

Domestic Fundamentals:

- Weak sentiment featured in various edible oils in various markets on Friday.
- Slowdown of palm oil exports from Malaysia IN February which fell 1-4 percent due to weak imports from India and China. However, weak ringgit is supporting prices. Production of palm oil in Malaysia in January fell on lagged effect of El Nino. Production of palm oil will continue to remain weak until March on lagged effect of El Nino and flooding caused by monsoons rains. Lunar New Year holidays at the end of January exaggerate the fall in production. End stocks fell to 5 month lows on lower production. Prices are also taking cues from competitive oils as premium of soy oil over palm oil is very low due to which demand will shift towards soy oil and underpin prices.
- The US soy oil inventories of January 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. Rise in inventory of soy oil is primarily due to higher crush of soybean which led to higher production of soy oil leading to higher inventory of soy oil in US. Higher soy oil stocks in US will underpin soy oil prices in near to medium term.
Brazil soybean harvest is progressing at moderate pace. Despite early start to harvest, rains delayed harvest in many areas. However, recent pickup in harvest will pressurize soy complex prices.
Soybean crop in Argentina could cross 54.8 MMT if current good weather conditions continue, according to Buenos Aires Grains Exchange. Higher supply from South America will underpin soybean complex prices in near term.
- According to Solvent Extractors Association (SEA), India's January edible oil imports fell 19.7 percent y-o-y to 10.08 lakh tons from 12.55 lakh tons in January 2016. Palm oil imports fell 11.5 percent y-o-y to 6.08 lakh tons y-o-y from 6.88 lakh tons in January 2016. CPO Imports fell 23 percent y-o-y to 4.08 lakh tons from 5.30 lakh tons in January 2016. RBD palmolein imports rose 30.7 percent y-o-y to 1.97 lakh tons from 1.50 lakh tons in January 2016. Soy oil imports fell 62 percent y-o-y to 1.67 lakh tons from 4.41 lakh tons in January 2016. Sunflower oil imports rose 27.1 percent y-o-y to 2.15 lakh tons from 1.18 lakh ton in January 2016. Rapeseed (Canola) oil imports rose 134 percent y-o-y to 0.18 lakh tons from 0.07 lakh tons in January 2016.
- According to Solvent Extractors Association (SEA), India's January edible oil stocks at ports and pipelines fell 6.6 m-o-m to 17.30 lakh tons from 18.45 lakh tons in December 2016. Stocks of edible oil at ports fell to 642,000 tons (CPO 220,000 tons, RBD Palmolein 150,000 tons, Degummed Soybean Oil 180,000 tons, Crude Sunflower Oil 85,000 tons and 7,000 tons of Rapeseed (Canola) Oil) and about 1,088,000 tons in pipelines (stocks in pipelines were at 1,150,000 tons in December 2016). India is presently holding 32 days of edible oil requirement on 1st February, 2017 at 17.80 lakh tons compared to 34 days of requirements last month. India's monthly edible oil requirement is 16.5 lakh tons.
- According to Malaysia Palm Oil Board (MPOB), Malaysia increased March crude palm oil export duty to 8 percent from 7.5 percent in February. Tax is calculated at reference price of 3,337.30 ringgit (\$748.95) per ton. Tax is calculated above 2,250 ringgit starting from 4.5 percent to a maximum of 8.5 percent.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-6.75	667.30	669.15	663.30	663.80
Apr-16	-6.00	660.70	663.15	657.50	658.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	28,330	-1830	55190	3520
Apr-16	4,160	160	25660	-340

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	11.20	17.00
Mar-16		-5.80
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-5.00	558.80	560.80	556.00	557.30
Mar-16	-6.00	549.90	552.30	546.50	548.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1258	82	3075	-143
Mar-16	1008	-680	3714	238

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	12.7	22
Feb-16		-9.3
Mar-16		

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

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	-0.58	33.63	33.65	32.84	32.94
15-May	-0.61	33.91	33.93	33.13	33.2
15-July	-0.59	34.13	34.15	33.38	33.46
15-Aug	-0.64	34.14	34.14	33.49	33.49
15-Sep	-0.57	34.2	34.26	33.55	33.62

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	-56	3119	3150	3088	3094
15-Mar	-69	2999	3000	2943	2951
15-Apr	-71	2901	2908	2851	2859
15-May	-63	2825	2827	2773	2779

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
17/02/2017	6.87	13342	4.45	15.42	67	3.09	100.69	53.14

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		17-Feb-17	16-Feb-17	
Refined Soybean Oil	Indore	675	690	-15
	Indore (Soy Solvent Crude)	650	662	-12
	Mumbai	690	690	Unch
	Mumbai (Soy Degum)	645	645	Unch
	Kandla/Mundra	685	690	-5
	Kandla/Mundra (Soy Degum)	650	655	-5
	Kolkata	690	695	-5
	Delhi	700	720	-20
	Nagpur	691	691	Unch
	Rajkot	672	680	-8
	Kota	690	695	-5
	Hyderabad	698	698	Unch
	Akola	730	730	Unch
	Amrawati	730	730	Unch
	Bundi	690	700	-10
	Jalna	739	739	Unch
	Alwar	NA	NA	-
	Solapur	740	740	Unch
	Dhule	736	736	Unch
Palm Oil	Kandla (Crude Palm Oil)	570	575	-5
	Kandla (RBD Palm oil)	590	600	-10
	Kandla RBD Pamolein	612	620	-8
	Kakinada (Crude Palm Oil)	570	575	-5
	Kakinada RBD Pamolein	615	620	-5



	Haldia Pamolein	620	620	Unch
	Chennai RBD Pamolein	620	625	-5
	KPT (krishna patnam) Pamolein	610	615	-5
	Mumbai RBD Pamolein	620	620	Unch
	Delhi	665	670	-5
	Rajkot	605	610	-5
	Hyderabad	580	584	-4
	Mangalore RBD Pamolein	620	625	-5
	PFAD (Kandla)	470	475	-5
	Refined Palm Stearin (Kandla)	535	535	Unch
Refined Sunflower Oil	Chennai	695	700	-5
	Mumbai	720	725	-5
	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	655	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	940	935	5
	Chennai	930	930	Unch
	Delhi	920	950	-30
	Hyderabad *	980	1000	-20
	Mumbai	970	980	-10
	Gondal	935	930	5
	Jamnagar	935	930	5
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	742	742	Unch
	Jaipur (Kacchi Ghani Oil)	772	778	-6
	Kota (Expeller Oil)	730	730	Unch
	Kota (Kacchi Ghani Oil)	780	775	5
	Neewai (Expeller Oil)	730	740	-10
	Neewai (Kacchi Ghani Oil)	745	755	-10
	Bharatpur (Kacchi Ghani Oil)	790	800	-10
	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	780	Unch
	Mumbai (Expeller Oil)	750	760	-10
	Kolkata(Expeller Oil)	960	960	Unch



	New Delhi (Expeller Oil)	775	775	Unch
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	986	986	Unch
	Agra (Kacchi Ghani Oil)	795	805	-10
Refined Cottonseed Oil	Rajkot	685	680	5
	Hyderabad	670	670	Unch
	Mumbai	690	695	-5
	New Delhi	665	685	-20
Coconut Oil	Kangayan (Crude)	1250	1260	-10
	Cochin	1210	1180	30
	Trissur	1290	1280	10
Sesame Oil	New Delhi	775	780	-5
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	520	520	Unch
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	730	748	-18
	CNF India	760	773	-13
Indonesia CPO USD/MT	FOB	750	768	-18
	CNF India	775	790	-15
RBD Palm oil (Malaysia Origin USD/MT)	FOB	730	748	-18
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	733	750	-17
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1700	1760	-60
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	703	708	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1735	-
Ukraine Origin CSFO USD/MT Kandla	CIF	805	813	-8
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		16-Feb-17	15-Feb-17	Change
Crude Soybean Oil Ship		760	772	-12
Refined Soy Oil (Bulk) Ship		787	799	-12
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		740	752	-12
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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