

Domestic Fundamentals:

- Mostly sideways to weak tone featured in the various edible oils on in various markets on Saturday.
- Palm oil sentiment looks tilted towards bears as exports continue to weaken towards the end of the month. RM 3000 for March month contract on BMD is acting as support to palm. Palm prices may weaken after some pullback on lower demand from India and China.
- Leading analysts in Globe oil New Delhi have indicated that prices may face severe fall on higher crop in Indonesia and Malaysia in 2017. Expectation of soy oil is also weak as stocks of accumulate in Argentina due to lower exports of soy oil based biodiesel in the country due to Trump administration expectation of blocking of Argentina exports. Palm oil exports rose at lower levels in last 10 days of January. Exports grew 4-8 percent in January on weak demand from India and China. Low premium of soy oil over palm oil at CNF markets in India may decrease demand in medium term. Demand from India is firm from Malaysia as CNF India RBD palmolein is quoted below CNF CPO China RBD palmolein prices fell after opening from Chinese New year. Demand from Indonesia has weakened in December as shown by GAPKI in its export numbers. Demand has shifted towards Malaysia due to aggressive pricing by Malaysia. Data from India and China show demand is higher from China and India from Malaysia compared to Indonesia Strong ringgit will adversely affect prices in near term. Palm oil prices are in a range.
- Favorable crops condition in Argentina and favorable harvest in Brazil will underpin prices of soybean complex in near term. Losses in Argentina are less than expected and replanting have been also better than expected. Fall in Renewable Identification Numbers (RINs) in US which is used to value renewable credits which leads to higher soy oil consumption biodiesel in Argentina has adversely affected soy oil prices. US imports of RIN has caused Trump administration to delay 30 regulation finalized by Obama administration which may be replace by quota system. 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 palm oil exports rose 4.3 percent to 1,157,288 tons compared to 1,109,606 tons in December 2016. Top buyers were European Union at 213,950 tons (257,808 tons), China at 145,510 tons (176,477 tons), India at 140,550 tons (154,525 tons), United States at 50,350 tons (43,620 tons) and Pakistan at 31,500 tons (46,150 tons). Values in brackets are figures of December 2016.
- According to Indonesia Palm Oil Association, Indonesia's December 2016 palm and palm kernel oil exports fell 5.6 percent to 2.68 MMT from 2.84 MMT in November 2016. Exports rose 6.8 percent from December 2015 when exports were 2.51 MMT. Exports in November 2016 rose 17.8 percent compared to October 2016. Exports in October 2016 were 2.41 MMT.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	0.40	701.75	703.40	700.80	701.90
Mar-16	-0.20	692.90	693.30	688.75	690.90

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	8,940	-2540	28740	-5530
Mar-16	14,550	1850	41740	-5270

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	13.10	24.10
Feb-16		-11.00
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	0.00	577.00	578.40	574.80	577.40
Mar-16	-1.50	567.00	567.30	562.40	564.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	607	-180	3704	-267
Mar-16	367	208	1240	237

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	12.6	25.5
Feb-16		-12.9
Mar-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	-0.03	34.55	34.74	34.34	34.56
15-May	-0.02	34.88	35.03	34.64	34.86
15-July	-0.03	35.12	35.3	34.91	35.12
15-Aug	-0.03	35.2	35.35	35	35.19
15-Sep	-0.04	35.1	35.36	35.1	35.18

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Jan	-13	3238	3260	3236	3250
15-Feb	-8	3133	3153	3125	3140
15-Mar	-17	3054	3072	3045	3055
15-Apr	-22	2990	2999	2973	2982

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/02/2017	6.87	13342	4.428	15.67	67.31	3.13	99.59	53.73

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		4-Feb-17	3-Feb-17	
Refined Soybean Oil	Indore	710	715	-5
	Indore (Soy Solvent Crude)	680	680	Unch
	Mumbai	700	700	Unch
	Mumbai (Soy Degum)	660	660	Unch
	Kandla/Mundra	700	698	2
	Kandla/Mundra (Soy Degum)	672	675	-3
	Kolkata	715	710	5
	Delhi	735	735	Unch
	Nagpur	703	703	Unch
	Rajkot	695	697	-2
	Kota	715	730	-15
	Hyderabad	703	703	Unch
	Akola	739	741	-2
	Amrawati	739	741	-2
	Bundi	720	722	-2
	Jalna	750	750	Unch
	Alwar	NA	NA	-
	Solapur	750	750	Unch
	Dhule	749	749	Unch
Palm Oil	Kandla (Crude Palm Oil)	588	590	-2
	Kandla (RBD Palm oil)	615	615	Unch
	Kandla RBD Pamolein	630	630	Unch
	Kakinada (Crude Palm Oil)	585	585	Unch
	Kakinada RBD Pamolein	630	625	5

	Haldia Pamolein	625	625	Unch
	Chennai RBD Pamolein	635	630	5
	KPT (krishna patnam) Pamolein	625	620	5
	Mumbai RBD Pamolein	640	635	5
	Delhi	675	675	Unch
	Rajkot	625	627	-2
	Hyderabad	594	594	Unch
	Mangalore RBD Pamolein	635	630	5
	PFAD (Kandla)	460	460	Unch
	Refined Palm Stearin (Kandla)	530	530	Unch
Refined Sunflower Oil	Chennai	705	710	-5
	Mumbai	730	730	Unch
	Mumbai(Expeller Oil)	655	655	Unch
	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	940	950	-10
	Delhi	950	950	Unch
	Hyderabad *	990	990	Unch
	Mumbai	990	1000	-10
	Gondal	940	940	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	778	775	3
	Jaipur (Kacchi Ghani Oil)	801	801	Unch
	Kota (Expeller Oil)	750	760	-10
	Kota (Kacchi Ghani Oil)	798	795	3
	Neewai (Expeller Oil)	755	770	-15
	Neewai (Kacchi Ghani Oil)	785	782	3
	Bharatpur (Kacchi Ghani Oil)	805	810	-5
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	775	770	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	795	793	2
	Mumbai (Expeller Oil)	770	770	Unch
	Kolkata(Expeller Oil)	960	960	Unch



	New Delhi (Expeller Oil)	805	805	Unch
	Hapur (Expeller Oil)	Closed	885	-
	Hapur (Kacchi Ghani Oil)	Closed	990	-
	Agra (Kacchi Ghani Oil)	810	815	-5
Refined Cottonseed Oil	Rajkot	700	700	Unch
	Hyderabad	680	680	Unch
	Mumbai	695	690	5
	New Delhi	700	700	Unch
Coconut Oil	Kangayan (Crude)	1400	1400	Unch
	Cochin	1140	1140	Unch
	Trissur	1410	1410	Unch
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	535	540	-5
Rice Bran Oil (4%)	Punjab	595	595	Unch
Rice Bran Oil (4%)	Uttar Pradesh	595	595	Unch
Malaysia Palmolein USD/MT	FOB	773	773	Unch
	CNF India	788	793	-5
Indonesia CPO USD/MT	FOB	768	770	-2
	CNF India	793	798	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	770	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	765	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1990	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	710	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	1805	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	820	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		3-Feb-17	2-Feb-17	Change
Crude Soybean Oil Ship		745	768	-23
Refined Soy Oil (Bulk) Ship		784	795	-11
Sunflower Oil Ship		743	740	3
Cottonseed Oil Ship		743	748	-5
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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