

Domestic Fundamentals:

- Mixed sentiments featured in the various edible oils at various market centers on Friday.
- BMD CPO rose 25.1 percent in 2016, strongest rise since 2010. Most of the firming of prices in 2016 was due to El Nino and its lagged effect in yields. RBD palmolein prices rose 33 percent y-o-y. Higher palm oil prices were supported by weak ringgit and CBOT soy oil and DALIAN RBD palmolein. Moreover, prices were supported by higher crude oil prices. Further, higher biodiesel production in Indonesia and Malaysia supported the best rise in 6 years. Moreover, CPO prices rose 37 percent at Kandla and RBD palmolein rose 35 percent y-o-y. 2016 market the best rise since 2010. Markets are still positive looking ahead as lagged effect of El Nino curbs production until March 2017. Firming of exports of palm oil during 20 Dec-25 Dec from Malaysia points towards improvement of demand from India and China. Demand improved from India due to low stocks at ports and pipelines and firm demand from Malaysia due to lower prices of RBD palmolein. China is purchasing more on stocking ahead of Chinese New Year and refurbish stocks of palm oil on lower buying year to date in 2016. Weak ringgit is supporting gains. Palm oil is expected to get support from DALIAN soy oil, DALIAN RBD palmolein and CBOT soy oil in near term. Production is expected to remain weak in until March on lagged effect of El Nino. Aggressive pricing by Malaysia of RBD palmolein compared to Indonesia CPO is expected to support palm oil prices in medium term. Palm oil prices are in a range.
- Refined soy oil, Indore prices rose 16.5 percent in 2016 due to higher international prices of soy and palm oil. Lower crushing of soybean and lower imports in last couple of months led to higher prices in 2016. Higher soy oil production of soy oil in first 11 months of 2016 indicate higher crushing of soybean in Argentina which led to higher production of soy based biodiesel. Higher production of soy oil was due to President Mauricio Macri cutting of export duties of soy products.
Soy oil
Appointment of Carl Icahn as special advisor of regulation in US and head of EPA by Trump administration and who is critic of soy based biodiesel will underpin prices in medium term. Crush in US is progressing in weaker rate compared to corresponding period due to weak soy meal demand which will reduce soy oil stocks in December. Strong exports of soybean from US to China and rainfall missing key soybean belt in Argentina will support soybean complex prices in near term. Record soybean crops in South America will cap gains in medium term. Rise in crude oil will provide support to soy oil prices in near term. Prices are in a range.
- According to Argentina's government agricultures ministry, Argentina Jan-Nov 2016 soy oil production rose 8.5 percent to 8.01 MMT compared to corresponding period last year. Argentina processed 41 MMT of soybean in first 11 months of 2016, higher by 7.3 percent compared to corresponding period last year. Exports of soy oil from Jan-Oct 2016 reached USD 3 billion. Sunflower oil production grew 3.2 percent to 1.1 MMT in Jan-Nov, 2016 compared to corresponding period last year.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Jan-16	-0.15	716.50	720.55	715.80	717.30
Feb-16	-2.05	709.75	711.85	707.00	707.65

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	15,300	-1230	40010	350
Feb-16	6,460	-4590	29570	1650

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	10.70	20.35
Jan-16		-9.65
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	2.00	568.00	572.00	567.50	569.70
Jan-16	1.30	561.00	563.90	560.30	561.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1037	-325	4566	16
Jan-16	137	-117	2292	-40

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	22.3	30.5
Dec-16		-8.2
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	0.08	34.5	34.64	34.5	34.6
15-Mar	0.07	34.85	34.93	34.76	34.86
15-May	0.09	35.02	35.2	35.01	35.13
15-July	0.08	35.3	35.39	35.26	35.34
15-Aug	0.13	35.24	35.33	35.2	35.33

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	21	3187	3221	3186	3218
15-Feb	1	3135	3165	3135	3156
15-Mar	unch	3095	3121	3088	3109
15-Apr	5	3040	3068	3038	3060

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
30/12/2016	6.94	13439	4.486	15.91	68.10	3.25	102.3	53.79

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		30-Dec-16	29-Dec-16	
Refined Soybean Oil	Indore	728	722	6
	Indore (Soy Solvent Crude)	692	692	Unch
	Mumbai	730	730	Unch
	Mumbai (Soy Degum)	685	682	3
	Kandla/Mundra	720	725	-5
	Kandla/Mundra (Soy Degum)	695	695	Unch
	Kolkata	730	730	Unch
	Delhi	780	780	Unch
	Nagpur	723	723	Unch
	Rajkot	720	720	Unch
	Kota	740	740	Unch
	Hyderabad	703	703	Unch
	Akola	761	761	Unch
	Amrawati	761	761	Unch
	Bundi	740	742	-2
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	592	590	2
	Kandla (RBD Palm oil)	600	600	Unch
	Kandla RBD Pamolein	620	620	Unch
	Kakinada (Crude Palm Oil)	565	565	Unch
	Kakinada RBD Pamolein	615	610	5



	Haldia Pamolein	615	610	5
	Chennai RBD Pamolein	625	620	5
	KPT (krishna patnam) Pamolein	610	605	5
	Mumbai RBD Pamolein	628	625	3
	Delhi	680	670	10
	Rajkot	610	610	Unch
	Hyderabad	618	618	Unch
	Mangalore RBD Pamolein	625	620	5
	PFAD (Kandla)	465	460	5
	Refined Palm Stearin (Kandla)	525	525	Unch
Refined Sunflower Oil	Chennai	715	715	Unch
	Mumbai	725	730	-5
	Mumbai(Expeller Oil)	660	660	Unch
	Kandla	740	740	Unch
	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)	745	745	Unch
Groundnut Oil	Rajkot	965	960	5
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1010	1030	-20
	Mumbai	1020	1020	Unch
	Gondal	965	965	Unch
	Jamnagar	965	965	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	815	818	-3
	Jaipur (Kacchi Ghani Oil)	851	851	Unch
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	852	855	-3
	Neewai (Expeller Oil)	785	787	-2
	Neewai (Kacchi Ghani Oil)	830	828	2
	Bharatpur (Kacchi Ghani Oil)	860	880	-20
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	815	815	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	840	5
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	1010	1010	Unch



	New Delhi (Expeller Oil)	860	850	10
	Hapur (Expeller Oil)	Closed	Closed	-
	Hapur (Kacchi Ghani Oil)	Closed	Closed	-
	Agra (Kacchi Ghani Oil)	865	885	-20
Refined Cottonseed Oil	Rajkot	685	685	Unch
	Hyderabad	685	685	Unch
	Mumbai	695	695	Unch
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1060	1060	Unch
	Cochin	1050	1040	10
	Trissur	1070	1070	Unch
Sesame Oil	New Delhi	780	750	30
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	530	530	Unch
Rice Bran Oil (4%)	Punjab	610	610	Unch
Rice Bran Oil (4%)	Uttar Pradesh	610	610	Unch
Malaysia Palmolein USD/MT	FOB	750	750	Unch
	CNF India	775	780	-5
Indonesia CPO USD/MT	FOB	748	750	-2
	CNF India	775	780	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	748	748	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	760	765	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1770	1775	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	698	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1680	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	820	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		29-Dec-16	28-Dec-16	Change
Crude Soybean Oil Ship		810	815	-5
Refined Soy Oil (Bulk) Ship		838	843	-5
Sunflower Oil Ship		750	753	-3
Cottonseed Oil Ship		790	795	-5
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* 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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