

**Domestic Fundamentals:**

- Mixed trend featured in the in various edible oils on in various markets on Thursday.
- Expectation of fall in production in Malaysia in January and firm exports in first 10 days of February will support palm oil prices in near term. End stocks are expected to fall to 5-month low, according to poll. Production of palm oil in Malaysia in January is the weak link in end stocks as production slides due to lagged effect of El Nino and due to flooding caused by monsoons. Lunar New Year holidays at the end of January exaggerate the fall in production. Seasonally adjusted too production will fall by minimum 7 percent compared to December. Agriwatch expects production will fall by 7-8 percent fall in production on headline number. Seasonally adjusted it will be in ranged of 5-6 percent m-o-m. Exports are expected to be flat in January in Malaysia due to weak 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. 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.
- Strong exports of soybean form US to China after Chinese New Year indicate that there is demand for US cargo while record crop in Brazil will underpin gains. Favorable crops condition in Argentina in after floods destroyed major crop areas. However, crop losses were limited. Areas where replanting was done, crop is in good condition. Further, dry areas of the country received beneficial rains which is supporting crop. Brazil soybean harvest is progressing at moderate pace. Despite early start to harvest, rains delayed harvest in many areas. However, co crop loss is reported. 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 January 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.

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

**NCDEX Soy Refined Oil:**

Contract	+/-	Open	High	Low	Close
Feb-16	0.85	705.00	708.50	704.70	707.0
Mar-16	1.05	693.50	696.95	692.90	695.3

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	8630	-5740	17330	-3100
Mar-16	14300	-2630	47330	-2030

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	8	
Feb-16		-11.7
Mar-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
Feb-16	0.60	586.10	589.10	586.10	587.7
Mar-16	-0.20	581.50	583.90	581.00	582.0

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	932	0	2006	0
Mar-16	1195	-112	3404	195

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	2.3	
Feb-16		-5.7
Mar-16		

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

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		9-Feb-17	8-Feb-17	
Refined Soybean Oil	Indore	715	718	-3
	Indore (Soy Solvent Crude)	680	685	-5
	Mumbai	705	705	Unch
	Mumbai (Soy Degum)	650	655	-5
	Kandla/Mundra	700	705	-5
	Kandla/Mundra (Soy Degum)	670	670	Unch
	Kolkata	710	710	Unch
	Delhi	735	735	Unch
	Nagpur	702	695	7
	Rajkot	697	695	2
	Kota	715	715	Unch
	Hyderabad	703	703	Unch
	Akola	742	736	6
	Amrawati	742	736	6
	Bundi	720	715	5
	Jalna	750	743	7
	Alwar	NA	NA	-
	Solapur	748	738	10
	Dhule	748	741	7
Palm Oil	Kandla (Crude Palm Oil)	590	588	2
	Kandla (RBD Palm oil)	612	612	Unch
	Kandla RBD Pamolein	635	635	Unch
	Kakinada (Crude Palm Oil)	580	580	Unch
	Kakinada RBD Pamolein	630	625	5
	Haldia Pamolein	630	627	3
	Chennai RBD Pamolein	635	630	5
	KPT (krishna patnam) Pamolein	625	620	5
	Mumbai RBD Pamolein	640	640	Unch
	Delhi	675	675	Unch
	Rajkot	635	630	5
	Hyderabad	594	594	Unch
	Mangalore RBD Pamolein	635	630	5
	PFAD (Kandla)	465	465	Unch
	Refined Palm Stearin (Kandla)	535	535	Unch
Refined Sunflower Oil	Chennai	705	705	Unch
	Mumbai	730	730	Unch

	Mumbai(Expeller Oil)	655	655	Unch
	Kandla (Ref.)	720	720	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)	730	730	Unch
Groundnut Oil	Rajkot	940	940	Unch
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	1000	1000	Unch
	Mumbai	990	1000	-10
	Gondal	930	935	-5
	Jamnagar	940	950	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	755	765	-10
	Jaipur (Kacchi Ghani Oil)	799	799	Unch
	Kota (Expeller Oil)	760	760	Unch
	Kota (Kacchi Ghani Oil)	790	790	Unch
	Neewai (Expeller Oil)	755	755	Unch
	Neewai (Kacchi Ghani Oil)	785	785	Unch
	Bharatpur (Kacchi Ghani Oil)	820	810	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	760	760	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	790	785	5
	Mumbai (Expeller Oil)	770	770	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	805	805	Unch
	Hapur (Expeller Oil)	885	885	Unch
	Hapur (Kacchi Ghani Oil)	990	990	Unch
	Agra (Kacchi Ghani Oil)	825	815	10
Refined Cottonseed Oil	Rajkot	705	700	5
	Hyderabad	675	675	Unch
	Mumbai	700	700	Unch
	New Delhi	700	705	-5
Coconut Oil	Kangayan (Crude)	1300	1300	Unch
	Cochin	1140	1140	Unch
	Trissur	1350	1370	-20

Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	530	530	Unch
Rice Bran Oil (4%)	Punjab	595	595	Unch
Rice Bran Oil (4%)	Uttar Pradesh	595	595	Unch
Malaysia Palmolein USD/MT	FOB	765	788	-23
	CNF India	790	800	-10
Indonesia CPO USD/MT	FOB	773	780	-7
	CNF India	800	808	-8
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	788	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	770	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1950	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	718	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1850	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	825	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		8-Feb-17	7-Feb-17	Change
Crude Soybean Oil Ship		785	774	11
Refined Soy Oil (Bulk) Ship		812	801	11
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		765	754	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.