

Domestic Fundamentals:

- Mostly sideways to firm sentiments featured in the various edible oils at various market centers on Monday.
- 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 marked the best rise since 2010. Markets are still positive looking ahead as lagged effect of El Nino curbs production until March 2017. Exports recovered in last 10 days of December due to rise in exports to 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 will supporting prices in near term. Production is expected to remain weak in until March on lagged effect of El Nino. 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. 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 cargo surveyor Intertek Testing Services (ITS), Malaysia's December palm oil exports fell 5.7 percent to 1,086,523 tons compared to 1,152,535 tons last month. Top buyers were European Union at 308,802 tons (213,045 tons), China at 196,985 tons (214,170 tons), India & subcontinent at 214,025 tons (161,260 tons). Values in brackets are figures of corresponding period last month.
- According to Energy Administration Agency of U.S. (EIA), U.S. October biodiesel output rose to 142 million gallons compared to 135 million gallons in September. Soy oil was the largest feedstock with 526 million lbs use in October compared to 537 million lbs in September.

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	8.35	716.80	725.40	716.80	724.40
Feb-16	9.05	706.95	718.00	707.00	716.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	18,060	2760	37660	-2350
Feb-16	20,650	14190	30890	1320

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	5.60	14.00
Jan-16		-8.40
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	6.10	567.10	579.00	567.10	576.60
Jan-16	6.10	563.80	571.00	563.80	568.90

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1381	344	4921	355
Jan-16	319	182	2328	36

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	15.4	23.1
Dec-16		-7.7
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)
02/01/2017	6.94	13535	4.48	15.87	68.23	3.265	102.7	53.90

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		2-Jan-17	31-Dec-16	
Refined Soybean Oil	Indore	730	730	Unch
	Indore (Soy Solvent Crude)	697	697	Unch
	Mumbai	725	725	Unch
	Mumbai (Soy Degum)	685	685	Unch
	Kandla/Mundra	720	720	Unch
	Kandla/Mundra (Soy Degum)	698	695	3
	Kolkata	725	725	Unch
	Delhi	780	780	Unch
	Nagpur	718	720	-2
	Rajkot	720	720	Unch
	Kota	742	740	2
	Hyderabad	703	703	Unch
	Akola	757	759	-2
	Amrawati	757	760	-3
	Bundi	745	740	5
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	590	590	Unch
	Kandla (RBD Palm oil)	600	600	Unch
	Kandla RBD Pamolein	620	615	5
	Kakinada (Crude Palm Oil)	565	565	Unch
	Kakinada RBD Pamolein	612	612	Unch



	Haldia Pamolein	612	612	Unch
	Chennai RBD Pamolein	620	620	Unch
	KPT (krishna patnam) Pamolein	608	608	Unch
	Mumbai RBD Pamolein	625	625	Unch
	Delhi	685	685	Unch
	Rajkot	618	610	8
	Hyderabad	618	618	Unch
	Mangalore RBD Pamolein	620	620	Unch
	PFAD (Kandla)	465	465	Unch
	Refined Palm Stearin (Kandla)	520	520	Unch
Refined Sunflower Oil	Chennai	715	715	Unch
	Mumbai	725	725	Unch
	Mumbai(Expeller Oil)	665	665	Unch
	Kandla	735	735	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	732	732	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	660	670	-10
	Erode (Expeller Oil)	745	745	Unch
Groundnut Oil	Rajkot	965	965	Unch
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1020	1010	10
	Mumbai	1020	1020	Unch
	Gondal	960	960	Unch
	Jamnagar	960	960	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	820	820	Unch
	Jaipur (Kacchi Ghani Oil)	851	850	1
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	855	855	Unch
	Neewai (Expeller Oil)	787	785	2
	Neewai (Kacchi Ghani Oil)	832	830	2
	Bharatpur (Kacchi Ghani Oil)	890	880	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	818	818	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	845	Unch
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	1010	1010	Unch



	New Delhi (Expeller Oil)	865	860	5
	Hapur (Expeller Oil)	900	Closed	-
	Hapur (Kacchi Ghani Oil)	995	Closed	-
	Agra (Kacchi Ghani Oil)	895	885	10
Refined Cottonseed Oil	Rajkot	695	685	10
	Hyderabad	678	678	Unch
	Mumbai	695	695	Unch
	New Delhi	695	693	2
Coconut Oil	Kangayan (Crude)	1100	1060	40
	Cochin	1050	1050	Unch
	Trissur	1070	1070	Unch
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	525	525	Unch
Rice Bran Oil (4%)	Punjab	610	610	Unch
Rice Bran Oil (4%)	Uttar Pradesh	610	610	Unch
Malaysia Palmolein USD/MT	FOB	Closed	753	-
	CNF India	775	775	Unch
Indonesia CPO USD/MT	FOB	Closed	750	-
	CNF India	775	775	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	820	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		31-Dec-16	30-Dec-16	Change
Crude Soybean Oil Ship		Closed	807	-
Refined Soy Oil (Bulk) Ship		Closed	835	-
Sunflower Oil Ship		Closed	755	-
Cottonseed Oil Ship		Closed	787	-
Refined Linseed Oil (Bulk) Ship		Closed	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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