

Domestic Fundamentals:

- Mixed trend featured in the various edible oils at the various centers Wednesday.
- India's soy oil imports rose by four times in December from a year ago on higher demand, low international prices, and low availability of domestic soybean crushing due to low domestic soybean crop. RBD palmolein imports rose on higher import parity than domestic refined RBD palmolein. Duty differential of 7.5 percent between crude edible oil and refined edible oils has created this situation. Industry is asking for 15 percent duty differential to check this flow of oil.
- Expectation of lower production of palm oil in January and February in Malaysia and Indonesia on El Nino has propelled prices higher in near term. Exports data of the first twenty days of the month showed that exports slowed down from Malaysia. However, exports from Indonesia showed rise in exports to China. Aggressive pricing by Indonesia has resulted in this move. Orders from China are much smaller than earlier years before Chinese New Year. Ringgit is expected to support palm oil prices in near term on its expected depreciation. Prices are in range.
- Argentina removed barriers of imports of soybean from Paraguay, Brazil and Uruguay to improve soybean crushing mills in the country, a step promised by President Mauricio Macri before elections. This step will increase soy oil in already flooded edible oils market. NOPA reported higher y-o-y US soy oil production for December 2015 on higher crush of soybean by crushers. Soy oil stocks rose in December y-o-y. Both the data points put soy oil prices towards downside. Parts of soybean producing belts of Brazil have not received beneficial rainfall may affect yields. USDA retained soybean crop for Brazil at 100 MMT. Global risk aversion and equity market turmoil may underpin prices of soy oil in near term. Crude oil fall is expected to underpin prices in near term.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's January 1-20 palm oil exports fell by 10.5 percent at 666,288 tons from 744,563 tons in the corresponding period last month. Top buyers were European Union at 138,563 tons (222,005 tons), India at 102,500 tons (112,800 tons), China at 85,607 tons (20,100 tons), United States at 44,335 tons (70,042 tons) and Pakistan at 17,000 tons (25,000 tons). Values in brackets are figures of corresponding period last month.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia's palm and palm kernel oil exports rose in December 2015 by 5 percent at 2.506 MMT from 2.385 MMT in November 2015. Top buyers were China at 632,350 tons (436,910 tons), India at 450,680 tons (506,390 tons), European Union at 368,720 tons (418,050 tons), Pakistan at 165,270 tons (158,950 tons), Bangladesh at 96,700 tons (165,210 tons) and Middle East at 200,460 tons (165,210 tons). Values in brackets are figures of November 2015.
- According to Malaysian Palm Oil Board (MPOB), Malaysia's palm oil production could rise to 20.1 MMT in 2016 from 19.96 MMT in 2015. Matured area is expected to influence crude oil production. Matured area will increase by 3 percent, especially in Sarawak, according to the board. Malaysia's output of palm oil in 2015 was 19.96 MMT, up 1.5 percent y-o-y.

Outlook: Edible oil basket is expected to feature weak soy, palm and weak rapeseed oil in the spot market, in near-term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	-2.25	606.55	608.30	605.00	606.10
Mar-16	-2.40	603.00	603.90	600.85	601.30

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Feb-16	25,220	-1700	86830	-2600
Mar-16	8,370	860	52030	-420

Vol-OI are taken at 5:30 PM

Spread	Feb-16	Mar-16
Basis	0.90	5.70
Feb-16		-4.80
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Jan-16	-1.80	425.00	427.20	425.00	426.20
Feb-16	-2.40	430.60	432.90	430.40	430.90

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Jan-16	319	-815	4468	-201
Feb-16	574	-996	4600	-69

Vol-OI are taken at 5:30 PM

Spread	Jan-16	Feb-16
Basis	-3.2	-7.9
Jan-16		4.7
Feb-16		

* CPO Kandla prices taken for spread calculated as at 8:30 PM

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	-0.17	30.03	29.92	29.99	29.71
15-Mar	-0.17	30.24	30.14	30.16	29.91
15-May	-0.15	30.46	30.37	30.4	30.15
15-July	-0.32	30.52	30.44	30.45	30.2
15-Aug	-	30.57	-	-	-

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-13	2344	2368	2344	2358
15-Mar	-17	2428	2428	2405	2417
15-Apr	-23	2468	2472	2444	2455
15-May	-22	2489	2490	2462	2473

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index
20/01/2016	6.576	13950	4.39	13.46	67.95	4.09	99.05

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-Jan-16	19-Jan-16	
Refined Soybean Oil	Kota	615	615	Unch
	Rajkot	595	588	7
	Delhi	650	652	-2
	Mumbai	612	612	Unch
	Indore	607	610	-3
	Kandla/Mundra	595	595	Unch
	Kolkata	605	605	Unch
	Indore (Soy Solvent Crude)	588	590	-2
	Mumbai (Soy Degum)	575	570	5
	Kandla/Mundra (Soy Degum)	572	570	2
	Akola	642	642	Unch
	Amrawati	641	641	Unch
	Jalna	646	646	Unch
	Nagpur	639	639	Unch
	Alwar	NR	NR	-
	Solapur	646	646	Unch
	Bundi	620	620	Unch
	Dhule	648	648	Unch
Palm Oil	Rajkot	475	465	10
	Hyderabad	485	475	10
	Delhi	550	540	10
	Kandla (Crude Palm Oil)	423	424	-1
	Kandla (RBD Palm oil)	450	450	Unch
	Mumbai RBD Pamolein	482	482	Unch



	Kandla RBD Pamolein	480	475	5
	Mangalore RBD Pamolein	480	483	-3
	Chennai RBD Pamolein	480	483	-3
	Kakinada RBD Pamolein	475	472	3
	KPT (krishna patnam) Pamolein	470	470	Unch
	Haldia Pamolein	475	475	Unch
	PFAD (Kandla)	310	310	Unch
	Refined Palm Stearin (Kandla)	320	320	Unch
Refined Sunflower Oil	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	660	665	-5
	Kandla/Mundra (Crude)	665	665	Unch
	Erode (Expeller Oil)	735	735	Unch
	Hyderabad (Ref)	741	736	5
	Chennai	700	700	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	660	660	Unch
Groundnut Oil	Rajkot	950	950	Unch
	Chennai	880	880	Unch
	Delhi	930	930	Unch
	Hyderabad *	933	930	3
	Mumbai	970	970	Unch
	Gondal	950	940	10
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	870	875	-5
	Sri-Ganga Nagar(Exp Oil)	800	800	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	750	760	-10
	Jaipur (Expeller Oil)	840	840	Unch
	New Delhi (Expeller Oil)	952	952	Unch
	Hapur (Expeller Oil)	845	850	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	858	860	-2
	Kota (Kacchi Ghani Oil)	840	840	Unch
	Jaipur (Kacchi Ghani Oil)	858	859	-1
	Agra (Kacchi Ghani Oil)	935	935	Unch
	Bharatpur (Kacchi Ghani Oil)	930	930	Unch
	Neewai (Kacchi Ghani Oil)	835	838	-3
	Hapur (Kacchi Ghani Oil)	900	900	Unch
Refined Cottonseed Oil	Mumbai	580	580	Unch



	Rajkot	580	580	Unch
	New Delhi	575	560	15
	Hyderabad	570	570	Unch
Coconut Oil	Kangayan (Crude)	860	855	5
	Cochin	890	900	-10
	Trissur	870	870	Unch
Sesame Oil	New Delhi	650	650	Unch
	Mumbai	700	700	Unch
Kardi	Mumbai	870	870	Unch
Rice Bran Oil (40%)	New Delhi	420	435	-15
Rice Bran Oil (4%)	Punjab	500	500	Unch
Rice Bran Oil (4%)	Uttar Pradesh	500	500	Unch
Malaysia Palmolein USD/MT	FOB	545	545	Unch
	CNF India	568	570	-2
Indonesia CPO USD/MT	FOB	523	530	-7
	CNF India	550	550	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	540	540	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	510	510	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1015	1015	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	480	478	2
Ukraine Origin CSFO USD/MT Kandla	CIF	850	848	2
Rapeseed Oil Rotterdam Euro/MT	FOB	702	707	-5
Argentina FOB (\$/MT)		19-Jan-16	18-Jan-16	Change
Crude Soybean Oil Ship		650	Unq	-
Refined Soy Oil (Bulk) Ship		673	Unq	-
Sunflower Oil Ship		745	Unq	-
Cottonseed Oil Ship		630	Unq	-
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons)

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