

Domestic Fundamentals:

- Mixed sentiment featured in the various edible oils at various market centers on Wednesday.
- Palm oil is in track of climbing to recent highs and any correction is opportunity to buy. However, markets are stretched and correction can be seen. Markets are expected to touch fresh highs on support from competitive oils, weak ringgit, weak production of palm oil in Malaysia and higher crude oil prices. Palm oil is expected to get support from China's markets which are supporting demand from Malaysia.
Production of palm oil is adversely affected by lagged effect of El Nino. It will take time for production to normalize. Palm oil is seen rising due to competitive oil like DALIAN soy oil, DALIAN RBD palmolein and CBOT soy oil in near term.
Wet season is expected to set in Malaysia which may support palm oil prices due to delayed harvest, crushing and transportation.
Exports of palm oil are still weak on lower exports to India. Exports have improved to China from Malaysia as stocking has started ahead of Chinese New Year to replenish their stock.
Aggressive pricing by Malaysia RBD palmolein compared to Indonesia CPO is expected to support palm oil prices in medium term.
Palm oil end stocks in Malaysia will show lower rise in November than previously expected, mostly due to lower production. Palm oil prices are in a range.
- Increase of soy oil based biodiesel in Argentina and higher exports of biodiesel to EU on lifting of anti dumping duty will support palm oil prices. Increase in volume of biodiesel production in 2017 in US supported soy oil prices. Soy oil is major contributor to advanced biodiesel production. Higher requirements of soy oil in production of biodiesel in US will decrease stocks of soy oil in 2017 and support prices.
Lower stocks of soy oil in US as reported by NOPA in October have supported soy oil prices in near term.
Crush is progressing in weaker rate compared to corresponding period in US due to weak soy meal demand in US.
Crude oil will provide support to soy oil prices in near term. Prices are in a range with upward bias.
In domestic market soy oil demand is firm and soy oil markets are stretched while palm oil demand is weak.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's November palm oil exports fell 12.8 percent to 1,130,172 tons compared to 1,295,576 tons last month. Top buyers were European Union at 215,995 tons (307,685 tons), China at 215,655 tons (178,711 tons), India at 118,010 tons (189,724 tons), United States at 55,556 tons (41,270 tons) and Pakistan at 22,000 tons (59,770 tons). Values in brackets are figures of last month.
- Argentina's soybean planting is 46% (9 million hectares) complete of the 19.6 million hectares projected to be planted with soybean in 2016/17. The planting is lagging by 8.4% from the corresponding period last year. Further, the weather is favorable for the soybean after recent rainfall which has increased the soil moisture, reported by Buenos Aires Grains Exchange.

Outlook: Edible oil basket is expected to feature steady to firm bias in the spot market, in near-term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Dec-16	-3.60	736.85	738.40	731.50	732.90
Jan-16	-4.85	736.50	739.90	730.70	731.95

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	14,480	4150	20220	-7180
Jan-16	25,630	680	58110	-1590

Vol-OI are taken at 5:05 PM

Spread	Dec-16	Jan-16
Basis	7.10	8.05
Dec-16		-0.95
Jan-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	1.70	566.50	570.90	564.10	567.10
Jan-16	2.60	562.40	569.90	562.40	566.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1027	-378	4961	-79
Jan-16	920	236	2131	450

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	2.9	3.5
Dec-16		-0.6
Jan-16		

* CPO Kandla prices taken for spread calculated as at 5:30 PM

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Dec	-0.04	37.57	37.58	37.57	37.58
15-Jan	-0.10	37.84	37.92	37.61	37.72
15-Mar	-0.11	38.09	38.19	37.9	37.99
15-May	-0.09	38.2	38.3	38	38.11
15-July	-0.06	38.28	38.36	38.09	38.21

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Dec	-79	3226	3240	3189	3200
15-Jan	-43	3175	3200	3151	3155
15-Feb	-43	3165	3188	3138	3142
15-Mar	-41	3139	3154	3112	3115

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
07/12/2016	6.88	13311	4.418	15.91	67.60	3.38	100.53	51.05

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Dec-16	6-Dec-16	
Refined Soybean Oil	Indore	740	735	5
	Indore (Soy Solvent Crude)	705	695	10
	Mumbai	740	735	5
	Mumbai (Soy Degum)	698	695	3
	Kandla/Mundra	740	735	5
	Kandla/Mundra (Soy Degum)	710	708	2
	Kolkata	735	735	Unch
	Delhi	775	775	Unch
	Nagpur	724	724	Unch
	Rajkot	735	735	Unch
	Kota	750	750	Unch
	Hyderabad	713	713	Unch
	Akola	764	764	Unch
	Amrawati	763	763	Unch
	Bundi	752	750	2
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	570	565	5
	Kandla (RBD Palm oil)	590	590	Unch
	Kandla RBD Pamolein	615	610	5
	Kakinada (Crude Palm Oil)	565	575	-10
	Kakinada RBD Pamolein	615	610	5

	Haldia Pamolein	610	610	Unch
	Chennai RBD Pamolein	620	615	5
	KPT (krishna patnam) Pamolein	610	605	5
	Mumbai RBD Pamolein	625	625	Unch
	Delhi	635	635	Unch
	Rajkot	610	610	Unch
	Hyderabad	627	622	5
	Mangalore RBD Pamolein	620	615	5
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	Closed	Closed	-
	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	675	675	Unch
	Kandla (Ref.)	755	755	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	732	732	Unch
	Latur (Expeller Oil)	725	725	Unch
	Chellakere (Expeller Oil)	670	670	Unch
	Erode (Expeller Oil)	Closed	Closed	-
Groundnut Oil	Rajkot	950	950	Unch
	Chennai	Closed	Closed	-
	Delhi	940	960	-20
	Hyderabad *	1000	1000	Unch
	Mumbai	1020	1020	Unch
	Gondal	950	950	Unch
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	845	848	-3
	Jaipur (Kacchi Ghani Oil)	881	885	-4
	Kota (Expeller Oil)	840	840	Unch
	Kota (Kacchi Ghani Oil)	882	890	-8
	Neewai (Expeller Oil)	850	850	Unch
	Neewai (Kacchi Ghani Oil)	870	870	Unch
	Bharatpur (Kacchi Ghani Oil)	900	910	-10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	845	850	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	885	890	-5
	Mumbai (Expeller Oil)	850	850	Unch
	Kolkata(Expeller Oil)	1030	1030	Unch



	New Delhi (Expeller Oil)	845	825	20
	Hapur (Expeller Oil)	Closed	Closed	-
	Hapur (Kacchi Ghani Oil)	Closed	Closed	-
	Agra (Kacchi Ghani Oil)	910	925	-15
Refined Cottonseed Oil	Rajkot	725	715	10
	Hyderabad	695	705	-10
	Mumbai	708	708	Unch
	New Delhi	675	690	-15
Coconut Oil	Kangayan (Crude)	1000	960	40
	Cochin	865	855	10
	Trissur	1040	1010	30
Sesame Oil	New Delhi	750	750	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	485	480	5
Rice Bran Oil (4%)	Punjab	610	610	Unch
Rice Bran Oil (4%)	Uttar Pradesh	610	610	Unch
Malaysia Palmolein USD/MT	FOB	750	748	2
	CNF India	775	768	7
Indonesia CPO USD/MT	FOB	758	748	10
	CNF India	775	768	7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	753	745	8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	760	750	10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1770	1760	10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	688	7
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1660	-
Ukraine Origin CSFO USD/MT Kandla	CIF	845	848	-3
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		6-Dec-16	5-Dec-16	Change
Crude Soybean Oil Ship		855	855	Unch
Refined Soy Oil (Bulk) Ship		885	885	Unch
Sunflower Oil Ship		770	770	Unch
Cottonseed Oil Ship		835	835	Unch
Refined Linseed Oil (Bulk) Ship		875	875	Unch
* 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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