

**Domestic Fundamentals:**

- Mostly weak sentiment featured in various edible oils in various markets on Wednesday.
- Palm oil- Palm oil prices fell in India today despite rise in BMD Malaysia on low premium of soy oil and sunflower oil and fall in soy oil prices.
Exports of palm oil from Malaysia in first 20 days of February are flat due to weak imports to India and China. Exports are expected to remain weak for rest of the month. Indian and Chinese buyers are looking for bargains. Appreciating ringgit will underpin prices in near term. Prices have stretched a lot so prices are retracing. One of the reasons of recent fall is low premium of soy oil over palm oil which will slow imports from Malaysia especially in India which is the biggest importer of palm and soy oil. India is a price sensitive country which may shift demand away from palm oil.
Production of palm oil in Malaysia in February is expected to remain weak after weak January. Production will only show growth in second half of 2017. Production fell in January on lagged effect of El Nino and flooding in parts of Malaysia.
Wet and warm weather forecast in major parts of Indonesia in February is expected to support palm oil yields in medium term. Weather led recovery in production will underpin prices on BMD Malaysia which has surged on low palm oil stocks in Malaysia. However, with higher production expected in second half of 2017, prices could retrace lower.
Firm crude oil will support prices.
Prices are in a range.
- Soy oil- Beneficial rains in Argentina will support crop development where dry weather could have adversely affected yields. 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. The US soy oil inventories of January surged in January 2016 as reported by 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 very good pace and is above last year and 5-year average. Despite early start to harvest, rains delayed harvest in many areas. However, recent pickup in harvest will pressurize soy complex prices.
Weak competitive oils prices will underpin prices in near term.
Prices are in a range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's February 1-20 palm oil exports rose 1.7 percent to 745,564 tons compared to 733,002 tons in corresponding period last month. Top buyers were European Union at 146,870 tons (141,845 tons), China at 101,020 tons (113,050 tons), India at 81,290 tons (58,550 tons), United States at 58,230 tons (21,750 tons) and Pakistan at 24,000 tons (14,000 tons). Values in brackets are figures of corresponding period last month.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-2.00	656.00	657.25	650.35	653.95
Apr-16	-2.50	650.80	650.85	643.50	647.05

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	37,700	3360	60530	1040
Apr-16	10,680	1590	26080	10

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	16.05	
Mar-16		-6.90
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-3.80	549.30	549.40	539.20	544.80
Mar-16	-3.10	539.80	540.10	530.40	535.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	2035	668	1993	-804
Mar-16	2197	-474	4398	26

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	10.2	
Feb-16		-9.8
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	0.27	32.71	33.04	32.71	32.94
15-May	0.28	32.99	33.31	32.98	33.23
15-July	0.27	33.24	33.57	33.24	33.49
15-Aug	0.27	33.36	33.65	33.36	33.6
15-Sep	0.22	33.58	33.73	33.49	33.65

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-1	3020	3038	2990	3022
15-Apr	10	2890	2898	2835	2875
15-May	28	2792	2812	2763	2809
15-June	39	2724	2747	2700	2743

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/02/2017	6.88	13360	4.45	15.59	66.975	3.097	101.61	54.13

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-Feb-17	21-Feb-17	
Refined Soybean Oil	Indore	670	670	Unch
	Indore (Soy Solvent Crude)	645	640	5
	Mumbai	665	670	-5
	Mumbai (Soy Degum)	630	635	-5
	Kandla/Mundra	665	670	-5
	Kandla/Mundra (Soy Degum)	635	640	-5
	Kolkata	670	680	-10
	Delhi	695	695	Unch
	Nagpur	675	684	-9
	Rajkot	665	665	Unch
	Kota	670	680	-10
	Hyderabad	689	689	Unch
	Akola	714	722	-8
	Amrawati	714	722	-8
	Bundi	680	685	-5
	Jalna	722	732	-10
	Alwar	NA	NA	-
	Solapur	723	733	-10
	Dhule	719	729	-10
Palm Oil	Kandla (Crude Palm Oil)	555	558	-3
	Kandla (RBD Palm oil)	575	585	-10
	Kandla RBD Pamolein	585	600	-15
	Kakinada (Crude Palm Oil)	550	560	-10
	Kakinada RBD Pamolein	595	610	-15



	Haldia Pamolein	600	615	-15
	Chennai RBD Pamolein	605	615	-10
	KPT (krishna patnam) Pamolein	585	600	-15
	Mumbai RBD Pamolein	605	605	Unch
	Delhi	645	645	Unch
	Rajkot	590	595	-5
	Hyderabad	561	565	-4
	Mangalore RBD Pamolein	605	615	-10
	PFAD (Kandla)	460	470	-10
	Refined Palm Stearin (Kandla)	530	535	-5
Refined Sunflower Oil	Chennai	690	690	Unch
	Mumbai	710	720	-10
	Mumbai(Expeller Oil)	632	635	-3
	Kandla (Ref.)	700	705	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	703	703	Unch
	Latur (Expeller Oil)	730	730	Unch
	Chellakere (Expeller Oil)	655	655	Unch
	Erode (Expeller Oil)	730	730	Unch
Groundnut Oil	Rajkot	955	900	55
	Chennai	950	950	Unch
	Delhi	950	950	Unch
	Hyderabad *	1000	980	20
	Mumbai	980	970	10
	Gondal	950	940	10
	Jamnagar	950	940	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	715	728	-13
	Jaipur (Kacchi Ghani Oil)	745	755	-10
	Kota (Expeller Oil)	700	720	-20
	Kota (Kacchi Ghani Oil)	745	760	-15
	Neewai (Expeller Oil)	700	725	-25
	Neewai (Kacchi Ghani Oil)	720	740	-20
	Bharatpur (Kacchi Ghani Oil)	780	780	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	715	725	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	755	765	-10
	Mumbai (Expeller Oil)	730	740	-10
	Kolkata(Expeller Oil)	960	960	Unch



	New Delhi (Expeller Oil)	760	765	-5
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	985	985	Unch
	Agra (Kacchi Ghani Oil)	785	785	Unch
Refined Cottonseed Oil	Rajkot	670	670	Unch
	Hyderabad	650	650	Unch
	Mumbai	660	670	-10
	New Delhi	670	675	-5
Coconut Oil	Kangayan (Crude)	1180	1180	Unch
	Cochin	1220	1220	Unch
	Trissur	1250	1250	Unch
Sesame Oil	New Delhi	770	770	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	735	-10
	CNF India	748	755	-7
Indonesia CPO USD/MT	FOB	740	738	2
	CNF India	760	760	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	725	733	-8
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	725	728	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1500	1580	-80
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	700	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1550	-
Ukraine Origin CSFO USD/MT Kandla	CIF	805	803	2
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		21-Feb-17	20-Feb-17	Change
Crude Soybean Oil Ship		744	748	-4
Refined Soy Oil (Bulk) Ship		770	774	-4
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		724	728	-4
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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