

Domestic Fundamentals:

- Mixed sentiment featured in the various edible oils at various market centers on Wednesday.
- 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 from China and India. Prices are expected to fall in medium term 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 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.
Crush in US is progressing in weaker rate compared to corresponding period due to weak soy meal demand.
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.
Record soybean crops in South America will underpin gains in near term.
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	-0.50	720.85	721.80	718.75	719.30
Feb-16	0.45	718.35	720.30	716.50	717.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	14,050	-15210	54990	-1130
Feb-16	4,820	790	25070	290

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	10.70	12.20
Jan-16		-1.50
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	1.00	565.50	567.80	564.80	565.40
Jan-16	1.80	564.80	567.00	564.10	565.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	469	-405	2399	-1008
Jan-16	746	-947	3358	39

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	4.6	4.5
Dec-16		0.1
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	0.10	36.06	36.24	36.03	36.16
15-Mar	0.09	36.31	36.52	36.31	36.44
15-May	0.09	36.51	36.68	36.51	36.63
15-July	0.06	36.76	36.88	36.74	36.8
15-Aug	0.11	36.74	36.74	36.74	36.74

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	32	3124	3160	3110	3155
15-Feb	27	3097	3141	3090	3127
15-Mar	20	3093	3131	3082	3113
15-Apr	19	3061	3099	3055	3082

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
21/12/2016	6.95	13154	4.479	15.86	68.03	3.34	103.12	53.55

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		21-Dec-16	20-Dec-16	
Refined Soybean Oil	Indore	730	725	5
	Indore (Soy Solvent Crude)	695	690	5
	Mumbai	735	740	-5
	Mumbai (Soy Degum)	688	685	3
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	705	702	3
	Kolkata	735	735	Unch
	Delhi	750	750	Unch
	Nagpur	723	727	-4
	Rajkot	730	725	5
	Kota	730	750	-20
	Hyderabad	713	713	Unch
	Akola	762	764	-2
	Amrawati	761	764	-3
	Bundi	737	740	-3
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	570	570	Unch
	Kandla (RBD Palm oil)	590	595	-5
	Kandla RBD Pamolein	612	615	-3
	Kakinada (Crude Palm Oil)	565	565	Unch
	Kakinada RBD Pamolein	615	610	5

	Haldia Pamolein	605	605	Unch
	Chennai RBD Pamolein	625	620	5
	KPT (krishna patnam) Pamolein	605	605	Unch
	Mumbai RBD Pamolein	625	625	Unch
	Delhi	640	640	Unch
	Rajkot	608	615	-7
	Hyderabad	613	613	Unch
	Mangalore RBD Pamolein	625	620	5
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	720	720	Unch
	Mumbai	730	740	-10
	Mumbai(Expeller Oil)	665	670	-5
	Kandla	750	755	-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	740	Unch
Groundnut Oil	Rajkot	940	930	10
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1020	1020	Unch
	Mumbai	1000	1000	Unch
	Gondal	925	925	Unch
	Jamnagar	925	925	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	805	812	-7
	Jaipur (Kacchi Ghani Oil)	841	841	Unch
	Kota (Expeller Oil)	740	770	-30
	Kota (Kacchi Ghani Oil)	845	855	-10
	Neewai (Expeller Oil)	790	805	-15
	Neewai (Kacchi Ghani Oil)	822	825	-3
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	800	805	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	835	845	-10
	Mumbai (Expeller Oil)	830	835	-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	845	Unch
Refined Cottonseed Oil	Rajkot	695	690	5
	Hyderabad	690	690	Unch
	Mumbai	700	700	Unch
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1080	1055	25
	Cochin	980	960	20
	Trissur	1070	1090	-20
Sesame Oil	New Delhi	750	750	Unch
	Mumbai	730	735	-5
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	760	-7
	CNF India	775	773	2
Indonesia CPO USD/MT	FOB	748	750	-2
	CNF India	775	773	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	750	753	-3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	763	760	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1755	1755	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	693	693	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1680	-
Ukraine Origin CSFO USD/MT Kandla	CIF	835	838	-3
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		20-Dec-16	19-Dec-16	Change
Crude Soybean Oil Ship		841	841	Unch
Refined Soy Oil (Bulk) Ship		870	870	Unch
Sunflower Oil Ship		765	765	Unch
Cottonseed Oil Ship		821	821	Unch
Refined Linseed Oil (Bulk) Ship		861	861	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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