

**Domestic Fundamentals:**

- Mixed sentiments featured in the various edible oils at various market centers on Thursday.
- Palm oil has corrected on back of weaker competitive oils and weak RBD DALIAN. However, palm oil are expected to be firm in near term on higher exports and lower than expected end stocks growth of palm oil in Malaysia. Exports will improve in January on higher demand from top import destinations.  
Palm oil prices will be supported by weaker ringgit.  
Aggressive pricing of RBD palmolein Malaysia compared to CPO Indonesia will support exports of palm oil from Malaysia and support prices.  
Markets are still positive looking ahead as lagged effect of El Nino curbs production until March 2017.  
Exports firmed in last 10 days of December and ended with 1-6 percent lower. Demand from India improved in last 5 days of December.  
China is purchasing more on stocking ahead of Chinese New Year and replenish stocks of palm oil on lower buying year to date in 2016. Palm oil prices are in a range.
- Heavy rains in soybean producing regions of Argentina will reduce planted area in 2016/17. Rains will return again in weekend and damage will only be ascertained when rain stops.  
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 and January.  
Strong exports of soybean from US to China will support prices while 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.
- Argentina will slash its soybean export tax by 12% to 18% by the year 2020. The move is expected to boost the soybean planting in Argentina when food demand is seen rising. The official document suggests the plan for slashing 0.5% from the export levy every month in the year 2018 and 2019. Currently the tax is 30% which was cut by 5% from 35% by President Mauricio Macri immediately after he took the office after election last year - 2016.

**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	<b>-1.90</b>	730.50	731.45	727.00	728.00
Feb-16	<b>-0.95</b>	719.20	720.75	716.50	717.85

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	10,810	2660	29900	-870
Feb-16	19,840	7340	33970	2280

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	7.00	17.15
Jan-16		-10.15
Feb-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
Dec-16	<b>-4.20</b>	587.00	587.50	582.20	582.60
Jan-16	<b>-5.10</b>	575.50	576.00	569.90	570.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1005	223	5454	96
Jan-16	788	367	2029	-226

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	14.4	26.5
Dec-16		-12.1
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	<b>0.09</b>	34.98	35.17	34.97	35.07
15-Mar	<b>-0.01</b>	35.22	35.43	35.17	35.2
15-May	<b>-0.02</b>	35.46	35.67	35.41	35.43
15-July	<b>0.02</b>	35.66	35.87	35.61	35.68
15-Aug	<b>0.04</b>	35.65	35.8	35.6	35.64

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	<b>-24</b>	3245	3245	3210	3200
15-Feb	<b>-52</b>	3210	3210	3134	3137
15-Mar	<b>-46</b>	3164	3164	3094	3096
15-Apr	<b>-37</b>	3102	3105	3048	3050

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/01/2017	6.885	13369	4.485	16.07	67.96	3.205	102.42	53.55

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Jan-17	4-Jan-17	
Refined Soybean Oil	Indore	735	735	Unch
	Indore (Soy Solvent Crude)	705	705	Unch
	Mumbai	725	725	Unch
	Mumbai (Soy Degum)	680	685	-5
	Kandla/Mundra	725	725	Unch
	Kandla/Mundra (Soy Degum)	705	702	3
	Kolkata	730	730	Unch
	Delhi	770	770	Unch
	Nagpur	719	719	Unch
	Rajkot	727	725	2
	Kota	750	750	Unch
	Hyderabad	703	703	Unch
	Akola	758	758	Unch
	Amrawati	758	758	Unch
	Bundi	745	745	Unch
	Jalna	NA	NA	-
	Alwar	NA	NA	-
	Solapur	NA	NA	-
	Dhule	NA	NA	-
Palm Oil	Kandla (Crude Palm Oil)	597	597	Unch
	Kandla (RBD Palm oil)	610	605	5
	Kandla RBD Pamolein	625	620	5
	Kakinada (Crude Palm Oil)	572	572	Unch
	Kakinada RBD Pamolein	615	617	-2

	Haldia Pamolein	620	620	Unch
	Chennai RBD Pamolein	625	625	Unch
	KPT (krishna patnam) Pamolein	615	610	5
	Mumbai RBD Pamolein	630	630	Unch
	Delhi	680	680	Unch
	Rajkot	629	625	4
	Hyderabad	622	622	Unch
	Mangalore RBD Pamolein	625	625	Unch
	PFAD (Kandla)	465	465	Unch
	Refined Palm Stearin (Kandla)	525	525	Unch
Refined Sunflower Oil	Chennai	710	710	Unch
	Mumbai	725	725	Unch
	Mumbai(Expeller Oil)	660	660	Unch
	Kandla	740	740	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	727	727	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	660	660	Unch
	Erode (Expeller Oil)	745	745	Unch
Groundnut Oil	Rajkot	960	960	Unch
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1010	1010	Unch
	Mumbai	1020	1020	Unch
	Gondal	960	960	Unch
	Jamnagar	960	970	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	805	810	-5
	Jaipur (Kacchi Ghani Oil)	841	847	-6
	Kota (Expeller Oil)	800	790	10
	Kota (Kacchi Ghani Oil)	840	840	Unch
	Neewai (Expeller Oil)	777	777	Unch
	Neewai (Kacchi Ghani Oil)	822	822	Unch
	Bharatpur (Kacchi Ghani Oil)	855	850	5
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	805	805	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	840	845	-5
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	1020	1020	Unch



	New Delhi (Expeller Oil)	870	870	Unch
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	992	992	Unch
	Agra (Kacchi Ghani Oil)	860	855	5
Refined Cottonseed Oil	Rajkot	685	685	Unch
	Hyderabad	678	678	Unch
	Mumbai	690	700	-10
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1050	1060	-10
	Cochin	1070	1070	Unch
	Trissur	1060	1060	Unch
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	830	830	Unch
Rice Bran Oil (40%)	New Delhi	520	520	Unch
Rice Bran Oil (4%)	Punjab	600	600	Unch
Rice Bran Oil (4%)	Uttar Pradesh	600	600	Unch
Malaysia Palmolein USD/MT	FOB	758	755	3
	CNF India	780	778	2
Indonesia CPO USD/MT	FOB	768	755	13
	CNF India	790	785	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	758	750	8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	763	760	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1800	1785	15
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	698	2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1700	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	825	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		4-Jan-17	3-Jan-17	Change
Crude Soybean Oil Ship		809	805	4
Refined Soy Oil (Bulk) Ship		837	833	4
Sunflower Oil Ship		755	755	Unch
Cottonseed Oil Ship		789	785	4
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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