



### Domestic Fundamentals:

- Firm sentiment featured in the various edible oils at various market centers on Wednesday.
- Palm oil end stocks in Malaysia in November came less than expected on lower production due to lingering effect of El Nino. Production dropped by more than 6 percent. However exports of palm oil dropped less than estimated which led to lower rise in end stocks.  
Palm oil prices are supported by firm demand from India and China in first 10 days of December indicating demand will improve from top two destinations in December. Exports fell in first 10 days of December by 12 percent on lower buying due to winters in North hemisphere.  
Demand tends to weaken on winters and prices fall on seasonal downtrend of prices.  
Production is expected to remain weak in until March on lagged effect of El Nino.  
Palm oil is seen rising due to competitive oil like DALIAN soy oil, DALIAN RBD palmolein and CBOT soy oil in near term.  
Aggressive pricing by Malaysia RBD palmolein compared to Indonesia CPO is expected to support palm oil prices in medium term. Weak ringgit is expected to support palm oil prices in medium term. Palm oil prices are in a range.
- Appointment of oil man for the post of US Secretary of State indicates that Trump administration will give more emphasis on oil and gas sector in US and biodiesel sector may suffer due to policy shift. Increase of soy oil based biodiesel in Argentina and higher exports of biodiesel to EU on lifting of anti dumping duty will support soy oil prices. Moreover, dry weather in parts of Argentina has supported prices in near term. Brazil has reported fast planting in this season. USDA kept unchanged Brazil soybean forecast.  
Firm demand from China has supported soybean complex markets in near term.  
Crush is progressing in weaker rate compared to corresponding period in US due to weak soy meal demand in US.  
Rise in crude oil will provide support to soy oil prices in near term.  
Prices are in a range with upward bias.
- According to Malaysia Palm Oil Board (MPOB), Malaysia's November palm oil end stocks rise less than estimated by 5.18 percent to 16.56 lakh tons compared to 15.74 lakh tons in October. Market expectation was rise of end stocks by 7.4 percent to 16.9 lakh tons. Production dropped 6.14 percent in November to 15.75 lakh tons compared to 16.78 lakh tons in October. Exports in November fell 14.34 to 13.7 lakh tons compared to October exports at 14.31 lakh tons. Imports in November rose 159.45 percent to 0.56 lakh ton compared to 0.22 lakh tons in October.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's November 1-10 palm oil exports fell 12 percent to 305,990 tons compared to 347,760 tons in the corresponding period last month. Top buyers were European Union at 55,405 tons (95,000 tons), India at 46,000 tons (8,300 tons), China at 38,025 tons (30,500 tons), Pakistan at 14,150 tons (0 tons) and United States at 12,875 tons (1,800 tons). Values in brackets are figures of corresponding period last month.

**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  |
|----------|------|--------|--------|--------|--------|
| Jan-16   | 3.00 | 721.00 | 725.30 | 720.65 | 722.40 |
| Feb-16   | 1.95 | 718.15 | 722.80 | 718.15 | 719.65 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| Jan-16   | 17,240 | 3490   | 57060 | -2290  |
| Feb-16   | 2,320  | 850    | 24600 | 10     |

Vol-OI are taken at 5:05 PM

| Spread | Jan-16 | Feb-16 |
|--------|--------|--------|
| Basis  | 9.60   | 12.35  |
| Jan-16 |        | -2.75  |
| Feb-16 |        |        |

### MCX CPO:

| Contract | +/-  | Open   | High   | Low    | Close  |
|----------|------|--------|--------|--------|--------|
| Dec-16   | 0.50 | 563.00 | 568.40 | 563.00 | 565.40 |
| Jan-16   | 0.50 | 560.90 | 565.00 | 559.70 | 562.00 |

Prices are taken at 5:05 PM

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Dec-16   | 966    | 662    | 4471 | 2320   |
| Jan-16   | 436    | 232    | 2181 | 827    |

Vol-OI are taken at 5:05 PM

| Spread | Nov-16 | Dec-16 |
|--------|--------|--------|
| Basis  | 4.6    | 8      |
| Dec-16 |        | -3.4   |
| 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-Jan   | -0.09 | 36.88 | 36.61 | 36.69 | 36.69 |
| 15-Mar   | -0.09 | 37.13 | 36.87 | 36.95 | 36.95 |
| 15-May   | -0.09 | 37.31 | 37.05 | 37.13 | 37.13 |
| 15-July  | -0.09 | 37.47 | 37.21 | 37.29 | 37.29 |
| 15-Aug   | -0.08 | 37.26 | 37.11 | 37.18 | 37.18 |

**BMD CPO Futures:**

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low  | Close |
|----------|-----|------|------|------|-------|
| 15-Dec   | 29  | 3100 | 3157 | 3100 | 3144  |
| 15-Jan   | 26  | 3082 | 3141 | 3079 | 3125  |
| 15-Feb   | 22  | 3058 | 3114 | 3053 | 3095  |
| 15-Mar   | 23  | 3032 | 3082 | 3029 | 3067  |

**Forex:**

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 14/12/2016    | 6.90         | 13280             | 4.44              | 15.97          | 67.43        | 3.33           | 100.95       | 52.19                     |

**Edible Oil Prices at Key Market**

| Commodity           | Centre                     | Prices(Per 10 Kg) |           | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
|                     |                            | 14-Dec-16         | 13-Dec-16 |        |
| Refined Soybean Oil | Indore                     | 732               | 730       | 2      |
|                     | Indore (Soy Solvent Crude) | 700               | 695       | 5      |
|                     | Mumbai                     | 740               | 735       | 5      |
|                     | Mumbai (Soy Degum)         | 690               | 685       | 5      |
|                     | Kandla/Mundra              | 735               | 730       | 5      |
|                     | Kandla/Mundra (Soy Degum)  | 702               | 700       | 2      |
|                     | Kolkata                    | 740               | 735       | 5      |
|                     | Delhi                      | 775               | 775       | Unch   |
|                     | Nagpur                     | 726               | 725       | 1      |
|                     | Rajkot                     | 730               | 725       | 5      |
|                     | Kota                       | 745               | 740       | 5      |
|                     | Hyderabad                  | 713               | 713       | Unch   |
|                     | Akola                      | 763               | 763       | Unch   |
|                     | Amrawati                   | 764               | 764       | Unch   |
|                     | Bundi                      | 743               | 742       | 1      |
|                     | Jalna                      | NA                | NA        | -      |
|                     | Alwar                      | NA                | NA        | -      |
|                     | Solapur                    | NA                | NA        | -      |
|                     | Dhule                      | NA                | NA        | -      |
| Palm Oil            | Kandla (Crude Palm Oil)    | 570               | 568       | 2      |
|                     | Kandla (RBD Palm oil)      | 595               | 590       | 5      |
|                     | Kandla RBD Pamolein        | 615               | 605       | 10     |
|                     | Kakinada (Crude Palm Oil)  | 565               | 565       | Unch   |
|                     | Kakinada RBD Pamolein      | 610               | 605       | 5      |



|                          |                                    |      |      |      |
|--------------------------|------------------------------------|------|------|------|
|                          | Haldia Pamolein                    | 605  | 600  | 5    |
|                          | Chennai RBD Pamolein               | 620  | 610  | 10   |
|                          | KPT (krishna patnam) Pamolein      | 605  | 600  | 5    |
|                          | Mumbai RBD Pamolein                | 625  | 620  | 5    |
|                          | Delhi                              | 635  | 630  | 5    |
|                          | Rajkot                             | 610  | 610  | Unch |
|                          | Hyderabad                          | 627  | 622  | 5    |
|                          | Mangalore RBD Pamolein             | 620  | 610  | 10   |
|                          | PFAD (Kandla)                      | 475  | 470  | 5    |
|                          | Refined Palm Stearin (Kandla)      | 550  | 540  | 10   |
| Refined Sunflower Oil    | Chennai                            | 720  | 720  | Unch |
|                          | Mumbai                             | 745  | 740  | 5    |
|                          | Mumbai(Expeller Oil)               | 675  | 670  | 5    |
|                          | Kandla                             | 760  | 755  | 5    |
|                          | Kandla/Mundra (Crude)              | NA   | NA   | -    |
|                          | Hyderabad (Ref)                    | 722  | 722  | Unch |
|                          | Latur (Expeller Oil)               | 730  | 730  | Unch |
|                          | Chellakere (Expeller Oil)          | 670  | 670  | Unch |
|                          | Erode (Expeller Oil)               | 750  | 750  | Unch |
| Groundnut Oil            | Rajkot                             | 925  | 925  | Unch |
|                          | Chennai                            | 960  | 960  | Unch |
|                          | Delhi                              | 950  | 950  | Unch |
|                          | Hyderabad *                        | 1020 | 1020 | Unch |
|                          | Mumbai                             | 1000 | 1000 | Unch |
|                          | Gondal                             | 950  | 930  | 20   |
|                          | Jamnagar                           | 950  | 935  | 15   |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil)              | 825  | 825  | Unch |
|                          | Jaipur (Kacchi Ghani Oil)          | 863  | 863  | Unch |
|                          | Kota (Expeller Oil)                | 800  | 800  | Unch |
|                          | Kota (Kacchi Ghani Oil)            | 860  | 860  | Unch |
|                          | Neewai (Expeller Oil)              | 825  | 825  | Unch |
|                          | Neewai (Kacchi Ghani Oil)          | 845  | 845  | Unch |
|                          | Bharatpur (Kacchi Ghani Oil)       | 890  | 880  | 10   |
|                          | Alwar (Expeller Oil)               | NA   | NA   | -    |
|                          | Alwar (Kacchi Ghani Oil)           | NA   | NA   | -    |
|                          | Sri-Ganga Nagar(Exp Oil)           | 820  | 820  | Unch |
|                          | Sri-Ganga Nagar (Kacchi Ghani Oil) | 865  | 865  | Unch |
|                          | Mumbai (Expeller Oil)              | 840  | 840  | Unch |
|                          | Kolkata(Expeller Oil)              | 1030 | 1030 | Unch |



|   |                          |           |           |        |
|---|--------------------------|-----------|-----------|--------|
|   | New Delhi (Expeller Oil) | 850       | 845       | 5      |
|   | Hapur (Expeller Oil)     | Closed    | Closed    | -      |
|   | Hapur (Kacchi Ghani Oil) | Closed    | Closed    | -      |
|   | Agra (Kacchi Ghani Oil)  | 895       | 885       | 10     |
|   |                          |           |           |        |
| Refined Cottonseed Oil                              | Rajkot                   | 710       | 690       | 20     |
|   | Hyderabad                | 680       | 680       | Unch   |
|   | Mumbai                   | 700       | 695       | 5      |
|   | New Delhi                | 680       | 680       | Unch   |
|   |                          |           |           |        |
| Coconut Oil   | Kangayan (Crude)         | 1100      | 1100      | Unch   |
|   | Cochin                   | 920       | 900       | 20     |
|   | Trissur                  | 1050      | 1050      | Unch   |
|   |                          |           |           |        |
| Sesame Oil  | New Delhi                | 750       | 750       | Unch   |
|   | Mumbai                   | 730       | 730       | Unch   |
| Kardi   | Mumbai                   | 830       | 830       | Unch   |
| Rice Bran Oil (40%)                                 | New Delhi                | 545       | 545       | Unch   |
| Rice Bran Oil (4%)                                  | Punjab                   | 610       | 610       | Unch   |
| Rice Bran Oil (4%)                                  | Uttar Pradesh            | 610       | 610       | Unch   |
|   |                          |           |           |        |
| Malaysia Palmolein USD/MT                           | FOB                      | 748       | 740       | 8      |
|   | CNF India                | 770       | 763       | 7      |
| Indonesia CPO USD/MT                                | FOB                      | 750       | 735       | 15     |
|   | CNF India                | 773       | 765       | 8      |
| RBD Palm oil (Malaysia Origin USD/MT)               | FOB                      | 748       | 740       | 8      |
| RBD Palm Stearin (Malaysia Origin USD/MT)           | FOB                      | 758       | 753       | 5      |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT)        | FOB                      | 1770      | 1760      | 10     |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB                      | 688       | 685       | 3      |
| Crude palm Kernel Oil India (USD/MT)                | CNF India                | NA        | 1670      | -      |
| Ukraine Origin CSFO USD/MT Kandla                   | CIF                      | 835       | 830       | 5      |
| Rapeseed Oil Rotterdam Euro/MT                      | FOB                      | NA        | NA        | -      |
|   |                          |           |           |        |
| Argentina FOB (\$/MT)                               |                          | 13-Dec-16 | 12-Dec-16 | Change |
| Crude Soybean Oil Ship                              |                          | 840       | 845       | -5     |
| Refined Soy Oil (Bulk) Ship                         |                          | 869       | 874       | -5     |
| Sunflower Oil Ship                                  |                          | 765       | 770       | -5     |
| Cottonseed Oil Ship                                 |                          | 820       | 825       | -5     |
| Refined Linseed Oil (Bulk) Ship                     |                          | 860       | 865       | -5     |
| * 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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