

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Monday.
- Palm oil- Expectation of fall in palm oil end stocks in Malaysia in February due to fall in production on lagged effect of El Nino and flooding in parts of the country has supported palm oil prices in near term. Market estimate 4.4 percent fall in end stocks in Malaysia in February.
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 quarter 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 sideways to firm in near term in India on low premium of soy oil and sunflower oil over palm oil. 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.
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.
- Informa Economics has also raised its Brazil's 2016/17 soybean production estimate to 108 million tons from 106.5 million tons projected previously. Informa has projected Argentina's 2016/17 soybean crop at 55.0 million tons.
- 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.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-1.80	671.60	672.05	666.50	666.50
Apr-16	-1.25	662.00	664.80	659.05	659.10

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	12,150	910	38030	-240
Apr-16	21,650	7930	47940	3190

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	23.50	
Mar-16		-7.40
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	1.30	542.00	547.00	540.40	540.90
Mar-16	0.30	535.50	537.90	531.30	532.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1946	45	4769	336
Mar-16	444	-81	1884	44

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	16.1	
Feb-16		-8.9
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	0.17	34.26	34.3	34.26	34.3
15-May	0.03	34.45	34.6	34.27	34.41
15-July	0.02	34.72	34.87	34.55	34.67
15-Aug	0.12	34.69	34.91	34.67	34.82
15-Sep	0.08	34.65	34.94	34.65	34.82

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	50	2899	3050	2899	3010
15-Apr	30	2932	2950	2930	2950
15-May	29	2874	2898	2872	2893
15-June	22	2833	2853	2831	2844

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
04/03/2017	6.90	13343	4.45	15.43	66.71	3.12	101.61	52.99

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Mar-17	4-Mar-17	
Refined Soybean Oil	Indore	690	680	10
	Indore (Soy Solvent Crude)	645	645	Unch
	Mumbai	670	660	10
	Mumbai (Soy Degum)	630	630	Unch
	Kandla/Mundra	660	660	Unch
	Kandla/Mundra (Soy Degum)	630	630	Unch
	Kolkata	670	670	Unch
	Delhi	690	690	Unch
	Nagpur	665	665	Unch
	Rajkot	655	655	Unch
	Kota	680	680	Unch
	Hyderabad	689	679	10
	Akola	700	695	5
	Amrawati	700	696	4
	Bundi	680	680	Unch
	Jalna	715	715	Unch
	Alwar	NA	NA	-
	Solapur	717	717	Unch
	Dhule	712	712	Unch
Palm Oil	Kandla (Crude Palm Oil)	557	553	4
	Kandla (RBD Palm oil)	575	572	3
	Kandla RBD Pamolein	592	592	Unch
	Kakinada (Crude Palm Oil)	550	535	15
	Kakinada RBD Pamolein	590	590	Unch

	Haldia Pamolein	590	590	Unch
	Chennai RBD Pamolein	595	595	Unch
	KPT (krishna patnam) Pamolein	585	585	Unch
	Mumbai RBD Pamolein	590	595	-5
	Delhi	640	640	Unch
	Rajkot	590	585	5
	Hyderabad	546	546	Unch
	Mangalore RBD Pamolein	595	595	Unch
	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)	625	625	Unch
	Kandla (Ref.)	700	700	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	713	703	10
	Latur (Expeller Oil)	700	725	-25
	Chellakere (Expeller Oil)	645	645	Unch
	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	950	-10
	Jamnagar	940	950	-10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	700	695	5
	Jaipur (Kacchi Ghani Oil)	721	735	-14
	Kota (Expeller Oil)	690	700	-10
	Kota (Kacchi Ghani Oil)	730	730	Unch
	Neewai (Expeller Oil)	680	700	-20
	Neewai (Kacchi Ghani Oil)	710	720	-10
	Bharatpur (Kacchi Ghani Oil)	730	760	-30
	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)	735	735	Unch
	Mumbai (Expeller Oil)	700	715	-15
	Kolkata(Expeller Oil)	970	970	Unch



	New Delhi (Expeller Oil)	750	755	-5
	Hapur (Expeller Oil)	780	Closed	-
	Hapur (Kacchi Ghani Oil)	885	Closed	-
	Agra (Kacchi Ghani Oil)	735	765	-30
Refined Cottonseed Oil	Rajkot	660	660	Unch
	Hyderabad	640	635	5
	Mumbai	662	665	-3
	New Delhi	660	660	Unch
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	540	Unch
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	705	Closed	-
	CNF India	735	733	2
Indonesia CPO USD/MT	FOB	Unq	Closed	-
	CNF India	743	740	3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	720	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	705	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1400	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		4-Mar-17	3-Mar-17	Change
Crude Soybean Oil Ship		Closed	730	-
Refined Soy Oil (Bulk) Ship		Closed	768	-
Sunflower Oil Ship		Closed	725	-
Cottonseed Oil Ship		Closed	725	-
Refined Linseed Oil (Bulk) Ship		Closed	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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