



Domestic Fundamentals:

- Steady to weak sentiments featured in various edible oils at various centers on bearish supply outlook.
- Malaysia's palm oil stocks declined to their lowest volume in 5-months at the end of January 2017. The fall is attributed to fall in the production and rise in exports in 5-months.
- However, the inventories remained higher than the market/industry expectations.
- The January palm oil inventories fell to 7.6% to 1.54 million tonnes, reportedly first month-on-month fall since August, reported by Malaysian Palm Oil Board (MPOB).
- The fall in inventories supported the Malaysian palm oil prices at higher levels at BMD.
- Malaysia's February 1 – 10 palm oil exports fell 0.4 percent to 337,282 tons compared to 338,777 tons exported during Jan. 1 – 10. Top buyers were European Union at 38,500 tons (27,760 tons), China at 76,500 tons (50,000 tons), Pakistan at 12,000 tons (7,000 tons), United States at 21,130 tons (14,100 tons) and India at 15,800 tons (4,500 tons). Values in brackets are figures of Jan. 1 – 10, reported cargo surveyor Societe Generale de Surveillance (SGS).
- 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.
- 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.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	-6.25	700.60	701.00	697.00	697.2
Mar-16	-7.70	691.00	691.00	684.00	685.3

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	6210	-1630	11800	-2880
Mar-16	23040	1940	52890	3290

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	7.8	
Feb-16		-11.95
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	0.60	586.10	589.10	586.10	587.7
Mar-16	-7.00	575.30	575.90	570.40	571.0

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	932	0	2006	0
Mar-16	1043	-1330	3175	34

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	-2.7	
Feb-16		-16.7
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
		13-Feb-17	10-Feb-17	
Refined Soybean Oil	Indore	705	715	-10
	Indore (Soy Solvent Crude)	672	680	-8
	Mumbai	700	705	-5
	Mumbai (Soy Degum)	650	655	-5
	Kandla/Mundra	700	700	Unch
	Kandla/Mundra (Soy Degum)	665	670	-5
	Kolkata	705	710	-5
	Delhi	720	735	-15
	Nagpur	702	702	Unch
	Rajkot	690	695	-5
	Kota	715	715	Unch
	Hyderabad	703	703	Unch
	Akola	742	742	Unch
	Amrawati	742	742	Unch
	Bundi	720	720	Unch
	Jalna	750	750	Unch
	Alwar	NA	NA	-
	Solapur	748	748	Unch
	Dhule	748	748	Unch
Palm Oil	Kandla (Crude Palm Oil)	585	590	-5
	Kandla (RBD Palm oil)	610	615	-5
	Kandla RBD Pamolein	625	635	-10
	Kakinada (Crude Palm Oil)	580	585	-5
	Kakinada RBD Pamolein	625	630	-5
	Haldia Pamolein	625	630	-5
	Chennai RBD Pamolein	630	635	-5
	KPT (krishna patnam) Pamolein	620	625	-5
	Mumbai RBD Pamolein	635	640	-5
	Delhi	675	675	Unch
	Rajkot	618	630	-12
	Hyderabad	594	599	-5
	Mangalore RBD Pamolein	630	635	-5
	PFAD (Kandla)	480	480	Unch
	Refined Palm Stearin (Kandla)	540	540	Unch
Refined Sunflower Oil	Chennai	705	705	Unch

	Mumbai	730	730	Unch
	Mumbai(Expeller Oil)	652	655	-3
	Kandla (Ref.)	715	720	-5
	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 *	980	1000	-20
	Mumbai	990	990	Unch
	Gondal	930	930	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	752	755	-3
	Jaipur (Kacchi Ghani Oil)	785	798	-13
	Kota (Expeller Oil)	760	760	Unch
	Kota (Kacchi Ghani Oil)	790	790	Unch
	Neewai (Expeller Oil)	745	755	-10
	Neewai (Kacchi Ghani Oil)	765	780	-15
	Bharatpur (Kacchi Ghani Oil)	790	800	-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	790	Unch
	Mumbai (Expeller Oil)	775	775	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	780	805	-25
	Hapur (Expeller Oil)	882	885	-3
	Hapur (Kacchi Ghani Oil)	970	990	-20
	Agra (Kacchi Ghani Oil)	795	805	-10
Refined Cottonseed Oil	Rajkot	685	700	-15
	Hyderabad	670	675	-5
	Mumbai	695	700	-5
	New Delhi	695	700	-5
Coconut Oil	Kangayan (Crude)	1300	1300	Unch
	Cochin	1170	1150	20

	Trissur	1350	1350	Unch
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	775	785	-10
	CNF India	783	803	-20
Indonesia CPO USD/MT	FOB	773	785	-12
	CNF India	798	813	-15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	773	783	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	760	770	-10
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1840	1920	-80
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	713	718	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1815	-
Ukraine Origin CSFO USD/MT Kandla	CIF	825	820	5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		10-Feb-17	9-Feb-17	Change
Crude Soybean Oil Ship		784	786	-2
Refined Soy Oil (Bulk) Ship		811	814	-3
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		764	766	-2
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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