

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Thursday.
- 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. Some rains are expected in south Brazil while south central Brazil is expected to be dry.
China imports of soybean and edible vegetable oil was weak in February which led 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. Fall in prices of crude oil will underpin prices. Prices are in a range.
- China's February soybean imports surged by 23% year-on-year to 5.54 million tons it is the highest volume since the year 2010, according to the figures released by the General Administration of Customs of China. However, the imports are 28% lower from 7.66 million tons in January this year. China's cumulative soybean imports for January and February 2017 stood at 13.19 million tons, up 30% (10.17 million tons) from the corresponding period last year.
- 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.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	-5.65	658.30	661.00	654.50	654.50
Apr-16	-5.70	650.00	651.90	645.25	645.50

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	10,330	-2200	26600	-3190
Apr-16	23,220	210	55380	3570

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	20.50	
Mar-16		-9.00
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Feb-16	-4.70	533.40	536.50	529.40	529.50
Mar-16	-4.90	524.00	527.20	520.00	520.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Feb-16	1487	-405	4457	21
Mar-16	735	-256	2223	104

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	20.5	
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	-0.23	33.06	33.06	33.06	33.06
15-May	-0.22	33.54	33.67	33.28	33.32
15-July	-0.23	33.81	33.95	33.56	33.58
15-Aug	-0.24	33.98	34	33.65	33.66
15-Sep	-0.25	33.99	34.12	33.74	33.74

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-10	3000	3000	2990	2990
15-Apr	-33	2917	2937	2895	2912
15-May	-38	2853	2872	2826	2839
15-June	-38	2800	2814	2775	2785

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	13397	4.46	15.62	66.62	3.16	102.27	49.17

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		9-Mar-17	8-Mar-17	
Refined Soybean Oil	Indore	675	675	Unch
	Indore (Soy Solvent Crude)	640	640	Unch
	Mumbai	670	665	5
	Mumbai (Soy Degum)	622	622	Unch
	Kandla/Mundra	655	655	Unch
	Kandla/Mundra (Soy Degum)	625	625	Unch
	Kolkata	665	665	Unch
	Delhi	680	680	Unch
	Nagpur	657	660	-3
	Rajkot	655	655	Unch
	Kota	675	670	5
	Hyderabad	679	679	Unch
	Akola	693	696	-3
	Amrawati	693	695	-2
	Bundi	675	675	Unch
	Jalna	703	707	-4
	Alwar	NA	NA	-
	Solapur	701	705	-4
	Dhule	701	704	-3
Palm Oil	Kandla (Crude Palm Oil)	550	550	Unch
	Kandla (RBD Palm oil)	565	565	Unch
	Kandla RBD Pamolein	590	590	Unch
	Kakinada (Crude Palm Oil)	535	540	-5
	Kakinada RBD Pamolein	585	585	Unch



	Haldia Pamolein	587	587	Unch
	Chennai RBD Pamolein	592	592	Unch
	KPT (krishna patnam) Pamolein	580	580	Unch
	Mumbai RBD Pamolein	590	590	Unch
	Delhi	635	635	Unch
	Rajkot	585	585	Unch
	Hyderabad	546	546	Unch
	Mangalore RBD Pamolein	592	592	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)	620	620	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)	650	645	5
	Erode (Expeller Oil)	715	715	Unch
Groundnut Oil	Rajkot	960	960	Unch
	Chennai	960	960	Unch
	Delhi	950	950	Unch
	Hyderabad *	1060	1050	10
	Mumbai	990	990	Unch
	Gondal	950	940	10
	Jamnagar	950	940	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	680	680	Unch
	Jaipur (Kacchi Ghani Oil)	725	702	23
	Kota (Expeller Oil)	700	690	10
	Kota (Kacchi Ghani Oil)	710	710	Unch
	Neewai (Expeller Oil)	690	685	5
	Neewai (Kacchi Ghani Oil)	710	705	5
	Bharatpur (Kacchi Ghani Oil)	750	740	10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	675	675	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	715	715	Unch
	Mumbai (Expeller Oil)	710	710	Unch
	Kolkata(Expeller Oil)	920	920	Unch



	New Delhi (Expeller Oil)	735	735	Unch
	Hapur (Expeller Oil)	760	760	Unch
	Hapur (Kacchi Ghani Oil)	883	883	Unch
	Agra (Kacchi Ghani Oil)	755	745	10
Refined Cottonseed Oil	Rajkot	660	665	-5
	Hyderabad	630	640	-10
	Mumbai	662	662	Unch
	New Delhi	640	645	-5
Coconut Oil	Kangayan (Crude)	1225	1225	Unch
	Cochin	1230	1230	Unch
	Trissur	1220	1240	-20
Sesame Oil	New Delhi	770	770	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	545	540	5
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	713	703	10
	CNF India	735	733	2
Indonesia CPO USD/MT	FOB	700	715	-15
	CNF India	740	738	2
RBD Palm oil (Malaysia Origin USD/MT)	FOB	725	718	7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	703	698	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1370	1380	-10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	700	695	5
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)		8-Mar-17	7-Mar-17	Change
Crude Soybean Oil Ship		727	730	-3
Refined Soy Oil (Bulk) Ship		752	756	-4
Sunflower Oil Ship		730	730	Unch
Cottonseed Oil Ship		707	710	-3
Refined Linseed Oil (Bulk) Ship		747	750	-3
* 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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