

Domestic Fundamentals:

- Mostly weak sentiment featured in various edible oils at various market centers on Wednesday.
- Palm oil- Expectation of rise in production of palm oil starting second quarter of 2017 and steadying 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 34.5-35.5 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 stocks are expected to fall 4.4 percent in February due to lower production partially set off by lower exports. Fall in end stocks will support palm oil prices in near term.
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 – Different agencies have raised soybean crop of Brazil at 108-109 MMT. Conducive condition of soybean harvest has helped harvest to reach around 50 percent.
China imports of soybean and edible vegetable oil was weak in February which helped soy oil prices lower in near term.
Trump administration is preparing tax credits on production of biodiesel which will increase demand of soy oil. Support from US government will increase the use of soy oil in biodiesel.
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 China's General Administration of Customs (CNGOIC), China's imports of edible vegetable oil in February fell 25.5 percent to 4.1 lakh tons compared to 5.5 lakh tons in January. Imports rose 2.5 percent compared to last year which was at 4 lakh tons. Year to date imports of edible vegetable oil rose 2.6 percent to 9.6 lakh tons.
- Brazil's 2016/17 soybean production is projected at 109.65 million tons compared to 105.02 million tons in February by Celeres. Besides, FC Stone has also increased the Brazil's 2016/17 soybean production estimate at 109.07 million tons, up by 15 million compared to the previous season. Record output yield potential this season is attributed to the rise in the production estimate.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	4.80	657.80	662.75	657.40	661.50
Apr-16	5.75	646.05	654.60	646.00	653.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	12,530	-3390	29790	-3820
Apr-16	23,010	-4090	51810	1410

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	13.50	
Mar-16		-8.00
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	5.80	530.90	538.00	528.10	537.00
Mar-16	6.10	520.00	527.50	518.90	527.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1892	95	4436	-72
Mar-16	991	272	2119	75

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	13.0	
Feb-16		-9.5
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	-0.05	33.42	33.42	33.42	33.42
15-May	0.18	33.75	33.99	33.66	33.91
15-July	0.18	34	34.26	33.94	34.18
15-Aug	0.17	34.16	34.31	34.04	34.26
15-Sep	0.24	34.25	34.4	34.14	34.4

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	26	2970	3000	2941	3000
15-Apr	18	2891	2950	2889	2946
15-May	12	2831	2880	2821	2875
15-June	12	2796	2830	2777	2822

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
09/03/2017	6.91	13371	4.457	15.57	66.62	3.12	101.76	52.70

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		8-Mar-17	7-Mar-17	
Refined Soybean Oil	Indore	675	675	Unch
	Indore (Soy Solvent Crude)	640	640	Unch
	Mumbai	665	670	-5
	Mumbai (Soy Degum)	622	625	-3
	Kandla/Mundra	655	660	-5
	Kandla/Mundra (Soy Degum)	625	625	Unch
	Kolkata	665	670	-5
	Delhi	680	685	-5
	Nagpur	660	665	-5
	Rajkot	655	655	Unch
	Kota	670	670	Unch
	Hyderabad	679	679	Unch
	Akola	696	700	-4
	Amrawati	695	700	-5
	Bundi	675	675	Unch
	Jalna	707	715	-8
	Alwar	NA	NA	-
	Solapur	705	717	-12
	Dhule	704	712	-8
Palm Oil	Kandla (Crude Palm Oil)	550	552	-2
	Kandla (RBD Palm oil)	565	570	-5
	Kandla RBD Pamolein	590	592	-2
	Kakinada (Crude Palm Oil)	540	540	Unch
	Kakinada RBD Pamolein	585	590	-5

	Haldia Pamolein	587	590	-3
	Chennai RBD Pamolein	592	595	-3
	KPT (krishna patnam) Pamolein	580	585	-5
	Mumbai RBD Pamolein	590	595	-5
	Delhi	635	635	Unch
	Rajkot	585	585	Unch
	Hyderabad	546	546	Unch
	Mangalore RBD Pamolein	592	595	-3
	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)	620	625	-5
	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	715	Unch
Groundnut Oil	Rajkot	960	960	Unch
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1050	1035	15
	Mumbai	990	980	10
	Gondal	940	940	Unch
	Jamnagar	940	940	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	680	685	-5
	Jaipur (Kacchi Ghani Oil)	702	715	-13
	Kota (Expeller Oil)	690	690	Unch
	Kota (Kacchi Ghani Oil)	710	715	-5
	Neewai (Expeller Oil)	685	680	5
	Neewai (Kacchi Ghani Oil)	705	700	5
	Bharatpur (Kacchi Ghani Oil)	740	730	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	675	680	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	715	720	-5
	Mumbai (Expeller Oil)	710	700	10
	Kolkata(Expeller Oil)	920	970	-50



	New Delhi (Expeller Oil)	735	745	-10
	Hapur (Expeller Oil)	760	760	Unch
	Hapur (Kacchi Ghani Oil)	883	883	Unch
	Agra (Kacchi Ghani Oil)	745	735	10
Refined Cottonseed Oil	Rajkot	665	665	Unch
	Hyderabad	640	640	Unch
	Mumbai	662	662	Unch
	New Delhi	645	645	Unch
Coconut Oil	Kangayan (Crude)	1225	1225	Unch
	Cochin	1230	1230	Unch
	Trissur	1240	1240	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	703	705	-2
	CNF India	733	733	Unch
Indonesia CPO USD/MT	FOB	Unq	Unq	-
	CNF India	738	743	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	718	720	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	698	703	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1380	1410	-30
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	695	700	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1330	-
Ukraine Origin CSFO USD/MT Kandla	CIF	800	800	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		7-Mar-17	6-Mar-17	Change
Crude Soybean Oil Ship		730	742	-12
Refined Soy Oil (Bulk) Ship		756	768	-12
Sunflower Oil Ship		730	730	Unch
Cottonseed Oil Ship		710	722	-12
Refined Linseed Oil (Bulk) Ship		750	762	-12
* 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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