

Domestic Fundamentals:

- Mostly firm sentiment featured in various edible oils at various market centers on Friday.
- Palm oil- Palm oil prices are trading in a narrow range in near term as it is looking for new cues for any movement. However, markets are mostly anticipating weak cues as it expected flat end stocks in February in Malaysia. Export demand is weak from Malaysia as India and China is not purchasing at higher levels. Imports by India in are weak on weak demand. Only Holi festival demand is there and after Holi is over demand will be weak. Production of palm oil is expected to improve from next quartr starting April when lagged effect of El Nino expires and seasonal uptrend of production starts. Palm oil exports from Malaysia fell by 12-15 percent in February indicating demand is not improving from India and China. Demand from China is weak post Chinese New Year. Indian and Chinese buyers are looking for bargains before they purchase in bulk. Palm oil prices are still expected to be weak in near term in India on low premium of soy oil and sunflower oil over palm oil. Demand is of palm oil is weak at India high seas. India is a price sensitive country which may shift demand away from palm oil. Depreciation of ringgit will support palm oil prices in near term. Prices have stretched a lot so prices are retracing. Firm crude oil will support prices. Prices are in a range.
- Soy oil - Firm cues on soy oil by Trump administration by to exempt ethanol from production of biodiesel which would have increased corn based biodiesel and soy oil based biodiesel demand. However, White house ruled out such executive order in the evening. Trump administration appointed billionaire investor Carl Ichan as special advisor to President on regulations. Carl Ichan has in past criticized EPA regulation on bio-fuel in its current form. Trump administration is preparing tax credits on production of biodiesel which will increase demand of soy oil. 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 in February will underpin soy oil in medium term. Weak competitive oils prices and dollar appreciation on expected Fed rate hike will underpin prices in near term. Prices are in a range.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's February palm oil exports fell 12 percent to 1,018,604 tons compared to 1,157,288 tons last month. Top buyers were European Union at 195,090 tons (213,950 tons), China at 143,560 tons (145,510 tons), India at 139,790 tons (140,550 tons), United States at 70,030 tons (50,350 tons) and Pakistan at 24,000 tons (31,500 tons). Values in brackets are figures of last month.
- According to US Energy Information Agency (EIA), US December 2016 biodiesel production rose to 143 million gallons from 142 million gallons in November 2016. Soy oil is the largest feedstock with use of 610 million lbs in December. 596 million lbs was the use in November 2016.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-3.35	665.50	668.40	664.20	665.35
Apr-16	-2.80	658.60	660.90	656.55	657.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	11,240	-3390	38270	-1830
Apr-16	13,720	-6340	44750	-400

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	9.65	
Mar-16		-7.75
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-4.10	538.00	538.80	535.10	535.50
Mar-16	-4.40	531.80	531.80	528.00	528.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1901	120	4433	515
Mar-16	525	-471	1840	111

Vol-OI are taken at 5:05 PM

Spread	Feb-16	Mar-16
Basis	18.5	
Feb-16		-7.5
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	0.12	33.88	34	33.88	34
15-May	-0.08	34.16	34.32	33.98	34.05
15-July	-0.09	34.45	34.58	34.25	34.31
15-Aug	-0.13	34.5	34.58	34.31	34.33
15-Sep	-0.04	34.55	34.55	34.37	34.47

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	21	3005	3005	2974	3000
15-Apr	9	2900	2925	2883	2920
15-May	1	2851	2869	2833	2863
15-June	-3	2810	2826	2796	2822

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
03/03/2017	6.90	13374	4.45	15.40	66.805	3.16	102.1	52.77

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		3-Mar-17	2-Mar-17	
Refined Soybean Oil	Indore	675	675	Unch
	Indore (Soy Solvent Crude)	645	640	5
	Mumbai	670	670	Unch
	Mumbai (Soy Degum)	628	625	3
	Kandla/Mundra	660	660	Unch
	Kandla/Mundra (Soy Degum)	628	625	3
	Kolkata	670	670	Unch
	Delhi	690	690	Unch
	Nagpur	671	669	2
	Rajkot	665	660	5
	Kota	685	660	25
	Hyderabad	684	684	Unch
	Akola	710	710	Unch
	Amrawati	710	708	2
	Bundi	685	673	12
	Jalna	715	715	Unch
	Alwar	NA	NA	-
	Solapur	717	717	Unch
	Dhule	712	712	Unch
Palm Oil	Kandla (Crude Palm Oil)	554	550	4
	Kandla (RBD Palm oil)	575	570	5
	Kandla RBD Pamolein	595	585	10
	Kakinada (Crude Palm Oil)	535	535	Unch
	Kakinada RBD Pamolein	590	585	5

	Haldia Pamolein	590	585	5
	Chennai RBD Pamolein	595	590	5
	KPT (krishna patnam) Pamolein	585	580	5
	Mumbai RBD Pamolein	595	590	5
	Delhi	640	640	Unch
	Rajkot	595	590	5
	Hyderabad	546	546	Unch
	Mangalore RBD Pamolein	595	590	5
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	510	510	Unch
Refined Sunflower Oil	Chennai	685	685	Unch
	Mumbai	715	715	Unch
	Mumbai(Expeller Oil)	630	625	5
	Kandla (Ref.)	700	700	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	703	703	Unch
	Latur (Expeller Oil)	725	730	-5
	Chellakere (Expeller Oil)	645	650	-5
	Erode (Expeller Oil)	725	725	Unch
Groundnut Oil	Rajkot	950	950	Unch
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1015	1015	Unch
	Mumbai	980	980	Unch
	Gondal	940	940	Unch
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	695	692	3
	Jaipur (Kacchi Ghani Oil)	735	733	2
	Kota (Expeller Oil)	705	690	15
	Kota (Kacchi Ghani Oil)	725	725	Unch
	Neewai (Expeller Oil)	700	697	3
	Neewai (Kacchi Ghani Oil)	720	717	3
	Bharatpur (Kacchi Ghani Oil)	760	750	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	700	700	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	730	735	-5
	Mumbai (Expeller Oil)	715	715	Unch
	Kolkata(Expeller Oil)	970	970	Unch



	New Delhi (Expeller Oil)	755	750	5
	Hapur (Expeller Oil)	878	875	3
	Hapur (Kacchi Ghani Oil)	983	982	1
	Agra (Kacchi Ghani Oil)	765	755	10
Refined Cottonseed Oil	Rajkot	670	680	-10
	Hyderabad	635	635	Unch
	Mumbai	665	665	Unch
	New Delhi	660	655	5
Coconut Oil	Kangayan (Crude)	1210	1210	Unch
	Cochin	1230	1230	Unch
	Trissur	1220	1220	Unch
Sesame Oil	New Delhi	770	770	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	540	535	5
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	698	710	-12
	CNF India	730	730	Unch
Indonesia CPO USD/MT	FOB	710	715	-5
	CNF India	738	738	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	713	708	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	700	700	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1380	1320	60
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	695	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1355	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		2-Mar-17	1-Mar-17	Change
Crude Soybean Oil Ship		745	752	-7
Refined Soy Oil (Bulk) Ship		768	778	-10
Sunflower Oil Ship		725	735	-10
Cottonseed Oil Ship		725	732	-7
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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