



Domestic Fundamentals:

- Weak sentiment featured in various edible oils at various market centers on Tuesday.
- USDA cut India's import of palm oil by 0.4 MMT in an apparent observation of weak demand from the country. India has imported 2.13 MMT in the first quarter of oil year 2016-17 (November 2016-January 2017). India's weak demand have been attributed to record production of oilseeds in 2016-17 season and low premium of soy oil, rapeseed oil and sunflower oil over palm oil. Costly palm oil has dented demand in the country for the oil. Demand of CPO mainly imported from Indonesia is weak from Indian refiners due to lower landed cost of RBD palmolein. Inverted tax structure by Malaysia and aggressive pricing by Malaysia has led to lower prices of RBD palmolein at India CNF which has increased its demand. This has depleted palm oil stocks from Malaysia whose market is used as benchmark market where price discovery takes place.
- 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. 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.
- Soy oil – USDA increases US2016/17 soy oil end stocks in its March estimate on higher production and imports partially set off by higher exports. Higher stocks of soy oil will underpin prices of soy oil in medium term.
Strong South American soybean production remains overhang on soybean complex market. USDA raised soybean crop of Brazil at 108 MMT. Conducive condition of soybean harvest has helped harvest to reach around 56 percent. Harvest has reached 88 percent in Mato Grosso.
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.
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.
- According to Malaysia Palm Oil Board (MPOB), Malaysia reduced April crude palm oil export duty to 7.5 percent from 8 percent in March. Tax is calculated at reference price of 3,174.9 ringgit (\$713.9) per ton. Tax is calculated above 2,250 ringgit starting from 4.5 percent to a maximum of 8.5 percent.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's March 1-10 palm oil exports fell 25.7 percent to 250,481 tons compared to 337,282 tons in corresponding period last month. Top buyers were China at 50,590 tons (76,500 tons), India at 35,300 tons (15,800 tons), European Union at 25,270 tons (38,500 tons), United States at 21,800 tons (21,130 tons) and Pakistan at 11,500 tons (12,000 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	2.40	644.15	650.65	643.10	647.15
Apr-16	0.05	631.00	636.40	630.00	632.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	8,090	-840	22060	-3160
Apr-16	28,420	210	57640	210

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	12.85	
Mar-16		-15.15
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	5.30	516.10	526.80	516.00	522.80
Apr-16	5.00	504.00	512.40	503.00	508.90

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	1963	163	3947	-53
Apr-16	1450	150	2498	98

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	17.2	
Mar-16		-13.9
Apr-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	-0.09	32.87	32.87	32.78	32.78
15-May	-0.13	33.25	33.27	32.81	32.98
15-July	-0.13	33.52	33.54	33.07	33.25
15-Aug	-0.12	33.4	33.4	33.18	33.35
15-Sep	-0.13	33.5	33.5	33.27	33.43

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	35	2950	2985	2950	2985
15-Apr	67	2798	2880	2780	2865
15-May	31	2711	2765	2697	2752
15-June	15	2766	2697	2642	2685

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
14/03/2017	6.91	13360	4.45	15.51	65.81	3.15	101.59	48.70

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		14-Mar-17	11-Mar-17	
Refined Soybean Oil	Indore	660	665	-5
	Indore (Soy Solvent Crude)	628	630	-2
	Mumbai	650	660	-10
	Mumbai (Soy Degum)	600	605	-5
	Kandla/Mundra	645	650	-5
	Kandla/Mundra (Soy Degum)	605	610	-5
	Kolkata	660	665	-5
	Delhi	670	680	-10
	Nagpur	655	655	Unch
	Rajkot	635	645	-10
	Kota	660	670	-10
	Hyderabad	675	675	Unch
	Akola	689	689	Unch
	Amrawati	688	688	Unch
	Bundi	665	665	Unch
	Jalna	701	701	Unch
	Alwar	NA	NA	-
	Solapur	702	702	Unch
	Dhule	699	699	Unch
Palm Oil	Kandla (Crude Palm Oil)	540	542	-2
	Kandla (RBD Palm oil)	560	562	-2
	Kandla RBD Pamolein	580	587	-7
	Kakinada (Crude Palm Oil)	530	530	Unch
	Kakinada RBD Pamolein	575	580	-5



	Haldia Pamolein	580	585	-5
	Chennai RBD Pamolein	560	585	-25
	KPT (krishna patnam) Pamolein	570	575	-5
	Mumbai RBD Pamolein	585	580	5
	Delhi	620	625	-5
	Rajkot	575	575	Unch
	Hyderabad	532	532	Unch
	Mangalore RBD Pamolein	560	585	-25
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	510	510	Unch
Refined Sunflower Oil	Chennai	680	680	Unch
	Mumbai	715	715	Unch
	Mumbai(Expeller Oil)	615	615	Unch
	Kandla (Ref.)	690	700	-10
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	703	703	Unch
	Latur (Expeller Oil)	690	690	Unch
	Chellakere (Expeller Oil)	650	650	Unch
	Erode (Expeller Oil)	710	710	Unch
Groundnut Oil	Rajkot	960	970	-10
	Chennai	980	980	Unch
	Delhi	950	950	Unch
	Hyderabad *	1060	1060	Unch
	Mumbai	1000	990	10
	Gondal	960	960	Unch
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	675	680	-5
	Jaipur (Kacchi Ghani Oil)	721	725	-4
	Kota (Expeller Oil)	680	700	-20
	Kota (Kacchi Ghani Oil)	710	715	-5
	Neewai (Expeller Oil)	687	690	-3
	Neewai (Kacchi Ghani Oil)	707	725	-18
	Bharatpur (Kacchi Ghani Oil)	750	750	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	670	675	-5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	720	725	-5
	Mumbai (Expeller Oil)	700	700	Unch
	Kolkata(Expeller Oil)	920	920	Unch



	New Delhi (Expeller Oil)	730	735	-5
	Hapur (Expeller Oil)	750	Closed	-
	Hapur (Kacchi Ghani Oil)	882	Closed	-
	Agra (Kacchi Ghani Oil)	755	755	Unch
Refined Cottonseed Oil	Rajkot	650	655	-5
	Hyderabad	630	630	Unch
	Mumbai	660	660	Unch
	New Delhi	630	635	-5
Coconut Oil	Kangayan (Crude)	1180	1165	15
	Cochin	1230	1230	Unch
	Trissur	1200	1220	-20
Sesame Oil	New Delhi	770	770	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	545	545	Unch
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	703	715	-12
	CNF India	728	720	8
Indonesia CPO USD/MT	FOB	683	Unq	-
	CNF India	720	723	-3
RBD Palm oil (Malaysia Origin USD/MT)	FOB	708	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	690	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1320	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	690	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	785	790	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		13-Mar-17	11-Mar-17	Change
Crude Soybean Oil Ship		702	Closed	-
Refined Soy Oil (Bulk) Ship		727	Closed	-
Sunflower Oil Ship		723	Closed	-
Cottonseed Oil Ship		682	Closed	-
Refined Linseed Oil (Bulk) Ship		722	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).

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