

Domestic Fundamentals:

- Mostly weak sentiment featured in edible oils at various market centers Tuesday.
- CNF CPO at Indian port is quoted at \$625 per ton for March delivery. Moreover, RBD palmolein (Malaysian origin) CNF at Indian port is offered at \$637.5 per ton for March delivery. High sea duty paid CPO Kandla is quoted at Rs 483 per 10 Kg and for March delivery is quoted at Rs 488 per 10 kg. CDSO CIF at Indian port is offered at \$734 per ton for March delivery. Canola CIF is quoted at USD 720 per ton for March delivery.
- Imports of RBD palmolein will be higher in India on higher import realizations on low duty differential between imported refined oils and imported crude oils which is at 7.5 percent. Industry bodies have asked for duty differential of 15 percent. Soy oil imports have witnessed sharp rise on low availability of soybean and lower crush margins which has resulted in shortage of domestic oils which is replaced by imported crude soy degum oil. Demand is shifting towards soft oils as consumption pattern is shifting towards soft oils.
- Ringgit appreciation is risk to palm oil prices in near term. However, aggressive palm oil pricing by Malaysia will support prices. Malaysia's weak export numbers of February may cast shadow on prices as major buyers have refrained from buying despite aggressive pricing. Shifting buyers who moved to Indonesia will need correction in prices. However, aggressive pricing by Malaysia on negative differential in prices of Indonesia CPO and Malaysia palmolein will support prices of palm oil in medium term. Malaysia kept export duty of palm oil at zero for March to defend its market share. Malaysia's production is expected to be set off weak exports drawing stocks of palm oil in Malaysia. Prices are in range.
- Expectation of higher crop of soybean in South America adding to already flooded market along with appreciation of dollar on anticipated FED hikes in 2016 has led to correction of prices. Argentina Peso has depreciated further which may lead to more release of soybean from farmers. Lower US soybean crop area, yield and production expectations in US and weather concerns in Argentina will support price. Crush in US in March will be lower on lower price of soy meal. Brazil crop conditions are better than expected and yields loss is lower than expected, according to a survey by Agroconsult. Harvesting in Brazil is progressing faster on clear weather. Rise in prices of crude oil will support prices. Prices of soy oil are in a range.
- According to Energy Administration Agency (EIA), US biodiesel production rose by 1.9 percent in December 2015 to 108 million gallons from 106 million gallons in November 2015. Soy oil was the largest feedstock for biodiesel with 436 million lbs use in December from 464 million lbs in November 2015. Soy oil was the largest feedstock with about 53 percent of the total biodiesel production.
- According to Societe Generale de Surveillance (SGS), Malaysia's palm oil exports fell by 16.9 percent in February to 955,604 tons from 1,149,255 tons in January 2016. Top buyers were European Union at 222,019 tons (216,388 tons), India at 197,150 tons (219,540 tons), United States at 81,578 tons (65,537 tons) and China at 55,155 tons (124,107 tons). Values in brackets are figures of January 2016.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-3.20	614.00	614.65	610.50	612.00
Apr-16	-2.15	616.70	617.40	612.50	615.25

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Mar-16	29,350	6150	36450	-3800
Apr-16	29,030	-3330	89960	2930

Vol-OI are taken at 5:30 PM

Spread	Mar-16	Apr-16
Basis	3.00	-0.25
Mar-16		3.25
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-1.20	485.50	488.50	483.40	486.90
Mar-16	-2.50	488.20	490.60	484.80	488.80

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Feb-16	1668	-1100	5803	887
Mar-16	1604	-90	2949	349

Vol-OI are taken at 5:30 PM

Spread	Feb-16	Mar-16
Basis	-3.9	-5.8
Feb-16		1.9
Mar-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-Mar	0.12	30.73	30.76	30.7	30.76
15-May	0.16	30.94	31.1	30.89	31.03
15-July	0.15	31.16	31.33	31.13	31.26
15-Aug	0.19	31.26	31.41	31.26	31.39
15-Sep	0.18	31.34	31.45	31.34	31.45

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-4	2463	2490	2459	2474
15-Apr	-4	2510	2520	2495	2519
15-May	-12	2531	2542	2515	2535
15-June	-17	2524	2534	2510	2527

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index
01/03/2016	6.55	13335	4.16	15.81	67.85	3.99	98.25

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		1-Mar-16	29-Feb-16	
Refined Soybean Oil	Kota	610	615	-5
	Rajkot	595	605	-10
	Delhi	630	630	Unch
	Mumbai	620	620	Unch
	Indore	615	620	-5
	Kandla/Mundra	600	605	-5
	Kolkata	615	620	-5
	Indore (Soy Solvent Crude)	590	595	-5
	Mumbai (Soy Degum)	565	568	-3
	Kandla/Mundra (Soy Degum)	572	570	2
	Akola	633	634	-1
	Amrawati	632	635	-3
	Jalna	NR	NR	-
	Nagpur	NR	NR	-
	Alwar	NA	NA	-
	Solapur	NR	NR	-
	Bundi	614	617	-3
	Dhule	NR	NR	-
Palm Oil	Rajkot	525	535	-10
	Hyderabad	513	513	Unch
	Delhi	530	530	Unch
	Kandla (Crude Palm Oil)	483	490	-7
	Kandla (RBD Palm oil)	510	512	-2
	Mumbai RBD Pamolein	535	535	Unch

	Kandla RBD Pamolein	535	535	Unch
	Mangalore RBD Pamolein	540	540	Unch
	Chennai RBD Pamolein	540	538	2
	Kakinada RBD Pamolein	520	520	Unch
	KPT (krishna patnam) Pamolein	520	520	Unch
	Haldia Pamolein	522	518	4
	PFAD (Kandla)	400	400	Unch
	Refined Palm Stearin (Kandla)	410	405	5
Refined Sunflower Oil	Mumbai	775	775	Unch
	Mumbai(Expeller Oil)	680	685	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Erode (Expeller Oil)	760	760	Unch
	Hyderabad (Ref)	722	722	Unch
	Chennai	725	725	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	685	685	Unch
Groundnut Oil	Rajkot	900	900	Unch
	Chennai	840	840	Unch
	Delhi	830	830	Unch
	Hyderabad *	900	900	Unch
	Mumbai	940	940	Unch
	Gondal	900	910	-10
	Jamnagar	910	910	Unch
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	740	750	-10
	Sri-Ganga Nagar(Exp Oil)	700	740	-40
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	690	700	-10
	Jaipur (Expeller Oil)	740	751	-11
	New Delhi (Expeller Oil)	745	745	Unch
	Hapur (Expeller Oil)	750	760	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	790	Unch
	Kota (Kacchi Ghani Oil)	790	775	15
	Jaipur (Kacchi Ghani Oil)	765	785	-20
	Agra (Kacchi Ghani Oil)	795	815	-20
	Bharatpur (Kacchi Ghani Oil)	790	810	-20
	Neewai (Kacchi Ghani Oil)	755	770	-15
	Hapur (Kacchi Ghani Oil)	820	830	-10
Refined Cottonseed Oil	Mumbai	603	603	Unch

	Rajkot	595	592	3
	New Delhi	540	540	Unch
	Hyderabad	580	580	Unch
Coconut Oil	Kangayan (Crude)	790	830	-40
	Cochin	885	885	Unch
	Trissur	840	850	-10
Sesame Oil	New Delhi	670	670	Unch
	Mumbai	650	650	Unch
Kardi	Mumbai	840	840	Unch
Rice Bran Oil (40%)	New Delhi	420	420	Unch
Rice Bran Oil (4%)	Punjab	490	490	Unch
Rice Bran Oil (4%)	Uttar Pradesh	490	490	Unch
Malaysia Palmolein USD/MT	FOB	613	615	-2
	CNF India	638	640	-2
Indonesia CPO USD/MT	FOB	613	615	-2
	CNF India	625	630	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	605	608	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	580	580	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1125	1120	5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	553	553	Unch
Ukraine Origin CSFO USD/MT Kandla	CIF	840	843	-3
Rapeseed Oil Rotterdam Euro/MT	FOB	693	695	-2
Argentina FOB (\$/MT)		29-Feb-16	27-Feb-16	Change
Crude Soybean Oil Ship		665	Unq	-
Refined Soy Oil (Bulk) Ship		688	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		645	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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