

**Domestic Fundamentals:**

- Steady to weak sentiments featured in various edible oils on flat demand with exception in groundnut oil which witnessed mostly firm tone on good demand.
- Malaysia's February 1 – 15 palm oil exports fell 3.6 percent to 501,748 tons compared to 520,332 tons exported during Jan. 1 – 15. Top buyers were European Union at 45700 tons (67015 tons), China at 79500 tons (82550 tons), Pakistan at 24,000 tons (14,000 tons), United States at 37,130 tons (18,750 tons) and India at 58,290 tons (50,300 tons). Values in brackets are figures of Jan. 1 – 15, reported cargo surveyor Societe Generale de Surveillance (SGS).
- 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.
- 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	-2.50	688.40	690.70	685.80	686.0
Mar-16	1.20	678.50	681.60	672.90	679.2

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	3050	-6310	4350	-1890
Mar-16	19010	-15700	52780	1700

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	6	
Feb-16		-6.85
Mar-16		

**MCX CPO:**

Contract	+/-	Open	High	Low	Close
Feb-16	3.40	567.00	573.70	567.00	568.6
Mar-16	2.70	559.10	562.70	558.80	559.8

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	739	-193	3095	1089
Mar-16	1064	-514	2918	-300

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	9.4	
Feb-16		-8.8
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
		15-Feb-17	14-Feb-17	
Refined Soybean Oil	Indore	692	695	-3
	Indore (Soy Solvent Crude)	662	665	-3
	Mumbai	690	695	-5
	Mumbai (Soy Degum)	650	650	Unch
	Kandla/Mundra	688	690	-2
	Kandla/Mundra (Soy Degum)	662	660	2
	Kolkata	695	700	-5
	Delhi	720	720	Unch
	Nagpur	696	696	Unch
	Rajkot	685	690	-5
	Kota	700	705	-5
	Hyderabad	698	703	-5
	Akola	734	734	Unch
	Amrawati	735	735	Unch
	Bundi	705	705	Unch
	Jalna	744	744	Unch
	Alwar	NA	NA	-
	Solapur	743	743	Unch
	Dhule	742	742	Unch
Palm Oil	Kandla (Crude Palm Oil)	578	580	-2
	Kandla (RBD Palm oil)	600	605	-5
	Kandla RBD Pamolein	620	620	Unch
	Kakinada (Crude Palm Oil)	575	575	Unch
	Kakinada RBD Pamolein	615	620	-5
	Haldia Pamolein	615	620	-5
	Chennai RBD Pamolein	622	625	-3
	KPT (krishna patnam) Pamolein	610	615	-5
	Mumbai RBD Pamolein	620	630	-10
	Delhi	670	670	Unch
	Rajkot	620	615	5
	Hyderabad	584	584	Unch
	Mangalore RBD Pamolein	622	625	-3
	PFAD (Kandla)	475	475	Unch
	Refined Palm Stearin (Kandla)	535	535	Unch
Refined Sunflower Oil	Chennai	700	705	-5

	Mumbai	725	725	Unch
	Mumbai(Expeller Oil)	645	645	Unch
	Kandla (Ref.)	710	715	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	722	-5
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	665	665	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	935	920	15
	Chennai	940	930	10
	Delhi	950	950	Unch
	Hyderabad *	1000	980	20
	Mumbai	980	990	-10
	Gondal	930	920	10
	Jamnagar	930	920	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	742	742	Unch
	Jaipur (Kacchi Ghani Oil)	779	775	4
	Kota (Expeller Oil)	740	740	Unch
	Kota (Kacchi Ghani Oil)	770	778	-8
	Neewai (Expeller Oil)	740	740	Unch
	Neewai (Kacchi Ghani Oil)	755	755	Unch
	Bharatpur (Kacchi Ghani Oil)	800	790	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	740	745	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	775	780	-5
	Mumbai (Expeller Oil)	760	770	-10
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	770	770	Unch
	Hapur (Expeller Oil)	880	882	-2
	Hapur (Kacchi Ghani Oil)	965	970	-5
	Agra (Kacchi Ghani Oil)	805	795	10
Refined Cottonseed Oil	Rajkot	690	690	Unch
	Hyderabad	670	670	Unch
	Mumbai	695	690	5
	New Delhi	685	695	-10
Coconut Oil	Kangayan (Crude)	1220	1300	-80
	Cochin	1180	1170	10



	Trissur	1280	1350	-70
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	525	525	Unch
Rice Bran Oil (4%)	Punjab	595	595	Unch
Rice Bran Oil (4%)	Uttar Pradesh	595	595	Unch
Malaysia Palmolein USD/MT	FOB	770	770	Unch
	CNF India	780	780	Unch
Indonesia CPO USD/MT	FOB	768	768	Unch
	CNF India	795	790	5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	768	768	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	750	755	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1820	1790	30
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	710	710	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1790	-
Ukraine Origin CSFO USD/MT Kandla	CIF	815	820	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		14-Feb-17	13-Feb-17	Change
Crude Soybean Oil Ship		777	777	Unch
Refined Soy Oil (Bulk) Ship		804	801	3
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		757	757	Unch
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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