

Domestic Fundamentals:

- Mostly weak sentiment featured in various edible oils in various markets on Wednesday.
- Palm oil- Palm oil prices are still expected to be weak in near term in India on low premium of soy oil and sunflower oil and fall in soy oil prices. Demand of palm oil is weak at high seas.
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 is 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 increase if current good weather conditions continue. Higher supply from South America will underpin soybean complex prices in near term.
The US soy oil inventories 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.
- Agroconsult has projected Brazil's 2016/17 soybean production at 107.8 million tons up from 105.3 million projected initially in February. The agency has estimated Brazil's 2016/17 soy exports at 61.1 million tons.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-1.20	652.60	654.30	648.50	653.60
Apr-16	-1.45	644.35	646.60	641.60	646.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	32,840	-4860	57910	-2620
Apr-16	13,310	2630	29200	3120

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	11.40	
Mar-16		-7.60
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-3.80	544.00	546.00	539.70	544.90
Mar-16	-3.10	534.20	534.20	525.60	531.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1290	-745	1423	-570
Mar-16	3461	1264	5041	643

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	0.1	
Feb-16		-13.9
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	-0.10	32.8	32.91	32.43	32.62
15-May	-0.10	33.08	33.19	32.72	32.9
15-July	-0.09	33.34	33.47	33	33.18
15-Aug	-0.10	33.44	33.44	33.11	33.27
15-Sep	-0.16	33.52	33.63	33.21	33.31

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-76	2990	2996	2885	2945
15-Apr	-39	2874	2877	2790	2835
15-May	-27	2806	2810	2743	2782
15-June	-6	2740	2744	2700	2734

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
23/02/2017	6.88	13339	4.45	15.57	66.82	3.06	101.34	54.34

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-Feb-17	22-Feb-17	
Refined Soybean Oil	Indore	665	670	-5
	Indore (Soy Solvent Crude)	635	645	-10
	Mumbai	665	665	Unch
	Mumbai (Soy Degum)	625	630	-5
	Kandla/Mundra	660	665	-5
	Kandla/Mundra (Soy Degum)	630	635	-5
	Kolkata	670	670	Unch
	Delhi	685	695	-10
	Nagpur	670	675	-5
	Rajkot	655	665	-10
	Kota	665	670	-5
	Hyderabad	689	689	Unch
	Akola	710	714	-4
	Amrawati	709	714	-5
	Bundi	675	680	-5
	Jalna	717	722	-5
	Alwar	NA	NA	-
	Solapur	718	723	-5
	Dhule	714	719	-5
Palm Oil	Kandla (Crude Palm Oil)	545	555	-10
	Kandla (RBD Palm oil)	565	575	-10
	Kandla RBD Pamolein	580	585	-5
	Kakinada (Crude Palm Oil)	550	550	Unch
	Kakinada RBD Pamolein	585	595	-10



	Haldia Pamolein	590	600	-10
	Chennai RBD Pamolein	595	605	-10
	KPT (krishna patnam) Pamolein	575	585	-10
	Mumbai RBD Pamolein	590	605	-15
	Delhi	640	645	-5
	Rajkot	585	590	-5
	Hyderabad	561	561	Unch
	Mangalore RBD Pamolein	595	605	-10
	PFAD (Kandla)	450	460	-10
	Refined Palm Stearin (Kandla)	520	530	-10
Refined Sunflower Oil	Chennai	690	690	Unch
	Mumbai	710	710	Unch
	Mumbai(Expeller Oil)	627	632	-5
	Kandla (Ref.)	700	700	Unch
	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	940	955	-15
	Chennai	950	950	Unch
	Delhi	950	950	Unch
	Hyderabad *	1000	1000	Unch
	Mumbai	980	980	Unch
	Gondal	940	950	-10
	Jamnagar	940	950	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	715	715	Unch
	Jaipur (Kacchi Ghani Oil)	738	745	-7
	Kota (Expeller Oil)	700	700	Unch
	Kota (Kacchi Ghani Oil)	740	745	-5
	Neewai (Expeller Oil)	700	700	Unch
	Neewai (Kacchi Ghani Oil)	720	720	Unch
	Bharatpur (Kacchi Ghani Oil)	760	780	-20
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	705	715	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	750	755	-5
	Mumbai (Expeller Oil)	720	730	-10
	Kolkata(Expeller Oil)	960	960	Unch



	New Delhi (Expeller Oil)	750	760	-10
	Hapur (Expeller Oil)	880	880	Unch
	Hapur (Kacchi Ghani Oil)	985	985	Unch
	Agra (Kacchi Ghani Oil)	765	785	-20
Refined Cottonseed Oil	Rajkot	665	670	-5
	Hyderabad	650	650	Unch
	Mumbai	660	660	Unch
	New Delhi	665	670	-5
Coconut Oil	Kangayan (Crude)	1190	1180	10
	Cochin	1220	1220	Unch
	Trissur	1230	1250	-20
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	715	725	-10
	CNF India	740	748	-8
Indonesia CPO USD/MT	FOB	720	740	-20
	CNF India	753	760	-7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	715	725	-10
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	720	725	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1460	1500	-40
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	700	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1530	-
Ukraine Origin CSFO USD/MT Kandla	CIF	795	805	-10
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		22-Feb-17	21-Feb-17	Change
Crude Soybean Oil Ship		744	744	Unch
Refined Soy Oil (Bulk) Ship		770	770	Unch
Sunflower Oil Ship		735	735	Unch
Cottonseed Oil Ship		724	724	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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