

Domestic Fundamentals:

- Weak sentiment featured in various edible oils at various markets centers on Tuesday.
- Palm oil prices are expected to fall as demand will decrease from India and China in near term. India is purchasing less. Imports by India have decreased in first 25 days of December due to low premium of soy oil over palm oil despite low stocks at ports and pipelines.
Appreciating Ringgit will adversely affect palm oil prices.
Aggressive pricing by Malaysia by offering low prices of RBD palmolein over Indonesia CPO has shifted export demand towards Malaysia and led to depletion of stocks in Malaysia and supported prices. Further, weaker ringgit has supported exports.
Exports of palm oil are showing strong numbers. However, exports are weak to top export destinations. Exports between 20-25 January has slowed indicating weak trend of demand.
End stocks of palm oil in Malaysia will show limited fall if exports do not show increase by the end of January. Production will remain weak until March on lagged effect of El Nino and seasonal downtrend of production.
Palm oil prices are in a range.
- Fall in Renewable Identification Numbers (RINs) in US which is used to value renewable credits which leads to higher soy oil consumption in renewable energy has adversely affected soy oil prices. US imports of RIN has caused Trump administration to act by delaying 30 regulation finalized by Obama administration which may be replaced by quota system.
Weather has improved in Argentina after wet conditions prevailed which led to crop losses.
Harvesting has started in Brazil with 4.3 percent harvest until last reports while some rains are reported but there is no loss reported. Record crops in Brazil may underpin prices.
Rise in stocks of soy oil in US in December on higher production of soy oil will underpin soy oil prices. Crush in January is progressing at lower levels which may lower soy oil stocks and support soy oil prices.
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 January 1-25 palm oil exports rose 9.3 percent to 904,257 tons compared to 827,347 tons in the corresponding period last month. Top buyers were European Union at 178,315 tons (204,375 tons), China at 145,510 tons (154,477 tons), India at 58,550 tons (103,525 tons), United States at 44,450 tons (36,925 tons) and Pakistan at 22,000 tons (14,150 tons). Values in brackets are figures of corresponding period last month.
- US 2016 biodiesel production rose 28.6 percent to 1.8 billion gallons compared to 1.4 billion gallons in 2015, according to National Biodiesel Board. Demand of biodiesel and renewable diesel in 2016 rose to record of 2.9 billion gallons, higher by 40 percent. Imports increased 1 billion gallons in 2016, higher by 50 percent y-o-y.

Outlook: Edible oil basket is expected to feature weak sentiment in near term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Jan-16	4.30	691.10	698.50	691.00	697.50
Feb-16	4.10	681.50	686.00	679.50	685.10

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Jan-16	15,750	-4480	34990	-3260
Feb-16	16,290	3120	47230	10930

Vol-OI are taken at 5:05 PM

Spread	Jan-16	Feb-16
Basis	12.50	24.90
Jan-16		-12.40
Feb-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Dec-16	5.10	570.00	577.00	567.30	575.50
Jan-16	4.80	558.00	566.60	557.50	564.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Dec-16	1780	535	4186	347
Jan-16	356	148	926	81

Vol-OI are taken at 5:05 PM

Spread	Nov-16	Dec-16
Basis	12.5	23.3
Dec-16		-10.8
Jan-16		

* CPO Kandla prices taken for spread calculated as at 5:30 PM

February 1, 2017
CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.18	33.65	33.81	33.55	33.79
15-May	0.17	33.92	34.09	33.83	34.07
15-July	0.18	34.18	34.35	34.09	34.34
15-Aug	0.18	34.2	34.4	34.17	34.38
15-Sep	0.16	34.19	34.35	34.14	34.35

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-13	3230	3235	3205	3230
15-Feb	-28	3100	3110	3080	3100
15-Mar	-37	3030	3037	3014	3029
15-Apr	-40	2970	2974	2954	2963

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
31/01/2017	6.88	13365	4.429	15.91	67.94	3.13	100.58	52.21

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		31-Jan-17	30-Jan-17	
Refined Soybean Oil	Indore	710	718	-8
	Indore (Soy Solvent Crude)	680	685	-5
	Mumbai	700	700	Unch
	Mumbai (Soy Degum)	655	660	-5
	Kandla/Mundra	705	705	Unch
	Kandla/Mundra (Soy Degum)	672	675	-3
	Kolkata	710	715	-5
	Delhi	730	740	-10
	Nagpur	700	699	1
	Rajkot	700	700	Unch
	Kota	730	730	Unch
	Hyderabad	703	703	Unch
	Akola	738	738	Unch
	Amrawati	739	738	1
	Bundi	720	720	Unch
	Jalna	748	748	Unch
	Alwar	NA	NA	-
	Solapur	747	747	Unch
	Dhule	747	747	Unch
Palm Oil	Kandla (Crude Palm Oil)	588	592	-4
	Kandla (RBD Palm oil)	600	610	-10
	Kandla RBD Pamolein	620	630	-10
	Kakinada (Crude Palm Oil)	585	590	-5
	Kakinada RBD Pamolein	620	630	-10
	Haldia Pamolein	620	630	-10
	Chennai RBD Pamolein	625	635	-10



	KPT (krishna patnam) Pamolein	615	625	-10
	Mumbai RBD Pamolein	630	635	-5
	Delhi	670	675	-5
	Rajkot	625	625	Unch
	Hyderabad	599	599	Unch
	Mangalore RBD Pamolein	625	635	-10
	PFAD (Kandla)	460	460	Unch
	Refined Palm Stearin (Kandla)	530	530	Unch
Refined Sunflower Oil	Chennai	710	710	Unch
	Mumbai	710	715	-5
	Mumbai(Expeller Oil)	650	665	-15
	Kandla (Ref.)	725	725	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	722	722	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	735	735	Unch
Groundnut Oil	Rajkot	940	940	Unch
	Chennai	950	950	Unch
	Delhi	950	950	Unch
	Hyderabad *	990	1015	-25
	Mumbai	1000	1010	-10
	Gondal	940	940	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	775	780	-5
	Jaipur (Kacchi Ghani Oil)	796	803	-7
	Kota (Expeller Oil)	760	770	-10
	Kota (Kacchi Ghani Oil)	805	805	Unch
	Neewai (Expeller Oil)	760	770	-10
	Neewai (Kacchi Ghani Oil)	775	785	-10
	Bharatpur (Kacchi Ghani Oil)	790	810	-20
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	770	780	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	800	800	Unch
	Mumbai (Expeller Oil)	770	790	-20
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	810	815	-5
	Hapur (Expeller Oil)	885	885	Unch

	Hapur (Kacchi Ghani Oil)	990	990	Unch
	Agra (Kacchi Ghani Oil)	795	815	-20
Refined Cottonseed Oil	Rajkot	710	700	10
	Hyderabad	675	680	-5
	Mumbai	690	695	-5
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1330	1330	Unch
	Cochin	1130	1120	10
	Trissur	1400	1380	20
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	740	-10
Rice Bran Oil (40%)	New Delhi	540	540	Unch
Rice Bran Oil (4%)	Punjab	595	600	-5
Rice Bran Oil (4%)	Uttar Pradesh	595	600	-5
Malaysia Palmolein USD/MT	FOB	765	Closed	-
	CNF India	780	Closed	-
Indonesia CPO USD/MT	FOB	773	Closed	-
	CNF India	793	Closed	-
RBD Palm oil (Malaysia Origin USD/MT)	FOB	763	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	755	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	2010	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	705	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1900	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	825	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		30-Jan-17	28-Jan-17	Change
Crude Soybean Oil Ship		765	Closed	-
Refined Soy Oil (Bulk) Ship		792	Closed	-
Sunflower Oil Ship		748	Closed	-
Cottonseed Oil Ship		745	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).

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