

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Tuesday.
- Palm oil- Expectation of rise in production of palm oil starting second quarter of 2017 and studying after first half of 2017 will be bearish for palm oil in medium term. Sentiment has turned negative even in a month when stocks are expected to be lower. Production of palm oil is expected to increase 9-11 percent in 2017 after weak production in 2017 on lagged effect of El Nino. Rains have been consistent since October-November which is set to increase production in coming months.
Malaysia production in 2017 is expected to touch 19-20 MMT while Indonesia will cloak 34-35 MMT in 2017.
Apart from rise in production demand will be lower from India due to record oilseed crop in current oil year.
Palm oil end sticks are expected to fall 4.4 percent in February due to lower production partially set off by lower exports.
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.
Appreciation of ringgit will underpin 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 later ruled out such an order. 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	-2.25	660.70	663.30	658.80	660.65
Apr-16	-4.25	652.95	653.95	649.00	650.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	15,920	3770	33610	-4420
Apr-16	27,100	5450	50400	2460

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	14.35	
Mar-16		-9.85
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-3.40	535.00	539.50	533.60	535.10
Mar-16	-6.50	526.10	530.10	523.30	523.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1797	-149	4508	-261
Mar-16	719	275	2044	160

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	16.9	
Feb-16		-11.3
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	-0.31	34.3	34.32	33.93	33.96
15-May	-0.29	34.57	34.59	34.21	34.25
15-July	-0.31	34.6	34.6	34.28	34.28
15-Aug	-0.29	34.61	34.61	34.32	34.36
15-Sep	-0.27	34.61	34.61	34.33	34.37

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-36	2950	2974	2950	2974
15-Apr	-26	2933	2933	2907	2924
15-May	-33	2872	2875	2841	2859
15-June	-34	2825	2827	2793	2810

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
08/03/2017	6.90	13344	4.45	15.47	66.62	3.14	101.76	53.42

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Mar-17	6-Mar-17	
Refined Soybean Oil	Indore	675	690	-15
	Indore (Soy Solvent Crude)	640	645	-5
	Mumbai	670	670	Unch
	Mumbai (Soy Degum)	625	630	-5
	Kandla/Mundra	660	660	Unch
	Kandla/Mundra (Soy Degum)	625	630	-5
	Kolkata	670	670	Unch
	Delhi	685	690	-5
	Nagpur	665	665	Unch
	Rajkot	655	655	Unch
	Kota	670	680	-10
	Hyderabad	679	689	-10
	Akola	700	700	Unch
	Amrawati	700	700	Unch
	Bundi	675	680	-5
	Jalna	715	715	Unch
	Alwar	NA	NA	-
	Solapur	717	717	Unch
	Dhule	712	712	Unch
Palm Oil	Kandla (Crude Palm Oil)	552	557	-5
	Kandla (RBD Palm oil)	570	575	-5
	Kandla RBD Pamolein	592	592	Unch
	Kakinada (Crude Palm Oil)	540	550	-10
	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	595	590	5
	Delhi	635	640	-5
	Rajkot	585	590	-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	713	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	645	645	Unch
	Erode (Expeller Oil)	715	725	-10
Groundnut Oil	Rajkot	960	950	10
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1035	1015	20
	Mumbai	980	980	Unch
	Gondal	940	940	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	685	700	-15
	Jaipur (Kacchi Ghani Oil)	715	721	-6
	Kota (Expeller Oil)	690	690	Unch
	Kota (Kacchi Ghani Oil)	715	730	-15
	Neewai (Expeller Oil)	680	680	Unch
	Neewai (Kacchi Ghani Oil)	700	710	-10
	Bharatpur (Kacchi Ghani Oil)	730	730	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	680	700	-20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	720	735	-15
	Mumbai (Expeller Oil)	700	700	Unch
	Kolkata(Expeller Oil)	970	970	Unch



	New Delhi (Expeller Oil)	745	750	-5
	Hapur (Expeller Oil)	760	780	-20
	Hapur (Kacchi Ghani Oil)	883	885	-2
	Agra (Kacchi Ghani Oil)	735	735	Unch
Refined Cottonseed Oil	Rajkot	665	660	5
	Hyderabad	640	640	Unch
	Mumbai	662	662	Unch
	New Delhi	645	660	-15
Coconut Oil	Kangayan (Crude)	1225	1210	15
	Cochin	1230	1230	Unch
	Trissur	1240	1220	20
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	705	Unch
	CNF India	733	735	-2
Indonesia CPO USD/MT	FOB	Unq	Unq	-
	CNF India	743	743	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	720	720	Unch
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	703	705	-2
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1410	1400	10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	700	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1340	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		6-Mar-17	4-Mar-17	Change
Crude Soybean Oil Ship		742	Closed	-
Refined Soy Oil (Bulk) Ship		768	Closed	-
Sunflower Oil Ship		730	Closed	-
Cottonseed Oil Ship		722	Closed	-
Refined Linseed Oil (Bulk) Ship		762	Closed	-
* 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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2017 Indian Agribusiness Systems Pvt Ltd.