

Domestic Fundamentals:

- Weak sentiment featured in the various edible oils at various market centers on Friday.
- Palm oil has corrected on back of weaker competitive oils, weak RBD DALIAN and appreciating ringgit. However, palm oil is 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. Production of palm oil will be weaker in Malaysia in December due to lagged effect of El Nino and seasonal downtrend of production. Weather is expected to be warm in palm oil growing regions of South East Asia. However, wet weather is ruled out and if weather turns wet it will support palm production. In the oceans around Southeast Asia has cooled indicating weak La Nina. Aggressive pricing of RBD palmolein Malaysia compared to CPO Indonesia will support exports of palm oil from Malaysia and support prices. 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. Rise in crude oil prices will support prices. Palm oil prices are in a range.
- Area under soybean is expected to decrease in Argentina in 2016/17 due to initial dry conditions and wet conditions thereafter. There is still window left for planting but it will be below expect area. 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. 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. Rise in crude oil will provide support to soy oil prices in near term. Prices are in a range.
- Buenos Aires Grain Exchange has lowered its Argentina's 2016/17 soybean planting estimate to 19.3 million hectares from 19.6 million its previous forecast. Fall in the area is attributed to the dry weather in Southeast Buenos Aires province. Argentina's 2015/16 area under soybean was reported at 20.1 million hectares.
- 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	-1.70	728.00	728.00	724.10	726.70
Feb-16	-0.95	720.20	721.00	713.25	716.35

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	6,940	-3870	27280	-2620
Feb-16	12,410	-7430	34200	230

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	8.30	18.65
Jan-16		-10.35
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	-1.90	582.00	583.00	577.90	582.00
Jan-16	-0.70	570.30	572.70	566.50	572.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1695	690	5304	-150
Jan-16	582	-206	1889	-140

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	15.0	25
Dec-16		-10
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	-0.06	34.94	34.94	34.94	34.94
15-Mar	-0.12	35.22	35.35	34.86	35.1
15-May	-0.10	35.5	35.6	35.12	35.37
15-July	-0.08	35.79	35.79	35.36	35.61
15-Aug	-0.05	35.55	35.6	35.35	35.6

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-10	3142	3142	3069	3130
15-Feb	-20	3100	3100	3028	3075
15-Mar	-22	3047	3052	2981	3027
15-Apr	-21	3004	3004	2934	2980

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/01/2017	6.916	13360	4.47	15.96	67.96	3.204	101.64	54.20

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Jan-17	5-Jan-17	
Refined Soybean Oil	Indore	735	735	Unch
	Indore (Soy Solvent Crude)	705	705	Unch
	Mumbai	725	725	Unch
	Mumbai (Soy Degum)	680	680	Unch
	Kandla/Mundra	730	725	5
	Kandla/Mundra (Soy Degum)	702	705	-3
	Kolkata	730	730	Unch
	Delhi	760	770	-10
	Nagpur	719	719	Unch
	Rajkot	720	727	-7
	Kota	740	750	-10
	Hyderabad	713	703	10
	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)	615	610	5
	Kandla RBD Pamolein	625	625	Unch
	Kakinada (Crude Palm Oil)	565	572	-7
	Kakinada RBD Pamolein	615	615	Unch

	Haldia Pamolein	620	620	Unch
	Chennai RBD Pamolein	625	625	Unch
	KPT (krishna patnam) Pamolein	615	615	Unch
	Mumbai RBD Pamolein	625	630	-5
	Delhi	680	680	Unch
	Rajkot	620	629	-9
	Hyderabad	618	622	-4
	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)	722	727	-5
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	660	660	Unch
	Erode (Expeller Oil)	735	745	-10
Groundnut Oil	Rajkot	950	960	-10
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1030	1010	20
	Mumbai	1020	1020	Unch
	Gondal	950	960	-10
	Jamnagar	950	960	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	805	805	Unch
	Jaipur (Kacchi Ghani Oil)	841	841	Unch
	Kota (Expeller Oil)	800	800	Unch
	Kota (Kacchi Ghani Oil)	840	840	Unch
	Neewai (Expeller Oil)	777	777	Unch
	Neewai (Kacchi Ghani Oil)	822	822	Unch
	Bharatpur (Kacchi Ghani Oil)	840	855	-15
	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)	835	840	-5
	Mumbai (Expeller Oil)	800	800	Unch
	Kolkata(Expeller Oil)	1020	1020	Unch



	New Delhi (Expeller Oil)	860	870	-10
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	992	992	Unch
	Agra (Kacchi Ghani Oil)	845	860	-15
Refined Cottonseed Oil	Rajkot	685	685	Unch
	Hyderabad	680	678	2
	Mumbai	690	690	Unch
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1050	1050	Unch
	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	515	520	-5
Rice Bran Oil (4%)	Punjab	600	600	Unch
Rice Bran Oil (4%)	Uttar Pradesh	600	600	Unch
Malaysia Palmolein USD/MT	FOB	753	758	-5
	CNF India	773	780	-7
Indonesia CPO USD/MT	FOB	758	768	-10
	CNF India	778	790	-12
RBD Palm oil (Malaysia Origin USD/MT)	FOB	750	758	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	758	763	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1800	1800	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	700	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1690	-
Ukraine Origin CSFO USD/MT Kandla	CIF	825	820	5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		5-Jan-17	4-Jan-17	Change
Crude Soybean Oil Ship		809	809	Unch
Refined Soy Oil (Bulk) Ship		837	837	Unch
Sunflower Oil Ship		755	755	Unch
Cottonseed Oil Ship		789	789	Unch
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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