Audit				--	0%
	MJ'17 was covered at an average price of INR 20200.				
	Market	Period	Procurement savings % (Bettering the market average)		
Groundnut DOC	2003 to Till Date				2.89%
Jamnagar Spot	May 2017				4.98%

* Please contact Engagement manager for forward / long term buying strategies

Technical Outlook: Groundnut DOC Jamnagar Spot INR/MT



Prices are likely to find resistance near INR 21000 and turn lower towards INR 19000 in the coming 2-3 weeks.

COTTONSEED OIL CAKE

Indian Cottonseed Oil Cake Price Outlook Summary			
May 18, 2017	Cottonseed Oil Cake Kadi INR/Qntl	Cottonseed Oil Cake Akola INR/Qntl	Cottonseed Oil Cake Rajkot INR/Qntl
Closing Prices	1991	1933	2190
Change	-7	-55	-20
Fundamental Summary	Critical Price drivers		Price Direction
	Steady supply of cottonseed from ginners		Downward
Price Outlook Summary	Stock squeezing up in the lean season		Upward
	Prices are likely to hold above INR 1950 and trade on a positive note towards INR 2150 in the coming 2-3 weeks		
Direction	0 to 1 Month	0 to 2 Months	
	Upward	Upward	
Price Range	1960 to 2150		1960 to 2200

Fundamental Analysis: Cottonseed Oil Cake

- ✓ Cotton cake prices has weakened in the window under consideration amidst rising supplies of cottonseed from ginners and expected rise in cotton acreages in the new season.
- ✓ Cotton planting in India, is likely to rise by 12-14% in the 2017-18 marketing season to a three-year high as farmers switch away from other crops, likely boosting cotton production.
- ✓ This year farmers received higher prices, so they are going to raise the area under cotton. Domestic cotton prices rose 19% from a year ago.
- ✓ This year, farmers in India have realized a good price for cotton, which has not been the case in grains. Cotton farmers have received Rupees 6000 for one quintal of seed cotton (Kapas), while the minimum support price set by the government has been only Rupees 4160 per quintal.

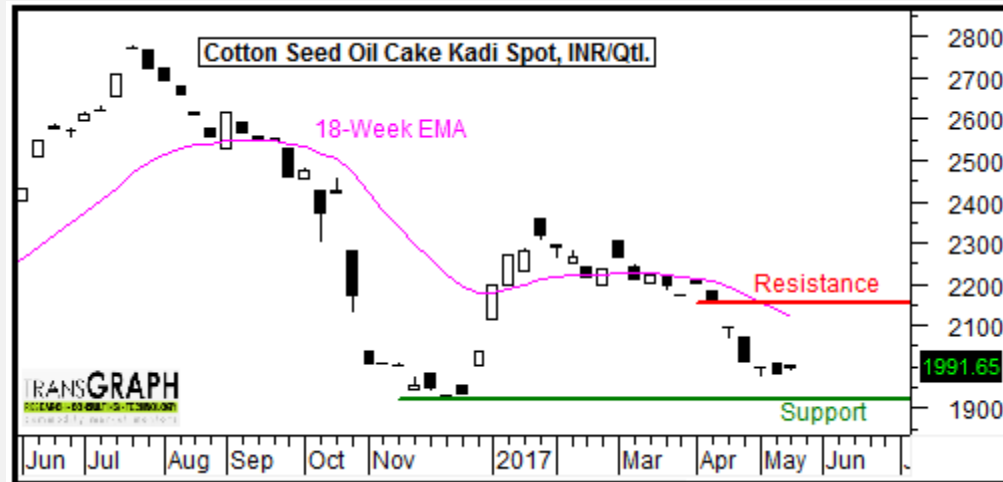
- ✓ A 12-14% rise in crop area would lift India's cotton planting to around 11.8 to 12 million hectares (in the marketing year starting on 1 October, highest since the 2014/15 year. That compares to 10.5 million hectares in the current marketing year, the lowest in seven years.
- ✓ Prices of oilseeds and pulses plunged as much as 60 percent due to bumper production this year, which will force many of them to switch to cotton. Farmers are enthusiastic in planting more cotton next season. Pulse grain production has been high this year, which has resulted in a lesser price for producers. Prices of edible oil seeds has been stagnant.
- ✓ Higher price expectation is driving more cotton planting, which is clear from the plantings so far in northern areas such as Punjab, Haryana and Rajasthan. Seventy percent of the sowing has been completed in this region already. Farmers have begun sowing cotton since mid-April in well-irrigated regions, whereas growers in the non-irrigated regions are expected to start sowing only after the onset of the monsoon.
- ✓ Punjab Agriculture Department has set a target of 4 lakh hectares to be brought under cotton cultivation in eight districts of the Malwa belt. In Haryana the expected acreage is to come around 5-5.5 lakh hectares.
- ✓ The weather seems to be favorable for the next season, with early and above average rainfall expected in cotton planting zones in the country. Overall growth will come from increases in acreage and yield.
- ✓ One indication of higher cotton sowing is the sales of cotton seeds, which are estimated to touch 52 million packs of 450 grams each in 2017, compared to 46.1 million packs in 2016, according to National Seeds Association of India.
- ✓ Around 80% of cotton arrivals had come in by the end of April and the season has almost come to an end. Arrivals currently are in the tune of 50,000 bales on a daily basis and around 310 lakh bales have already arrived in the market as against the total production estimates of 341 lakh bales.
- ✓ A number of farmers who used to grow paddy have shown their interest in sowing cotton this year. The trend shows that there is no effect of whitefly now. The cotton sowing season lasts from April 15 to May 30.
- ✓ The cottonseed cake price are under the pressure of decline in demand due to summer. Further stocks in the NCDEX warehouses are slightly lower as compared to previous year in kadi. As on the 15th may cottonseed cake stocks was 40.415 thd tons which is 30.704 thd tons. Stocks may improve as m-om ginning has improved on increased arrivals in physical market moving forward the prices is expected to remain range bound and further increase is expected in coming months.

- ✓ Moreover quality issues in some areas of Maharashtra has also impacted the demand. Crushers are adulterating cottonseed cake with rice husk and palm oil residues exp in areas of Akola, Bead and Amravati.
- ✓ HAFED has issued a tender for its feed mill requirements which includes 2700 tons of DORB, 400 tons rice bran, 1000 tons of rape meal, 250 tons of cottonseed cake, and 25 tons of groundnut cake.
- ✓ **Thus with higher seeds availability for crushing and expected higher acreages in coming season the cottonseed cake prices is expected trade in range bound manner in coming weeks.**

Procurement Strategy: Kadi Cottonseed Oil Cake

Cottonseed Oil Cake Spot Procurement Strategy for spot month*					
Open Position	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity
	16 May 2017	15 June 2017	1991	2171	70%
Strategy Review	Yet to be Priced (Remaining quantity) 1990 30%				
	May'17 procurement was priced at INR 2171 against the market average of INR 2026. 70% of June'17 procurement was covered at an average price of INR 2180. For further buying consider the above mentioned strategy.				
Closed Positions Audit	Market	Period	Procurement savings % (Bettering the market average)		
	Cottonseed Oil Cake Kadi Spot	2003 to Till Date May 2017	4.21% -4.29%		
* Please contact Engagement manager for forward / long term buying strategies					

Technical Outlook: Cottonseed Oil Cake Kadi Spot INR/MT



Prices are likely to hold above INR 1950 and trade on a positive note towards INR 2150 in the coming 2-3 weeks.

COCONUT OIL CAKE

Indian Coconut Oil Cake Price Outlook Summary

May 18, 2017	Coconut Oil Cake Expeller Kochi INR/Qntl	Coconut Oil Cake Expeller Kozhokode INR/Qntl
Closing Prices	2300	2300
Change	0	0
Fundamental Summary	Critical Price drivers	Price Direction
	Seasonal higher availability of copra for crushing	Downward
	Falling yield and thus fall in y-o-y production	Upward
Price Outlook Summary	Prices are likely to hold below INR 2400 and trade lower towards INR 2100 in the coming 2-3 weeks	

	0 to 1 Month	0 to 2 Months
Direction	Mixed	Mixed
Price Range	2400 to 2200	2400 to 2100

Fundamental Analysis: Coconut Oil Cake

- ✓ Copra cake prices remained unchanged with upcoming seasonal rise in copra crushing on one hand and reports of falling yield on other.
- ✓ At coconut front, recent falling production of coconuts and declining acreages, State govt. has taken initiative to form an action plan for mitigating the impacts of long term climate change in the sector. Under this 44 coconut villages will be made with each unit in one village will have 250 hectares of coconut cultivation. This move is expected to improve the coconut acreages in state. Thus coconut oil prices is also to trade in rangebound manner with seasonal rise in production limiting aggressive gains.
- ✓ In the survey conducted by Coconut Development Board, coconut production is estimated at 20,789 million nuts, which is 6.22 per cent lower than the previous year. The survey was conducted in Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, West Bengal, Odisha, Maharashtra and Gujarat.
- ✓ There is increased production in West Bengal and Maharashtra by 3.96 per cent and 0.37 per cent, respectively. In Andhra Pradesh only a meagre decrease was estimated, which is an indication that the State is returning to normal as far as coconut production is concerned, after being severely impacted by cyclonic storms in 2013 and 2014.
- ✓ In states of Kerala, Tamil Nadu, Karnataka, Gujarat and Odisha production has declined. A major decrease in production, at 15.86 per cent and 10.38 per cent, is estimated in Gujarat and Odisha respectively. The four major southern states of Kerala, Tamil Nadu, Karnataka and Andhra Pradesh, which contribute almost 91 per cent of the country's production, indicated a comparatively lower decrease at 8.47 per cent, 5.85 per cent, 5.17 per cent and 0.81 per cent respectively.
- ✓ With falling production esp. in Kerala where yields are low due to majority plantations are under rainfed conditions, Kerala govt has decided to encourage new coconut plantations with high yielding varieties.

- ✓ To much relies the third month of the pre monsoon season is also witnessing good showers. Earlier in March and April the rains has been above average which has revealed water stressed coconut plantation in TN, Kerala and SI Karnataka.
- ✓ Reports of acreages losses are coing form Salem and adjoining districts of TN and Chitradurga district of Karnataka, owing to successive droughts and depletion of groundwater table. in Chitradurga district, coconut crop in 10,165 hectares of land have been completely destroyed in the last three months. The total coconut growing area in the district is 58,715 hectares.
- ✓ **Thus with upcoming seasonal rise in copra cake production is expected to keep the downside potential intact, however drastic fall in yield of coconut is expected to limit the losses.**

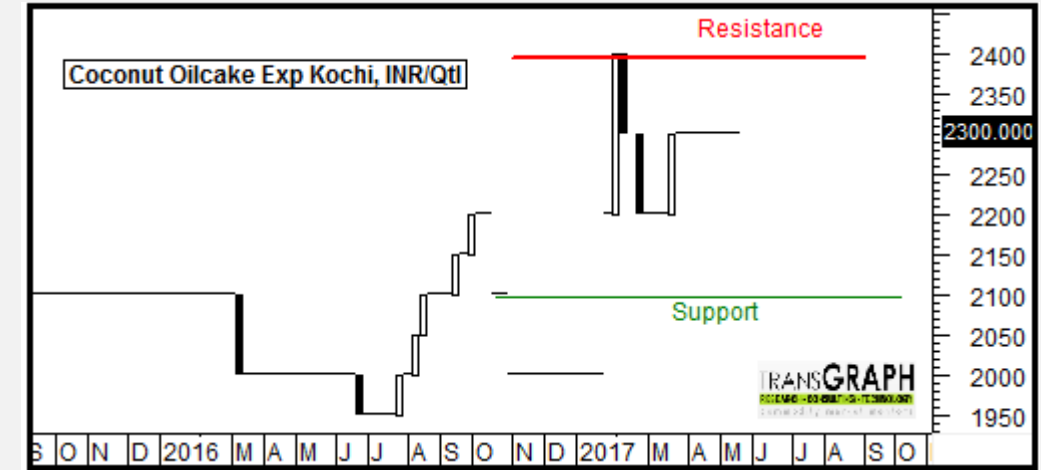
Procurement Strategy: Kochi Coconut Oil Cake

Coconut Oil Cake Expeller Spot Procurement Strategy for spot month*

	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity
Open Position				NA	0%
	16 May 2017	15 June 2017	2300	Yet to be Priced (Remaining quantity)	
				2200	100%
Strategy Review	May'17 buying was covered at INR 2300 against the market average of INR 2300. For June'17 buying one may consider inline with the above mentioned strategy.				
	Market	Period	Procurement savings % (Bettering the market average)		
Closed Positions Audit	Coconut Oil	2003 to Till Date			1.25%
	Cake Expeller Kochi Spot	Apr 2017			3.50%

* Please contact Engagement manager for forward / long term buying strategies

Technical Outlook: Coconut Oil Cake Expeller Kochi Spot INR/MT



Prices are likely to hold below INR 2400 and trade lower towards INR 2100 in the coming 2-3 weeks.

DE-OILED RICE BRAN (DORB) CAKE

Indian De-Oiled Rice Bran Cake Price Outlook Summary

May 18, 2017	De-Oiled Rice Bran Cake Khanna INR/MT	De-Oiled Rice Bran Cake Pilbhit INR/MT	De-Oiled Rice Bran Cake Kolkata INR/MT	De-Oiled Rice Bran Cake Raipur INR/MT
Closing Prices	9200	9500	8500	10400
Change	-400	-200	-100	+400
	Critical Price drivers			Price Direction
Fundamental Summary	Gradual squeeze in supplies post peak milling of paddy			Upward
	Sustained demand from compound feed manufacturers esp post June			Upward
Price Outlook Summary	Prices are likely to find support above INR 9000 on any immediate weakness and recover gradually towards INR 10600 in the coming 3-4 weeks			
	0 to 1 Month		0 to 2 Months	

Direction	Upward	Upward
Price Range	9000 to 10600	9000 to 10600

Fundamental Analysis: De-Oiled Rice Bran Cake

- ✓ Rice bran price across major trading market in Punjab and Haryana marginally fell under excess milling pressure in March month and corresponding higher extraction of bran translating into DORB supply compared to last year (similar month).
- ✓ Despite paddy milling reaching fag end in north India, Rice bran price across major trading center of Punjab & Haryana continue to drift lower amid pressure building up on higher offload of stock by stockist/trader at lower margin which otherwise release stock at peak offseason b/w June-Aug.
- ✓ Few large stockists, who had accumulated DOC early @ INR 800-850/qt, started offloading at 930-960/qt level to lock in current margin available. This translated into lower incremental demand for bran forcing it to trade 40/qt lower @ 1462/qt.
- ✓ Current year bran price is lower by 176/qt compared to last year traded price. Sella bran is trading INR 328/qt lower @ 1742/qt than last year. (same time)
- ✓ On Similar note DORB is trading @ 950/qt which is 240/qt lower than offer rate of last year at same time amid higher demand in market stressed due to back to back drought. This year normal monsoon in last season and good harvest of paddy resulted in price improving only moderately.
- ✓ DOC likely to improve on excess stock depletion and flowing of additional demand from June onwards.
- ✓ In terms of total milling completed, close to ~96-97% paddy milling/shelling is over in north Indian belt with 92-95% milling of Govt CMR (Custom mill Rice, i.e Govt procured). Most of Paddy milled is under raw process which is now resulting bran with higher FFA content ~20 FFA.
- ✓ Basmati paddy production ratio in 16/17 was only 10% Vis a Vis 18% in 15/16 season and due to this higher non basmati paddy milling close to ~8 % in 16/17 before March 31st resulted in higher production of bran/DORB and corresponding lower prices in March Month Vs same time last year.
- ✓ From Andhra Pradesh raw bran is quoted @1580/qt (fell by 10/qt), steam@1660/qt (fell Rs 30/qt) and DORB @1160/qt (2nd grade), @1260/qt (1st grade, lower fiber content).
- ✓ In AP & Telangana close to 98% Kharif paddy milling is complete and now Rabi paddy arrival has started in most of APMC. Though current moisture % is high and due to this, FCI procurement pace is moderate which is likely to gain momentum in coming 10-20 days. Hence availability of Rabi bran and subsequent incremental DORB supply is likely from AP moving forward.

- ✓ In Karnataka steam bran is offered at 1680-1700/qt and raw is quoted INR 70/qt lower @1610-1620/qt. currently rabi paddy arrival is very less and likely to pick pace in coming 10-15 days.
- ✓ It should also be noted that due to good price parity and better demand, huge quantum of paddy from Bihar is reaching Telangana & AP. milling is in parity even after adding transportation cost of 2-2.5/kg. Hence availability of bran and corresponding production Cru RBO & DORB will increase beside gradual lower paddy production in state. (Landed Bihar paddy cost @ INR 1250-1300/qt against MSP of 1470/qt long grain variety.
- ✓ In last 3-4 year due to sharp drop in Paddy production from Telangana, existing rice mills are buying paddy from other states to run millers to cater local as well as for export demand. In Telangana paddy production dropped from ~6.5 mln ton in 13/14 to close to ~ 3 mln ton in 15/16 season due to persistent drought faced in state.

Supply:

- **Supply of Bran/DORB is tapering (rice millers) and continues to fall gradually (except from few millers who are basmati exporters). However additional supply of DORB from large stockist could be noticed on release of accumulated DOC by stockist at lower margin. On this, DORB price likely to trade marginally weak to stable before turning firm in medium term on feed mill demand during off season.**

Demand:

- **Demand for DORB likely to be in subdued note on excess availability in market. But Feed mills demand June onwards likely to support DOC to trade relatively firm.**

Procurement Strategy: Khanna De-Oiled Rice Bran Cake

De-Oiled Rice Bran Cake Spot Procurement Strategy for spot month*

	Pricing Window			Already Priced	
	Start	End	Avg Till Date	Weighted Average Price	Quantity
Open Position				9400	100%
	16 May 2017	15 June 2017	9200	Yet to be Priced (Remaining quantity)	
				--	0%
Strategy Review	May'17 buying was covered at an average price of INR 9800. June'17 buying was covered at INR 9400.				
Closed Positions	Market	Period	Procurement savings %		

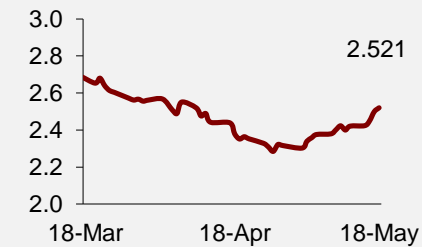
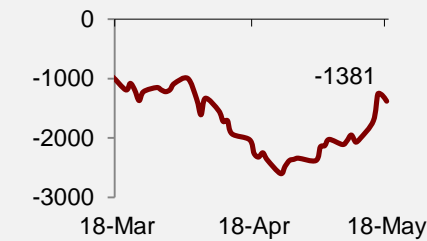
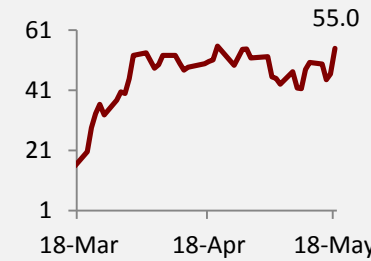
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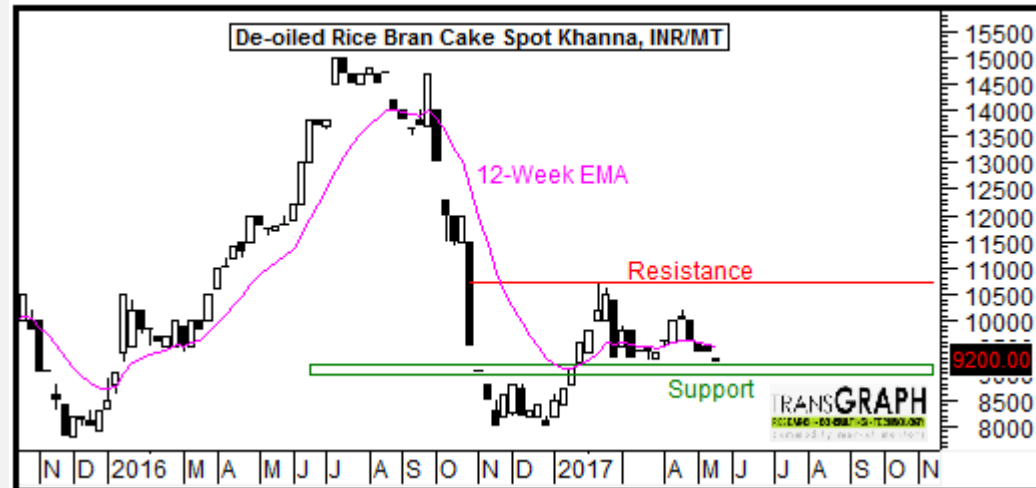


Audit		(Bettering the market average)	
De-Oiled Rice	2003 to Till Date		8.04%
Bran Cake			
Khanna Spot	May 2017		-1.03%

* Please contact Engagement manager for forward / long term buying strategies



Technical Outlook: De-Oiled Rice Bran Cake Khanna Spot INR/MT



Prices are likely to find support above INR 9000 on any immediate weakness and recover gradually towards INR 10600 in the coming 3-4 weeks.

Mini Charts

Soy meal Price Spread FAS Kandla Vs. FOB Argentina(\$/t)	Soybean crush margin @ Indore (INR/ton)	Soy oil/meal ratio (India)
-------------------------------------------------------------	--------------------------------------------	----------------------------

Market Prices

Market	Commodity	Apr 13, 2017	May 2, 2017	Change	Change %
Indore	Soymeal (INR/Ton)	25000	24000	-1000	-4.0%
Kadi	Cotton Cake (INR/Ton)	19985	19916	-69	-0.3%
Jaipur	Mustard Meal (INR/Ton)	15000	14350	-650	-4.3%
Jamnagar	GN DOC 45% (INR/Ton)	21375	20000	-1375	-6.4%
Khanna	DORB (INR/Ton)	9600	9200	-400	-4.2%
Latur	Sunflower Meal (INR/Ton)	17100	16900	-200	-1.2%
Kochi	Copra Cake Expeller (INR/Ton)	23000	23000	0	0.0%
Market	Terms/Description	Apr 13, 2017	May 2, 2017	Change	Change %
Soy meal					
Kota	+ VAT Ex Factory PP Bag	25200	23800	-1400	-5.6%
Sangli	+ VAT Paid	26650	26000	-650	-2.4%
Latur	+ VAT Ex Factory	26350	24100	-2250	-8.5%
Kanpur	+ VAT Ex Factory	27200	26000	-1200	-4.4%

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Sholapur	+ VAT Ex Factory	27000	25800	-1200	-4.4%
Kandla	FOR bulk Yellow	26800	26000	-800	-3.0%
Kandla	FAS (\$/Ton)	380	395	15	3.9%
Sunflower Meal/Cake					
Mah/Ktk	Expeller Cake	20700	20500	-200	-1.0%
Adoni	Meal	17600	17400	-200	-1.1%
Chalakere	Cake	22200	21500	-700	-3.2%
Rapeseed/Mustard Meal/cake					
Jaipur	Meal (Jute Bag)	15000	14350	-650	-4.3%
Kota	Meal (Jute Bag)	15300	15200	-100	-0.7%
Kandla	FOR Bulk	15500	16300	800	5.2%
Kandla	FAS Extract Bulk (\$/Ton)	240	240	0	0.0%
Jaipur	Cake	18650	18100	-550	-2.9%
Hisar	Cake	20250	20500	250	1.2%
Kanpur	Cake	17000	16500	-500	-2.9%
North Gujarat	Cake + VAT	17800	18000	200	1.1%
Agra	Cake	20610	20310	-300	-1.5%
Groundnut Meal/Cake/DOC					
Rajkot	DOC 45%	19700	19500	-200	-1.0%
Rajkot	DOC 40%	17400	17200	-200	-1.1%
Jamnagar	Cake + VAT	21375	20000	-1375	-6.4%
Rajkot	Cake + VAT	22000	20000	-2000	-9.1%
Rice Bran					

West Bengal	Boiled 23% TP	17500	17450	-50	-0.3%
Chhattisgarh	Raw 22% TP	16700	17700	1000	6.0%
Chhattisgarh	Boiled 25% TP	18000	19000	1000	5.6%
DORB					
Lucknow		10000	10000	0	0.0%
Rudrapur		9600	9200	-400	-4.2%
Raipur	A Grade	10100	10400	300	3.0%
Kolkata		8600	8500	-100	-1.2%
Pilibhit	A Grade	9700	9500	-200	-2.1%
Orissa		10000	10000	0	0.0%
Varanasi		10000	10000	0	0.0%
Karnataka	B Grade	11800	12100	300	2.5%
Kolkata	FAS (\$/Ton)	175	174	-1	-0.6%
Cottonseed Cake/Meal					
Rajkot	Cake	22100	21900	-200	-0.9%
Akola	Cake	19880	19330	-550	-2.8%
Guntur	Extract O & O Fibre	19800	19000	-800	-4.0%
Mumbai	Meal Expeller	21000	20800	-200	-1.0%
Coconut Cake					
Kochi	Expeller	23000	23000	0	0.0%
Kochi	Rotary	27000	27000	0	0.0%
International Meal Prices Nearest Forward Shipment					
Ukraine	Sun meal DAF (\$/ton)	173	170	-3	-1.7%

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Ukraine	Sunmeal FOB	165	170	5	3.0%
Europe	Soymeal Highpro 1 M Rotterdam (\$/Ton)	365	353	-12	-3.3%
US	Soymeal Gulf 1 M Forward FOB	347	344.713	-2.287	-0.7%
Brazil	Soymeal 48% Paranagua Brazil 1 M Forward FOB	305.65	309	3.35	1.1%
Argentina	Soymeal 1M Forward Spot FOB (\$/Ton)	317.79	312.5	-5.29	-1.7%
Germany	Rapemeal FOB 1 M Lowerhine (Euro/ton)	205	203	-2	-1.0%
Belgium	Lin Exp 41% Pro Belgium (FOT) (\$/Ton)	360	360	0	0.0%
Philippines	Copra Exp Pell Ex Works (\$/Ton)	183	193	10	5.5%
Malaysia	Palmkernel Exp 21/23% Pro CIF Rott (\$/Ton)	118	124	6	5.1%

Our Extensive coverage of Edible Oilseeds & Oils Complex

Report	Coverage #	Price Outlook & Strategies
Daily BMD Palm Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	MY.CPO.BMD
Daily CME Soy Complex Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	USA.SB.CME, USA.SM.CME, USA.SBO.CME
Daily Indian Edible Oil and Oilseed Price Outlook and Strategy	NU, FA, WA, PI, TA, TS, PO, FF, MP, 5D	IN.CPO.MCX, IN.SB.NCDEX, IN.SBO.NCDEX, IN.RMS.NCDEX, IN.SM.KANDLA
Weekly Edible oil and Oilseeds Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	AR.SBO.1M, USA.SBO.CME, MY.CPO.BME, MY.RBDO.FOB, IN.SBO.NCDEX, IN.SBO.INDORE, IN.CPO.MCX
Weekly Edible oil Elliott wave analyser	EWA, PO, 6W	MY.CPO.BMD, USA.SBO.CME, PH.CNO.1M, AR.SFO.1M, UKR.SFO.1M
Weekly Indian Edible Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	IN.RSO.JAIPUR, IN.GNO,RAJKOT, IN.CNO,KOCHI, IN.RBO,KHANNA
Weekly Lauric Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	MY.PKO.1M, RTDM.CNO.1M, MY.PS.SPOT, MY.PFAD.SPOT

Weekly Palm Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	MY.RBD.1M, ID.CPO.1M
Weekly Soy Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	AR.SBO.1M
Weekly Sunflower Oil Price Outlook and Strategy	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	AR.SFO.1M, UKR.SFO.1M
Bi-Weekly Poultry Feed Market Analysis and Price Outlook	NU, FA, WA, PI, TA, PS, PO, FF, MP, 2M	IN.SB.NCDEX, IN.SM.INDORE, IN.MZ.NIZAMABAD
Monthly Edible oil and Oilseed Complex Special Report	FA, BS, WA, PI, TA, PO, 2-3M	USA.SB.CME, USA.SM.CME, USA.SBO.CME, AR.SBO.1M, DXY.SPOT, USDBRL, USDARS, UKR.SFO.1M, MY.CPO.BMD, ID.CPO.1M, USDIDR, USDMYR, MY.CPKO.1M, PH.CNO.1M, IN.SBO.NCDEX, IN.SB.NCDEX, IN.RS.NCDEX.IN.RSE.KANDLA, IN.RSO.JAIPUR, IN.CPO.MCX, IN.CPO.KANDLA, IN.RS.RAJKOT

News Update **NU**, Fundamental Analysis **FA**, Balance Sheets **BS**, Weather Analysis **WA**, Policy Impact **PI**, Technical Analysis **TA**, Trading Strategies **TS**, Procurement Strategies **PS**, Price Outlook **PO**, Market Intelligence **MI**, Facts & Figures **FF**, Market Prices **MP**, Price Spreads **PS**, Forward Curves **FC**, Elliott Wave Analysis **EWA**, 5D, 2W, 6W, 2M, 4-6M

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