

Domestic Fundamentals:

- Weak sentiment featured in the various edible oils at various market centers on Tuesday.
- Weak exports of palm oil from Malaysia in first 20 days of December which fell by more than 16 percent showed that demand is weak in the month of December. Demand has weakened in last 5 days from China coupled with weak demand from India. Prices are expected to fall on seasonal downtrend of demand.
China demand has receded in near term due to higher prices while India has not been buying since last month as prices were high on BMD.
Demand is weak from India due to weak demand in domestic market.
Production is expected to remain weak in until March on lagged effect of El Nino.
Palm oil is expected to weaken on DALIAN soy oil, DALIAN RBD palmolein and CBOT soy oil in near term.
Aggressive pricing by Malaysia of 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.
- Lower than expected stocks of soy oil in US in November as reported by NOPA due to lower production of soy oil on lower crush of soybean will support soy oil prices in near term.
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.
Crush is progressing in weaker rate compared to corresponding period in US due to weak soy meal demand in US.
Strong exports of soybean from US to China and dryness in parts of soybean belt in Argentina will support soy oil prices in near term.
Rains in parts of soybean belts of Argentina and forecast of rains next week will underpin soybean complex prices.
Rise in crude oil will provide support to soy oil prices in near term. However, dollar appreciation on faster than expected rise in interest rates by FED will underpin prices. Prices are in a range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's December 1-20 palm oil exports fell 16.9 percent to 606,937 tons compared to 730,257 tons last month. Top buyers were European Union at 129,445 tons (168,650 tons), China at 125,627 tons (130,350 tons), India at 65,525 tons (41,360 tons), Pakistan at 14,150 tons (12,000 tons) and United States at 14,075 tons (25,786 tons). Values in brackets are figures of corresponding period last month.
- According to Malaysia Palm Oil Board (MPOB), Malaysia increased crude palm oil export duty to 7 percent in for January from 6 percent in December. Tax is calculated at reference price of 3,119.48 ringgit (\$696.62) per ton. Prices above 2,250 are taxed starting from 4.5 percent to maximum of 8.5 percent.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Jan-16	-3.35	720.00	721.35	716.30	720.00
Feb-16	-4.25	718.00	718.35	713.20	716.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	25,620	-3640	56090	-30
Feb-16	2,780	-1250	25310	530

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	5.00	8.50
Jan-16		-3.50
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	1.20	561.50	563.80	556.90	563.70
Jan-16	-1.00	560.00	562.90	557.60	562.90

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	912	38	2506	-901
Jan-16	1380	-313	3346	27

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	6.3	7.1
Dec-16		-0.8
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	-0.35	36.56	36.64	36.04	36.21
15-Mar	-0.36	36.85	36.92	36.32	36.49
15-May	-0.35	37.08	37.08	36.52	36.69
15-July	-0.36	37.25	37.25	36.72	36.88
15-Aug	-0.47	36.88	36.88	36.6	36.63

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-43	3145	3150	3115	3123
15-Feb	-53	3125	3133	3099	3100
15-Mar	-50	3115	3126	3092	3093
15-Apr	-48	3084	3096	3062	3063

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
20/12/2016	6.95	13469	4.48	15.86	68.03	3.35	103.6	53.36

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-Dec-16	19-Dec-16	
Refined Soybean Oil	Indore	725	735	-10
	Indore (Soy Solvent Crude)	690	702	-12
	Mumbai	740	750	-10
	Mumbai (Soy Degum)	685	690	-5
	Kandla/Mundra	735	740	-5
	Kandla/Mundra (Soy Degum)	702	705	-3
	Kolkata	735	740	-5
	Delhi	750	750	Unch
	Nagpur	727	729	-2
	Rajkot	725	730	-5
	Kota	750	750	Unch
	Hyderabad	713	713	Unch
	Akola	764	767	-3
	Amrawati	764	767	-3
	Bundi	740	747	-7
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	570	577	-7
	Kandla (RBD Palm oil)	595	600	-5
	Kandla RBD Pamolein	615	620	-5
	Kakinada (Crude Palm Oil)	565	570	-5
	Kakinada RBD Pamolein	610	615	-5



	Haldia Pamolein	605	615	-10
	Chennai RBD Pamolein	620	620	Unch
	KPT (krishna patnam) Pamolein	605	610	-5
	Mumbai RBD Pamolein	625	630	-5
	Delhi	640	640	Unch
	Rajkot	615	620	-5
	Hyderabad	613	618	-5
	Mangalore RBD Pamolein	620	620	Unch
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	740	745	-5
	Mumbai(Expeller Oil)	670	670	Unch
	Kandla	755	760	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	736	736	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	670	670	Unch
	Erode (Expeller Oil)	740	750	-10
Groundnut Oil	Rajkot	930	940	-10
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1020	1020	Unch
	Mumbai	1000	1010	-10
	Gondal	925	935	-10
	Jamnagar	925	935	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	812	820	-8
	Jaipur (Kacchi Ghani Oil)	841	851	-10
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	855	855	Unch
	Neewai (Expeller Oil)	805	810	-5
	Neewai (Kacchi Ghani Oil)	825	830	-5
	Bharatpur (Kacchi Ghani Oil)	840	860	-20
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	805	818	-13
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	860	-15
	Mumbai (Expeller Oil)	835	840	-5
	Kolkata(Expeller Oil)	1030	1030	Unch



	New Delhi (Expeller Oil)	850	850	Unch
	Hapur (Expeller Oil)	Closed	Closed	-
	Hapur (Kacchi Ghani Oil)	Closed	Closed	-
	Agra (Kacchi Ghani Oil)	845	865	-20
Refined Cottonseed Oil	Rajkot	690	710	-20
	Hyderabad	690	695	-5
	Mumbai	700	705	-5
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1055	1075	-20
	Cochin	960	950	10
	Trissur	1090	1110	-20
Sesame Oil	New Delhi	750	750	Unch
	Mumbai	735	735	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	760	768	-8
	CNF India	773	785	-12
Indonesia CPO USD/MT	FOB	750	763	-13
	CNF India	773	790	-17
RBD Palm oil (Malaysia Origin USD/MT)	FOB	753	765	-12
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	760	770	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1755	1775	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	693	700	-7
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1690	-
Ukraine Origin CSFO USD/MT Kandla	CIF	838	840	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		19-Dec-16	17-Dec-16	Change
Crude Soybean Oil Ship		841	Closed	-
Refined Soy Oil (Bulk) Ship		870	Closed	-
Sunflower Oil Ship		765	Closed	-
Cottonseed Oil Ship		821	Closed	-
Refined Linseed Oil (Bulk) Ship		861	Closed	-
* 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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