

Domestic Fundamentals:

- Refined soy oil mostly witnessed weak tone, palm oil steady to firm, refined sunflower, rapeseed-mustard, cottonseed oil and groundnut oil steady on flat demand in various oils at key markets.
- The US soyoil inventories of January 31 surged to 1.629 billion lbs from 1.582 billion lbs in January 2016 and also from 1.434 billion lbs at the end of December, said NOPA.
- 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 range-bound movement on weak tone in near term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	-7.40	686.35	686.40	680.50	681.1
Mar-16	-7.90	678.00	678.80	671.45	672.3

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	3600	550	4170	-180
Mar-16	30160	11150	51670	-1110

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	8.9	
Feb-16		-8.85
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-7.00	569.60	570.00	562.00	564.1
Mar-16	-6.40	560.10	560.40	553.10	555.1

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1176	437	3218	123
Mar-16	1688	624	3476	558

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	10.9	
Feb-16		-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
		16-Feb-17	15-Feb-17	
Refined Soybean Oil	Indore	690	692	-2
	Indore (Soy Solvent Crude)	662	662	Unch
	Mumbai	690	690	Unch
	Mumbai (Soy Degum)	645	650	-5
	Kandla/Mundra	690	688	2
	Kandla/Mundra (Soy Degum)	655	662	-7
	Kolkata	695	695	Unch
	Delhi	720	720	Unch
	Nagpur	691	696	-5
	Rajkot	680	685	-5
	Kota	695	700	-5
	Hyderabad	698	698	Unch
	Akola	730	734	-4
	Amrawati	730	735	-5
	Bundi	700	705	-5
	Jalna	739	744	-5
	Alwar	NA	NA	-
	Solapur	740	743	-3
	Dhule	736	742	-6
Palm Oil	Kandla (Crude Palm Oil)	575	578	-3
	Kandla (RBD Palm oil)	600	600	Unch
	Kandla RBD Pamolein	620	620	Unch
	Kakinada (Crude Palm Oil)	575	575	Unch
	Kakinada RBD Pamolein	620	615	5
	Haldia Pamolein	620	615	5
	Chennai RBD Pamolein	625	622	3
	KPT (krishna patnam) Pamolein	615	610	5
	Mumbai RBD Pamolein	620	620	Unch
	Delhi	670	670	Unch
	Rajkot	610	620	-10
	Hyderabad	584	584	Unch
	Mangalore RBD Pamolein	625	622	3
	PFAD (Kandla)	475	475	Unch
	Refined Palm Stearin (Kandla)	535	535	Unch
Refined Sunflower Oil	Chennai	700	700	Unch

	Mumbai	725	725	Unch
	Mumbai(Expeller Oil)	645	645	Unch
	Kandla (Ref.)	710	710	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	717	717	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	655	665	-10
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	935	935	Unch
	Chennai	930	940	-10
	Delhi	950	950	Unch
	Hyderabad *	1000	1000	Unch
	Mumbai	980	980	Unch
	Gondal	930	930	Unch
	Jamnagar	930	930	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	742	742	Unch
	Jaipur (Kacchi Ghani Oil)	778	779	-1
	Kota (Expeller Oil)	730	740	-10
	Kota (Kacchi Ghani Oil)	775	770	5
	Neewai (Expeller Oil)	740	740	Unch
	Neewai (Kacchi Ghani Oil)	755	755	Unch
	Bharatpur (Kacchi Ghani Oil)	800	800	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	740	740	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	780	775	5
	Mumbai (Expeller Oil)	760	760	Unch
	Kolkata(Expeller Oil)	960	960	Unch
	New Delhi (Expeller Oil)	775	770	5
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	965	965	Unch
	Agra (Kacchi Ghani Oil)	805	805	Unch
Refined Cottonseed Oil	Rajkot	680	690	-10
	Hyderabad	670	670	Unch
	Mumbai	695	695	Unch
	New Delhi	685	685	Unch
Coconut Oil	Kangayan (Crude)	1260	1220	40
	Cochin	1180	1180	Unch

	Trissur	1280	1280	Unch
Sesame Oil	New Delhi	780	780	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	520	525	-5
Rice Bran Oil (4%)	Punjab	590	595	-5
Rice Bran Oil (4%)	Uttar Pradesh	590	595	-5
Malaysia Palmolein USD/MT	FOB	748	770	-22
	CNF India	773	780	-7
Indonesia CPO USD/MT	FOB	768	768	Unch
	CNF India	790	795	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	748	768	-20
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	750	750	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1760	1820	-60
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	708	710	-2
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1745	-
Ukraine Origin CSFO USD/MT Kandla	CIF	813	815	-2
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		15-Feb-17	14-Feb-17	Change
Crude Soybean Oil Ship		772	777	-5
Refined Soy Oil (Bulk) Ship		799	804	-5
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		752	757	-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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