Edible Oil & Oilseeds in 2015: Tsunami of Supplies or Calm before Storm??

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Abstract

2014 was very volatile year for edible oil & oilseeds on account of weather vagaries and black swan events which had kept markets under influence of VUCA or Super VUCA. However, 2015 is no different as market continues to remain influenced by such outside factors. Adding fuel to the fire has been the supply side pressure which has been looking around for long time now. Resultant of which price has seen terminal decline since 2013 and hovering at levels witnessed during recessionary period of 2008-2009. So, is it the case that market will witness Tsunami of Supplies (sharp fall in prices) or Calm before Storm (Prices gearing up for fresh upside)?? Paper will discuss on prevailing VUCA condition (global growth, weather uncertainty, food v/s fuel), analysing the market structure of edible oil complex (producers and consumers side) with especial focus in India and thereafter estimating the price forecasts.