

**Domestic Fundamentals:**

- Edible oils prices featured steady to firm tone on slow soybean offloading by farmers and talks of increase in the edible oil import duty.
- Refined soybean oil featured firm tone at major markets in expectation of hike in the edible oils import duty and slowdown in soybean crushing. Indian government is planning to hike import duty on edible oils to protect domestic edible oil industry and oilseeds growers. It may impose an import duty of 5% on crude edible oil and to increase import duty on refined palmolein oil from 7.5% to 12.5%. Currently the import duty on crude edible oils is zero and 7.5 per cent on the refined edible oils.
- Ready to use palmolein quoted higher on better buying and in line with the bullish international palm oil market. India is likely to import palm oil from South East Asian countries in the coming months taking benefits from zero export tax on Malaysian shipments. Market participants expecting palm oil consumption could rise by 7.5 lakh tons in the current MY.
- At futures front, Crude palm oil at MCX (Feb) ended down by 1.58 percent to Rs 448.40 per 10 Kg compared to the previous trading session. Refined soy oil NCDEX (Feb) closed at Rs 715.00 per 10 Kg, up 0.67 percent on Wednesday.
- Edible oil basket is expected to feature range bound in the days ahead on lackluster trade. However, slow soybean selling by farmers and lower than expected crushing may limit downside.

**International Market Fundamentals:**

- CPO (Feb) at BMD ended higher by 9 point to Ringgits 2384 per ton on Malaysian export duty decision. However, higher palm oil stocks in the South East Asian countries limit upside.
- Malaysia will set its CPO export tax for February at zero percent, unchanged from January –Malaysian Government.

**Outlook:** Edible oil prices are expected to feature bound movement with weak bias in the near-term. However, seasonal demand may support prices in the near to medium-term.

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
13-Jan	6.20	739.00	746.00	738.00	743.95
13-Feb	4.85	712.30	722.80	707.50	715.00
13-Mar	6.40	690.75	705.55	689.60	696.00
13-Apr	6.85	680.00	697.60	680.00	687.25

Contract	Volume	Change	OI	Change
13-Jan	4,090	-30430	34520	-4580
13-Feb	211,070	113750	97320	-11140
13-Mar	96,260	44700	51560	-2740
13-Apr	18690	-5700	24390	-1460

Spread	Jan-13	Feb-13	Mar-13	Apr-13
Basis	2.75			
13-Jan		-28.95	-47.95	-56.70
13-Feb			-19.00	-27.75
13-Mar				-8.75

\* Indore spot market prices taken for spread calculation

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
13-Jan	6.20	434.40	444.40	434.40	439.00
13-Feb	7.10	443.00	454.00	443.00	448.40
13-Mar	7.90	454.30	464.10	454.30	458.50
13-Apr	8.10	464.00	472.00	464.00	467.10

Contract	Volume	Change	OI	Change
13-Jan	3777	1052	2628	-305
13-Feb	7447	2167	8932	680
13-Mar	2528	1470	3285	163
13-Apr	404	126	730	89

Spread	Jan-13	Feb-13	Mar-13	Apr-13
Basis	-4			
13-Jan		9.4	19.5	28.1
13-Feb			10.1	18.7
13-Mar				8.6

\* CPO (5%) Kandla spot prices taken for spread calculation

CBOT Soy Oil Futures: (Values in US cents/lb)						BMD CPO Futures: (Values in MYR/tonnes)					
Contract	+/-	Open	High	Low	Close	Contract	+/-	Open	High	Low	Close
13-Dec						Jan-13	9	2381	2393	2379	2384
13-Jan						Feb-13	20	2411	2430	2409	2418
13-Feb						Mar-13	13	2428	2444	2423	2428
13-Mar						Apr-13	13	2449	2459	2439	2448
13-Apr											

**CBOT Soy oil and Malaysian CPO Futures Market Daily Price Outlook:**

CBOT Soy Oil Futures (Jan' 13 Month Contract)	Soy oil futures prices are likely to remain steady in the near term as it likely get support at the levels of 49.00 the price likely to trade in the range of 49.00-51.30 level.
Malaysian CPO Futures (Jan' 13 Month Contract)	Malaysian palm oil futures likely to trade range bound in near term. Prices are likely to be in the range 2370-2450 levels.

**Edible Oil Prices at Key Market as on January 16, 2013**

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-01-2013	15-01-2013	
Refined Soybean Oil	Kota(Loose)	725	725	Unch
	Rajkot (Loose)	677	677	Unch
	Jaipur (Loose)	-	-	-
	Hyderabad+ VAT	716	-	-
	Delhi (Loose)	760	760	Unch
	Kakinada	-	-	-
	Mumbai +VAT	695	695	Unch
	Indore	712	710	2
	Soy Degum Mumbai+VAT	685	685	Unch
	SoyDegum Kandla/Mundra+VAT	685	685	Unch
	Haldiya Port (Loose)	-	-	-
	Akola (Loose)	731	736	-5
	Amrawati (Loose)	731	736	-5
	Jalna	727	732	-5
Nagpur	731	736	-5	
Palm Oil	Chennai.RBD.Palmolein.(Loose)	Closed	Closed	-
	Hyd. RBD Palmolein VAT	-	-	-
	Delhi RBD Palmolein (Loose)	550	550	Unch
	Kandla CPO (5%FFA)	435	430	5
	Kakinada.RBD.Palmolein(Loose)	496	496	Unch
	Mumbai RBD Pamolein+ VAT	510	510	Unch
	Kandla RBD Palmolein +VAT	505	505	Unch

<b>Refined Sunflower Oil</b>	Mumbai + VAT	790	790	Unch
	Kandla/Mundra	720	720	Unch
	Erode (Exp. Oil)+VAT	Closed	Closed	-
	Hyderabad Exp +VAT	761	751	10
	Chennai (Loose)	Closed	Closed	-
	Bellary (Exp. Oil)+VAT	661	-	-
	Latur (Exp. Oil)+VAT	726	726	Unch
	Chellakere (Exp. Oil)+VAT	711	711	Unch
<b>Groundnut Oil</b>	Rajkot (Loose)	1310	1310	Unch
	Chennai (Loose)	Closed	Closed	-
	Delhi (Loose)	1150	1150	Unch
	Hyderabad Exp +VAT	1219	1219	Unch
	Mumbai + VAT	1275	1260	15
	Gondal+VAT	1310	1310	Unch
	Jamnagar +VAT	1310	1310	Unch
	Narsarropeth+VAT	1141	1141	Unch
	Prodattour+VAT	1151	1151	Unch
<b>Rapeseed Oil</b>	Mumbai (Exp. Oil) +VAT	778	778	Unch
	Alwar (Expeller Oil)(Loose)	786	806	-20
	Kota (Expeller Oil) (Loose)	750	760	-10
	Jaipur (Expeller Oil) (Loose)	781	779	2
	Delhi (Exp. Oil) (Loose)	825	825	Unch
	SriGangaNagar(ExpOil-Loose)	791	786	5
	Hapur+VAT	866	860	6
	Kolkata	-	-	-
	Agra (Kacchi Ghani Oil) +VAT	845	840	5
<b>Refined Cottonseed Oil</b>	Mumbai +VAT	622	622	Unch
	Rajkot (Loose)	632	630	2
	Delhi (Loose)	615	620	-5
	Hyderabad (Loose)	-	-	-
<b>Sesame Oil</b>	Delhi	1300	1300	Unch
	Mumbai	1370	1370	Unch
<b>Coconut Oil</b>	(Crude Rs/10kg) - Kangayan	Closed	Closed	-
<b>Kardi</b>	Mumbai	1200	1200	Unch
<b>Rice Bran Oil (40%)</b>	Delhi	560	560	Unch
<b>Rice Bran Oil (4%)</b>	Punjab	525	525	Unch
<b>Rice Bran Oil (70%)</b>	Delhi	-	-	-

<b>Malaysia Palmolein USD/MT</b>	FOB (Feb Shipment)	820	808	<b>12</b>
	CNF (Jan) India	845	845	<b>Unch</b>
<b>Indonesia/Malaysia CPO USD/MT</b>	FOB (Feb Shipment)	768	770	<b>-2</b>
	CNF) (Jan) India	795	790	<b>5</b>
<b>Argentina FOB (\$/MT)</b>				
		<b>15-01-2013</b>	<b>14-01-2013</b>	<b>Change</b>
Crude Soybean Oil Ship (Feb/Mar)		-	1120	-
Refined Soy Oil (Bulk) Ship (Feb/Mar)		-	1159	-
Sunflower Oil Ship (Feb/Mar)		-	-	-
Cottonseed Oil Ship (Feb/Mar)		-	1100	-
Refined Linseed Oil (Bulk) Ship		-	-	-

\*\*\*\*\*

#### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2005 Indian Agribusiness Systems Pvt Ltd.