

Domestic Fundamentals:

- The edible oil markets mostly featured steady tone on flat demand Saturday.
- Palm oil prices are well supported by demand from China coupled with support from competitive oils from China. Demand from China will peak next week as Chinese New Year starts in end of January. Production of palm oil is still weak in Malaysia on lagged effect of El Nino. Export demand from other top destinations except India is steady supporting prices. Malaysia are unexpectedly rose in December due to lower fall in production. However, demand from India is very weak. Aggressive pricing by Malaysia by offering low RBD palmolein prices over Indonesia CPO will support palm oil prices in near term. Ringgit has supported competitive pricing by Malaysia which has shifted market share of palm oil towards Malaysia. Rise in crude oil prices will support prices. Palm oil prices are in a range.
- Higher stocks of soy oil in US as reported by USDA due to higher extraction rate will underpin soy oil prices in near term. USDA reduced soybean stocks in US on lower planted, harvested area and lower yields will support soybean complex prices in near term. Despite adverse conditions of planting and lower planting area USDA maintained Argentina's soy oil production in 2016/17. However, USDA increased Brazil soybean crop to 104 MMT and increased exports to record levels. 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. China imported record 9 MMT of soybean in December which has supported soybean prices. However, imports may decrease as rise in soybean prices hurt margins and low demand of soy oil and soy meal will lead to record stocks before Chinese New Year. Rise in crude oil will provide support to soy oil prices in near term. Prices are in a range.
- According to United States Department of Agriculture (USDA) January estimate, India's 2016/17 soy oil end stocks is estimated to rise to 0.45 MMT compared to 0.37 MMT in December estimate. Opening stocks are increased to 0.53 MMT from 0.45 MMT in January estimate. Production of soy oil is increased to 1.62 MMT from 1.51 MMT. Imports were unchanged at 3.8 MMT. Domestic consumption is increased to 5.5 MMT from 5.4 MMT. Higher end stocks are due to higher opening stocks and higher partially set off by higher domestic consumption.
- After AgRural and Conab, Agroconsult has raised the Brazil's 2016/17 soybean production projection to 104.4 million tons from 102.6 million tons estimated in November. The raise is attributed to favorable weather conditions which helped in boost the yield potential. Brazil's 2015/16 soybean production fell due to the unfavorable weather condition and the country could harvest only 96.3 million tons of soybean.

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	0.40	732.00	733.40	729.75	729.75
Feb-16	1.10	726.00	728.00	724.20	724.65

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	2,780	-3870	15260	-690
Feb-16	21,370	280	44080	2830

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	7.25	12.35
Jan-16		-5.10
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	0.50	588.00	592.70	587.20	588.20
Jan-16	-0.20	582.50	584.00	579.30	579.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1059	518	4953	86
Jan-16	538	29	1938	-6

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	18.8	27.2
Dec-16		-8.4
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-Mar	-0.20	36.01	36.2	35.84	35.87
15-May	-0.21	36.21	36.45	36.09	36.12
15-July	-0.20	36.36	36.68	36.33	36.36
15-Aug	-0.20	36.35	36.6	36.3	36.31
15-Sep	-0.19	36.38	36.38	36.18	36.19

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	75	3300	3330	3300	3280
15-Feb	6	3198	3210	3173	3182
15-Mar	2	3130	3150	3108	3120
15-Apr	8	3084	3107	3069	3083

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
13/01/2017	6.90	13324	4.46	15.81	68.15	3.19	101.14	52.64

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		14-Jan-17	13-Jan-17	
Refined Soybean Oil	Indore	737	740	-3
	Indore (Soy Solvent Crude)	700	705	-5
	Mumbai	730	730	Unch
	Mumbai (Soy Degum)	680	680	Unch
	Kandla/Mundra	735	735	Unch
	Kandla/Mundra (Soy Degum)	705	705	Unch
	Kolkata	735	735	Unch
	Delhi	760	755	5
	Nagpur	714	714	Unch
	Rajkot	Closed	725	-
	Kota	750	750	Unch
	Hyderabad	Closed	703	-
	Akola	752	752	Unch
	Amrawati	752	752	Unch
	Bundi	750	750	Unch
	Jalna	760	760	Unch
	Alwar	NA	NA	-
	Solapur	760	760	Unch
	Dhule	760	760	Unch
Palm Oil	Kandla (Crude Palm Oil)	607	610	-3
	Kandla (RBD Palm oil)	615	620	-5
	Kandla RBD Pamolein	635	635	Unch
	Kakinada (Crude Palm Oil)	Closed	565	-
	Kakinada RBD Pamolein	620	620	Unch



	Haldia Pamolein	630	630	Unch
	Chennai RBD Pamolein	630	630	Unch
	KPT (krishna patnam) Pamolein	620	620	Unch
	Mumbai RBD Pamolein	635	635	Unch
	Delhi	685	680	5
	Rajkot	Closed	630	-
	Hyderabad	Closed	613	-
	Mangalore RBD Pamolein	630	630	Unch
	PFAD (Kandla)	475	475	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	Closed	710	-
	Mumbai	725	725	Unch
	Mumbai(Expeller Oil)	665	665	Unch
	Kandla	735	735	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	Closed	722	-
	Latur (Expeller Oil)	Closed	730	-
	Chellakere (Expeller Oil)	Closed	655	-
	Erode (Expeller Oil)	Closed	740	-
Groundnut Oil	Rajkot	Closed	950	-
	Chennai	Closed	950	-
	Delhi	950	950	Unch
	Hyderabad *	Closed	1010	-
	Mumbai	1000	1000	Unch
	Gondal	Closed	960	-
	Jamnagar	Closed	950	-
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	Closed	795	-
	Jaipur (Kacchi Ghani Oil)	Closed	815	-
	Kota (Expeller Oil)	770	770	Unch
	Kota (Kacchi Ghani Oil)	815	815	Unch
	Neewai (Expeller Oil)	Closed	760	-
	Neewai (Kacchi Ghani Oil)	Closed	805	-
	Bharatpur (Kacchi Ghani Oil)	840	840	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	795	795	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	815	820	-5
	Mumbai (Expeller Oil)	740	740	Unch
	Kolkata(Expeller Oil)	980	980	Unch



	New Delhi (Expeller Oil)	815	815	Unch
	Hapur (Expeller Oil)	Closed	875	-
	Hapur (Kacchi Ghani Oil)	Closed	990	-
	Agra (Kacchi Ghani Oil)	845	845	Unch
Refined Cottonseed Oil	Rajkot	Closed	700	-
	Hyderabad	Closed	670	-
	Mumbai	690	690	Unch
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	Closed	1080	-
	Cochin	1090	1090	Unch
	Trissur	Closed	1112	-
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	790	790	Unch
Rice Bran Oil (40%)	New Delhi	510	510	Unch
Rice Bran Oil (4%)	Punjab	600	600	Unch
Rice Bran Oil (4%)	Uttar Pradesh	600	600	Unch
Malaysia Palmolein USD/MT	FOB	763	765	-2
	CNF India	783	785	-2
Indonesia CPO USD/MT	FOB	770	775	-5
	CNF India	793	795	-2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	763	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	765	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1915	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	705	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	1780	-
Ukraine Origin CSFO USD/MT Kandla	CIF	823	825	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		13-Jan-17	12-Jan-17	Change
Crude Soybean Oil Ship		820	831	-11
Refined Soy Oil (Bulk) Ship		849	860	-11
Sunflower Oil Ship		755	755	Unch
Cottonseed Oil Ship		800	811	-11
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).

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> © 2017 Indian Agribusiness Systems Pvt Ltd.