

**Domestic Fundamentals:**

- Mixed sentiments featured in the various edible oils at various market centers on Tuesday.
- Palm oil have started 2017 with a positive start after rising 25.1 percent at BMD 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.  
Exports firmed in last 10 days of December and ended with 1-6 percent lower. Demand from India improved in last 5 days. Low stocks at ports and pipelines and positive refining margins have supported rise in demand.  
CPO prices started 2017 with positive note after 37 percent rise in 2016 at Kandla. RBD palmolein also started 2017 with positive note after rising 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.  
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.  
With recovery of demand from India exports in first 10 days of January are expected to show better numbers.  
Weak ringgit will supporting prices in near term.  
Palm oil prices are in a range.
- Soy oil started with positive note in both domestic and international markets. 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 of soy oil and firm demand in last couple of months led to higher prices in 2016.  
Higher soy oil production in Argentina 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 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 Societe Generale de Surveillance (SGS), Malaysia's December palm oil exports fell 1.8 percent to 1,109,606 tons compared to 1,130,172 tons in the corresponding period last month. Top buyers were European Union at 257,808 tons (215,995 tons), China at 176,477 tons (215,655 tons), India at 154,525 tons (118,010 tons), Pakistan at 46,150 tons (22,000 tons) and United States at 43,620 tons (55,556 tons). Values in brackets are figures of corresponding period last month.

**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	-0.20	730.00	731.00	723.50	726.60
Feb-16	-2.10	720.90	721.50	712.00	714.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	18,480	420	32380	-5280
Feb-16	14,530	-6120	32970	2080

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	8.40	20.50
Jan-16		-12.10
Feb-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
Dec-16	3.70	580.30	583.70	575.50	582.50
Jan-16	1.90	575.00	575.40	568.00	573.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1689	308	5085	164
Jan-16	647	328	2276	-52

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	12.5	21.7
Dec-16		-9.2
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	0.11	34.37	34.7	34.37	34.53
15-Mar	0.28	34.63	35	34.62	34.94
15-May	0.28	34.89	35.25	34.89	35.2
15-July	0.32	35.23	35.46	35.23	35.45
15-Aug	0.33	35.25	35.4	35.2	35.4

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	32	3241	3250	3237	3250
15-Feb	57	3180	3227	3180	3211
15-Mar	56	3133	3172	3133	3163
15-Apr	43	3085	3109	3085	3102

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/01/2017	6.96	13497	4.49	15.94	68.33	3.28	103.45	55.06

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Jan-17	2-Jan-17	
Refined Soybean Oil	Indore	735	730	5
	Indore (Soy Solvent Crude)	705	697	8
	Mumbai	725	725	Unch
	Mumbai (Soy Degum)	685	685	Unch
	Kandla/Mundra	735	720	15
	Kandla/Mundra (Soy Degum)	705	698	7
	Kolkata	730	725	5
	Delhi	790	780	10
	Nagpur	719	718	1
	Rajkot	725	720	5
	Kota	742	742	Unch
	Hyderabad	703	703	Unch
	Akola	758	757	1
	Amrawati	758	757	1
	Bundi	745	745	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	595	590	5
	Kandla (RBD Palm oil)	610	600	10
	Kandla RBD Pamolein	630	620	10
	Kakinada (Crude Palm Oil)	575	570	5
	Kakinada RBD Pamolein	620	612	8



	Haldia Pamolein	620	612	8
	Chennai RBD Pamolein	630	620	10
	KPT (krishna patnam) Pamolein	615	608	7
	Mumbai RBD Pamolein	635	625	10
	Delhi	685	685	Unch
	Rajkot	625	618	7
	Hyderabad	627	618	9
	Mangalore RBD Pamolein	630	620	10
	PFAD (Kandla)	470	465	5
	Refined Palm Stearin (Kandla)	530	520	10
Refined Sunflower Oil	Chennai	710	715	-5
	Mumbai	730	725	5
	Mumbai(Expeller Oil)	665	665	Unch
	Kandla	740	735	5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	732	732	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	660	660	Unch
	Erode (Expeller Oil)	745	745	Unch
Groundnut Oil	Rajkot	975	965	10
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1030	1020	10
	Mumbai	1020	1020	Unch
	Gondal	970	960	10
	Jamnagar	970	960	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	820	820	Unch
	Jaipur (Kacchi Ghani Oil)	847	851	-4
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	850	855	-5
	Neewai (Expeller Oil)	785	787	-2
	Neewai (Kacchi Ghani Oil)	830	832	-2
	Bharatpur (Kacchi Ghani Oil)	860	890	-30
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	815	818	-3
	Sri-Ganga Nagar (Kacchi Ghani Oil)	845	845	Unch
	Mumbai (Expeller Oil)	810	800	10
	Kolkata(Expeller Oil)	1010	1010	Unch



	New Delhi (Expeller Oil)	870	865	5
	Hapur (Expeller Oil)	880	900	-20
	Hapur (Kacchi Ghani Oil)	992	995	-3
	Agra (Kacchi Ghani Oil)	865	895	-30
Refined Cottonseed Oil	Rajkot	690	695	-5
	Hyderabad	678	678	Unch
	Mumbai	695	695	Unch
	New Delhi	700	695	5
Coconut Oil	Kangayan (Crude)	1100	1100	Unch
	Cochin	1060	1050	10
	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	520	525	-5
Rice Bran Oil (4%)	Punjab	610	610	Unch
Rice Bran Oil (4%)	Uttar Pradesh	610	610	Unch
Malaysia Palmolein USD/MT	FOB	758	Closed	-
	CNF India	790	775	15
Indonesia CPO USD/MT	FOB	765	Closed	-
	CNF India	790	775	15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	753	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	765	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1780	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1680	-
Ukraine Origin CSFO USD/MT Kandla	CIF	823	820	3
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		2-Jan-17	31-Dec-16	Change
Crude Soybean Oil Ship		807	Closed	-
Refined Soy Oil (Bulk) Ship		835	Closed	-
Sunflower Oil Ship		755	Closed	-
Cottonseed Oil Ship		787	Closed	-
Refined Linseed Oil (Bulk) Ship		Unq	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).**

#### **Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2016 Indian Agribusiness Systems Pvt Ltd.