

### Domestic Fundamentals:

- Weak sentiment featured in various edible oils in various markets on Saturday.
- 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	<b>-0.58</b>	33.63	33.65	32.84	32.94
15-May	<b>-0.61</b>	33.91	33.93	33.13	33.2
15-July	<b>-0.59</b>	34.13	34.15	33.38	33.46
15-Aug	<b>-0.64</b>	34.14	34.14	33.49	33.49
15-Sep	<b>-0.57</b>	34.2	34.26	33.55	33.62

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	<b>-56</b>	3119	3150	3088	3094
15-Mar	<b>-69</b>	2999	3000	2943	2951
15-Apr	<b>-71</b>	2901	2908	2851	2859
15-May	<b>-63</b>	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
		18-Feb-17	17-Feb-17	
Refined Soybean Oil	Indore	675	675	Unch
	Indore (Soy Solvent Crude)	650	650	Unch
	Mumbai	680	690	<b>-10</b>
	Mumbai (Soy Degum)	638	645	<b>-7</b>
	Kandla/Mundra	675	685	<b>-10</b>
	Kandla/Mundra (Soy Degum)	645	650	<b>-5</b>
	Kolkata	685	690	<b>-5</b>
	Delhi	700	700	Unch
	Nagpur	686	691	<b>-5</b>
	Rajkot	670	672	<b>-2</b>
	Kota	690	690	Unch
	Hyderabad	694	698	<b>-4</b>
	Akola	723	730	<b>-7</b>
	Amrawati	723	730	<b>-7</b>
	Bundi	690	690	Unch
	Jalna	732	739	<b>-7</b>
	Alwar	NA	NA	-
	Solapur	733	740	<b>-7</b>
	Dhule	733	736	<b>-3</b>
Palm Oil	Kandla (Crude Palm Oil)	565	570	<b>-5</b>
	Kandla (RBD Palm oil)	585	590	<b>-5</b>
	Kandla RBD Pamolein	600	612	<b>-12</b>
	Kakinada (Crude Palm Oil)	560	570	<b>-10</b>
	Kakinada RBD Pamolein	610	615	<b>-5</b>



	Haldia Pamolein	615	620	-5
	Chennai RBD Pamolein	615	620	-5
	KPT (krishna patnam) Pamolein	600	610	-10
	Mumbai RBD Pamolein	605	620	-15
	Delhi	665	665	Unch
	Rajkot	602	605	-3
	Hyderabad	570	580	-10
	Mangalore RBD Pamolein	615	620	-5
	PFAD (Kandla)	470	470	Unch
	Refined Palm Stearin (Kandla)	535	535	Unch
Refined Sunflower Oil	Chennai	690	695	-5
	Mumbai	720	720	Unch
	Mumbai(Expeller Oil)	642	645	-3
	Kandla (Ref.)	705	710	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	717	-4
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	655	655	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	900	940	-40
	Chennai	940	930	10
	Delhi	920	920	Unch
	Hyderabad *	980	980	Unch
	Mumbai	970	970	Unch
	Gondal	940	935	5
	Jamnagar	950	935	15
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	735	742	-7
	Jaipur (Kacchi Ghani Oil)	772	772	Unch
	Kota (Expeller Oil)	730	730	Unch
	Kota (Kacchi Ghani Oil)	765	780	-15
	Neewai (Expeller Oil)	730	730	Unch
	Neewai (Kacchi Ghani Oil)	745	745	Unch
	Bharatpur (Kacchi Ghani Oil)	790	790	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	735	740	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	770	780	-10
	Mumbai (Expeller Oil)	745	750	-5
	Kolkata(Expeller Oil)	960	960	Unch



	New Delhi (Expeller Oil)	775	775	Unch
	Hapur (Expeller Oil)	Closed	880	-
	Hapur (Kacchi Ghani Oil)	Closed	986	-
	Agra (Kacchi Ghani Oil)	795	795	Unch
Refined Cottonseed Oil	Rajkot	670	675	-5
	Hyderabad	660	670	-10
	Mumbai	690	690	Unch
	New Delhi	665	665	Unch
Coconut Oil	Kangayan (Crude)	1250	1250	Unch
	Cochin	1215	1210	5
	Trissur	1290	1290	Unch
Sesame Oil	New Delhi	775	775	Unch
	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	725	730	-5
	CNF India	750	760	-10
Indonesia CPO USD/MT	FOB	740	750	-10
	CNF India	765	775	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	730	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	733	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1700	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	703	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	1620	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	805	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		17-Feb-17	16-Feb-17	Change
Crude Soybean Oil Ship		748	760	-12
Refined Soy Oil (Bulk) Ship		774	787	-13
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		728	740	-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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