



Domestic Fundamentals:

- Mostly firm sentiment featured in various edible oils at various market centers on Wednesday.
- 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 cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's March 1-15 palm oil exports fell 1.1 percent to 507,491 tons compared to 501,748 tons in corresponding period last month. Top buyers were European Union at 107,750 tons (45,700 tons), China at 83,740 tons (79,500 tons), India at 44,100 tons (58,290 tons), United States at 41,800 tons (37,130 tons) and Pakistan at 11,500 tons (24,000 tons). Values in brackets are figures of last month.
- 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.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-16	6.25	650.00	656.00	650.00	653.00
Apr-16	6.75	634.80	639.40	631.50	637.20

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	5,830	-2260	18700	-3360
Apr-16	38,560	10140	55530	-2110

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	7.00	
Mar-16		-15.80
Apr-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	8.40	525.00	532.50	525.00	530.20
Apr-16	10.20	510.00	517.70	509.00	515.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	1790	-173	3831	-116
Apr-16	1346	-104	2694	196

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	16.8	
Mar-16		-14.5
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	0.34	32.28	32.69	32.22	32.64
15-May	0.34	32.57	32.98	32.51	32.92
15-July	0.33	32.7	33.07	32.64	33.01
15-Aug	0.33	32.77	33.15	32.73	33.1
15-Sep	0.33	32.85	33.17	32.74	33.16

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	35	3000	3020	3000	3020
15-Apr	82	2880	2947	2879	2942
15-May	64	2773	2822	2756	2752
15-June	60	2699	2745	2690	2741

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
15/03/2017	6.91	13362	4.45	15.54	65.81	3.17	101.56	48.59

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-Mar-17	14-Mar-17	
Refined Soybean Oil	Indore	660	660	Unch
	Indore (Soy Solvent Crude)	628	628	Unch
	Mumbai	655	650	5
	Mumbai (Soy Degum)	605	600	5
	Kandla/Mundra	645	645	Unch
	Kandla/Mundra (Soy Degum)	610	605	5
	Kolkata	660	660	Unch
	Delhi	675	670	5
	Nagpur	656	655	1
	Rajkot	640	635	5
	Kota	660	660	Unch
	Hyderabad	675	675	Unch
	Akola	691	689	2
	Amrawati	691	688	3
	Bundi	660	665	-5
	Jalna	703	701	2
	Alwar	NA	NA	-
	Solapur	704	702	2
	Dhule	701	699	2
Palm Oil	Kandla (Crude Palm Oil)	547	540	7
	Kandla (RBD Palm oil)	565	560	5
	Kandla RBD Pamolein	580	580	Unch
	Kakinada (Crude Palm Oil)	530	530	Unch
	Kakinada RBD Pamolein	580	575	5



	Haldia Pamolein	580	580	Unch
	Chennai RBD Pamolein	585	560	25
	KPT (krishna patnam) Pamolein	575	570	5
	Mumbai RBD Pamolein	590	585	5
	Delhi	620	620	Unch
	Rajkot	575	575	Unch
	Hyderabad	532	532	Unch
	Mangalore RBD Pamolein	585	560	25
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	510	510	Unch
Refined Sunflower Oil	Chennai	675	680	-5
	Mumbai	715	715	Unch
	Mumbai(Expeller Oil)	615	615	Unch
	Kandla (Ref.)	690	690	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	703	703	Unch
	Latur (Expeller Oil)	690	690	Unch
	Chellakere (Expeller Oil)	645	650	-5
	Erode (Expeller Oil)	710	710	Unch
Groundnut Oil	Rajkot	960	960	Unch
	Chennai	1000	980	20
	Delhi	950	950	Unch
	Hyderabad *	1060	1060	Unch
	Mumbai	1000	1000	Unch
	Gondal	965	960	5
	Jamnagar	950	950	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	675	675	Unch
	Jaipur (Kacchi Ghani Oil)	723	721	2
	Kota (Expeller Oil)	690	680	10
	Kota (Kacchi Ghani Oil)	710	710	Unch
	Neewai (Expeller Oil)	690	687	3
	Neewai (Kacchi Ghani Oil)	711	707	4
	Bharatpur (Kacchi Ghani Oil)	740	750	-10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	670	670	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	710	720	-10
	Mumbai (Expeller Oil)	695	700	-5
	Kolkata(Expeller Oil)	920	920	Unch



	New Delhi (Expeller Oil)	730	730	Unch
	Hapur (Expeller Oil)	750	750	Unch
	Hapur (Kacchi Ghani Oil)	882	882	Unch
	Agra (Kacchi Ghani Oil)	745	755	-10
Refined Cottonseed Oil	Rajkot	650	650	Unch
	Hyderabad	630	630	Unch
	Mumbai	660	660	Unch
	New Delhi	630	630	Unch
Coconut Oil	Kangayan (Crude)	1170	1180	-10
	Cochin	1230	1230	Unch
	Trissur	1200	1200	Unch
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	715	703	12
	CNF India	728	728	Unch
Indonesia CPO USD/MT	FOB	705	683	22
	CNF India	733	720	13
RBD Palm oil (Malaysia Origin USD/MT)	FOB	715	708	7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	693	690	3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1340	1320	20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	693	690	3
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1285	-
Ukraine Origin CSFO USD/MT Kandla	CIF	785	785	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	NA	NA	-
Argentina FOB (\$/MT)		14-Mar-17	13-Mar-17	Change
Crude Soybean Oil Ship		702	702	Unch
Refined Soy Oil (Bulk) Ship		727	727	Unch
Sunflower Oil Ship		720	723	-3
Cottonseed Oil Ship		682	682	Unch
Refined Linseed Oil (Bulk) Ship		722	722	Unch
* 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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