

Domestic Fundamentals:

- Mixed sentiment featured in the various edible oils at various market centers on Thursday.
- Demand of edible oils waned in November on higher domestics oilseed crops in Kharif and higher sowing in Rabi season. However, RBD palmolein imports are continuing unabated while CPO imports have waned. Distorted tax structure on both oils is reason of higher imports of RBD palmolein. Finished RBD palmolein is available at prices of CPO. Indian refiners are struggling from idle capacity.
- 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 China in first 15 days of December indicating demand will improve in December on stocking ahead of Chinese New Year. However, exports fell in first 15 days of December by 9.6 percent. 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 as head of US EPA has led to a speculation about soy based biodiesel program in will be given less emphasis than current administration. U.S 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. 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 Solvent Extractors Association (SEA), India's November edible oil imports fell 13.3 percent y-o-y to 11.56 lakh tons from 13.33 lakh tons in November 2015. Palm oil imports fell 8.5 percent y-o-y to 7.98 lakh tons y-o-y from 8.72 lakh tons in November 2015. CPO Imports fell 11.16 percent y-o-y to 5.57 lakh tons from 6.27 lakh tons in November 2015. RBD palmolein imports rose 3.9 percent y-o-y to 2.41 lakh tons from 2.32 lakh tons in November 2015. Soy oil imports fell 36.2 percent y-o-y to 1.64 lakh tons from 2.57 lakh tons in November 2015. Sunflower oil imports fell 11.2 percent y-o-y to 1.58 lakh tons from 1.78 lakh ton in November 2015. Rapeseed (Canola) oil imports rose 21.9 percent y-o-y to 0.32 lakh tons from 0.25 lakh tons in November 2015.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's November 1-15 palm oil exports fell 9.6 percent to 464,582 tons compared to 513,745 tons in the corresponding period last month. Top buyers were China at 114,127 tons (79,250 tons), European Union at 95,305 tons (118,500 tons), India at 55,500 tons (18,800 tons), Pakistan at 14,150 tons (0 tons) and United States at 14,075 tons (8,500 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	3.05	724.50	728.85	724.50	727.05
Feb-16	4.25	724.50	726.55	724.50	725.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	14,920	-2320	56500	-560
Feb-16	1,590	-730	24700	100

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	2.95	5.00
Jan-16		-2.05
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	5.50	569.00	571.50	567.70	569.80
Jan-16	5.80	566.90	569.10	565.80	567.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1278	312	4214	-257
Jan-16	1177	741	2209	28

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	3.2	5.4
Dec-16		-2.2
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	0.24	36.89	37.28	36.6	37.16
15-Mar	0.24	37.1	37.54	36.83	37.41
15-May	0.25	37.22	37.7	37.04	37.59
15-July	0.20	37.36	37.83	37.2	37.71
15-Aug	0.29	37.28	37.67	37.28	37.67

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Dec	55	3153	3208	3153	3199
15-Jan	57	3135	3193	3131	3185
15-Feb	61	3109	3169	3103	3161
15-Mar	57	3074	3129	3074	3122

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
14/12/2016	6.93	13454	4.46	15.97	67.81	3.40	103.12	51.22

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-Dec-16	14-Dec-16	
Refined Soybean Oil	Indore	730	732	-2
	Indore (Soy Solvent Crude)	700	700	Unch
	Mumbai	740	740	Unch
	Mumbai (Soy Degum)	690	690	Unch
	Kandla/Mundra	740	735	5
	Kandla/Mundra (Soy Degum)	705	702	3
	Kolkata	740	740	Unch
	Delhi	750	775	-25
	Nagpur	729	726	3
	Rajkot	730	730	Unch
	Kota	745	745	Unch
	Hyderabad	713	713	Unch
	Akola	768	763	5
	Amrawati	767	764	3
	Bundi	747	743	4
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	573	570	3
	Kandla (RBD Palm oil)	600	595	5
	Kandla RBD Pamolein	620	615	5
	Kakinada (Crude Palm Oil)	570	565	5
	Kakinada RBD Pamolein	610	610	Unch



	Haldia Pamolein	610	605	5
	Chennai RBD Pamolein	620	620	Unch
	KPT (krishna patnam) Pamolein	605	605	Unch
	Mumbai RBD Pamolein	625	625	Unch
	Delhi	640	635	5
	Rajkot	610	610	Unch
	Hyderabad	627	627	Unch
	Mangalore RBD Pamolein	620	620	Unch
	PFAD (Kandla)	480	475	5
	Refined Palm Stearin (Kandla)	560	550	10
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	670	675	-5
	Kandla	755	760	-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 *	1025	1020	5
	Mumbai	1000	1000	Unch
	Gondal	950	950	Unch
	Jamnagar	935	950	-15
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	825	825	Unch
	Jaipur (Kacchi Ghani Oil)	864	863	1
	Kota (Expeller Oil)	790	800	-10
	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	890	Unch
	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)	845	850	-5
	Hapur (Expeller Oil)	Closed	Closed	-
	Hapur (Kacchi Ghani Oil)	Closed	Closed	-
	Agra (Kacchi Ghani Oil)	895	895	Unch
Refined Cottonseed Oil	Rajkot	710	710	Unch
	Hyderabad	700	680	20
	Mumbai	705	700	5
	New Delhi	690	680	10
Coconut Oil	Kangayan (Crude)	1060	1100	-40
	Cochin	940	920	20
	Trissur	1110	1050	60
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	753	748	5
	CNF India	778	770	8
Indonesia CPO USD/MT	FOB	763	750	13
	CNF India	783	773	10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	758	748	10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	763	758	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1775	1770	5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	690	688	2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1670	-
Ukraine Origin CSFO USD/MT Kandla	CIF	835	835	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		14-Dec-16	13-Dec-16	Change
Crude Soybean Oil Ship		843	840	3
Refined Soy Oil (Bulk) Ship		873	869	4
Sunflower Oil Ship		765	765	Unch
Cottonseed Oil Ship		823	820	3
Refined Linseed Oil (Bulk) Ship		863	860	3
* 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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