



Domestic Fundamentals:

- Weak sentiments featured in various edible oils at various centers on higher domestic rabi and kharif oilseeds production.
- 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 tone in near term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	-5.45	696.95	696.90	690.00	691.5
Mar-16	-3.50	684.90	685.80	678.30	681.3

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	9360	8665	6240	-5560
Mar-16	34710	11670	51080	-1810

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	13.5	
Feb-16		-10.2
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	0.60	586.10	589.10	586.10	587.7
Mar-16	-3.20	571.50	572.40	563.30	567.8

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	932	0	2006	0
Mar-16	1578	535	3218	43

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	-7.7	
Feb-16		-19.9
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
		14-Feb-17	13-Feb-17	
Refined Soybean Oil	Indore	695	705	-10
	Indore (Soy Solvent Crude)	665	672	-7
	Mumbai	695	700	-5
	Mumbai (Soy Degum)	650	650	Unch
	Kandla/Mundra	690	700	-10
	Kandla/Mundra (Soy Degum)	660	665	-5
	Kolkata	700	705	-5
	Delhi	720	720	Unch
	Nagpur	696	702	-6
	Rajkot	690	690	Unch
	Kota	705	715	-10
	Hyderabad	703	703	Unch
	Akola	734	742	-8
	Amrawati	735	742	-7
	Bundi	705	720	-15
	Jalna	744	750	-6
	Alwar	NA	NA	-
	Solapur	743	748	-5
	Dhule	742	748	-6
Palm Oil	Kandla (Crude Palm Oil)	580	585	-5
	Kandla (RBD Palm oil)	605	610	-5
	Kandla RBD Pamolein	620	625	-5
	Kakinada (Crude Palm Oil)	575	580	-5
	Kakinada RBD Pamolein	620	625	-5
	Haldia Pamolein	620	625	-5
	Chennai RBD Pamolein	625	630	-5
	KPT (krishna patnam) Pamolein	615	620	-5
	Mumbai RBD Pamolein	630	635	-5
	Delhi	670	675	-5
	Rajkot	615	618	-3
	Hyderabad	584	594	-10
	Mangalore RBD Pamolein	625	630	-5
	PFAD (Kandla)	475	480	-5
	Refined Palm Stearin (Kandla)	535	540	-5
Refined Sunflower Oil	Chennai	705	705	Unch

	Mumbai	725	730	-5
	Mumbai(Expeller Oil)	645	652	-7
	Kandla (Ref.)	715	715	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	920	940	-20
	Chennai	930	930	Unch
	Delhi	950	950	Unch
	Hyderabad *	980	980	Unch
	Mumbai	990	990	Unch
	Gondal	920	930	-10
	Jamnagar	920	940	-20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	742	752	-10
	Jaipur (Kacchi Ghani Oil)	775	785	-10
	Kota (Expeller Oil)	740	760	-20
	Kota (Kacchi Ghani Oil)	778	790	-12
	Neewai (Expeller Oil)	740	745	-5
	Neewai (Kacchi Ghani Oil)	755	765	-10
	Bharatpur (Kacchi Ghani Oil)	790	790	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	745	760	-15
	Sri-Ganga Nagar (Kacchi Ghani Oil)	780	790	-10
	Mumbai (Expeller Oil)	770	775	-5
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	770	780	-10
	Hapur (Expeller Oil)	882	882	Unch
	Hapur (Kacchi Ghani Oil)	970	970	Unch
	Agra (Kacchi Ghani Oil)	795	795	Unch
Refined Cottonseed Oil	Rajkot	690	685	5
	Hyderabad	670	670	Unch
	Mumbai	690	695	-5
	New Delhi	695	695	Unch
Coconut Oil	Kangayan (Crude)	1300	1300	Unch
	Cochin	1170	1170	Unch

	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	525	530	-5
Rice Bran Oil (4%)	Punjab	595	595	Unch
Rice Bran Oil (4%)	Uttar Pradesh	595	595	Unch
Malaysia Palmolein USD/MT	FOB	770	775	-5
	CNF India	780	783	-3
Indonesia CPO USD/MT	FOB	768	773	-5
	CNF India	790	798	-8
RBD Palm oil (Malaysia Origin USD/MT)	FOB	768	773	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	755	760	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1790	1840	-50
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	710	713	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1790	-
Ukraine Origin CSFO USD/MT Kandla	CIF	820	825	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		13-Feb-17	10-Feb-17	Change
Crude Soybean Oil Ship		777	784	-7
Refined Soy Oil (Bulk) Ship		801	811	-10
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		757	764	-7
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.