

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Saturday.
- Edible oil imports improved in February after four months on higher demand of RBD palmolein and sunflower oil despite average demand of soy oil and CPO. Record oilseed crop in 2016/17 has led to lower imports of soy oil. Higher sunflower oil imports are due to low premium of sunflower oil over soy oil and palm oil. Soy oil imports are expected to decline in oil year 2016-17 compared to last oil year. Similarly CPO imports will be weak due to inverted tax structure in Malaysia which has led to record imports of RBD palmolein. Indian refiners are struggling with overcapacity due to this.
- Palm oil- Improvement in exports and concerns of El Nino weather Southeast Asia has supported palm oil prices in near term. There is 50 percent chance of occurrence of El Nino in 2017 which will reduce palm yields. El Nino weather phenomena are expected at a time when palm production is expected to improve after weak 2016 and first quarter of 2017. Weather has played a big role in palm oil pricing in last one year. Palm oil production is expected to rise to 19-20 MMT in Malaysia and to 35-36 MMT in Indonesia in 2017. However, weather may play disruptive role. Palm oil exports rebounded from Malaysia weak start of March. 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. Appreciating ringgit will cap gains. Prices are in a range.
- Soy oil – US soy oil end stocks in February point to weak demand of soy oil export and domestic demand as crush was lower than market expectations which led to lower soy oil production. Higher soy oil stocks in US will underpin soy oil prices in medium term.
USDA increased US 2016/17 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.
Fall in prices of crude oil will underpin prices. Prices are in a range.
- According to Solvent Extractors Association (SEA), India's February edible oil stocks at ports and pipelines rose 13.6 m-o-m to 19.65 lakh tons from 17.30 lakh tons in January 2017. Stocks of edible oil at ports rose to 775,000 tons (CPO 290,000 tons, RBD Palmolein 160,000 tons, Degummed Soybean Oil 180,000 tons, Crude Sunflower Oil 130,000 tons and 15,000 tons of Rapeseed (Canola) Oil) and about 1,190,000 tons in pipelines. (Stocks in pipelines were at 1,088,000 tons in January 2017). India is presently holding 36 days of edible oil requirement on 1st March, 2017 at 19.65 lakh tons compared to 32 days of requirements last month. India's monthly edible oil requirement is 16.5 lakh tons.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia January palm oil exports rose 30 percent to 2.72 MMT compared to 2.1 MMT in January 2016. Exports rose 1.5 percent m-o-m from December 2016, which was reported at 2.68 MMT. Rise in shipments were primarily due to higher exports to India and Africa.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Apr-16	5.55	636.80	641.80	636.80	641.80
May-16	3.05	625.40	628.00	624.70	627.05

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Apr-16	30,960	640	55370	-1170
May-16	12,950	-3390	43910	3110

Vol-OI are taken at 5:05 PM

Spread	Apr-16	May-16
Basis	18.20	32.95
Apr-16		-14.75
May-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	-0.90	530.60	533.40	527.40	530.00
Apr-16	-2.00	516.50	520.20	513.30	515.20

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	1357	-419	3480	-176
Apr-16	1686	-355	3178	42

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	15.0	29.8
Mar-16		-14.8
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-May	0.18	32.27	32.52	32.2	32.44
15-July	0.17	32.54	32.8	32.49	32.71
15-Aug	0.17	32.63	32.88	32.63	32.8
15-Sep	0.20	32.83	32.94	32.79	32.91
15-Oct	0.20	32.8	33	32.8	32.94

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Apr	6	2960	2969	2940	2966
15-May	6	2857	2877	2841	2873
15-June	8	2778	2809	2769	2803
15-July	10	2727	2750	2714	2745

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
17/03/2017	6.91	13339	4.435	15.55	65.46	3.12	100.36	49.05

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-Mar-17	17-Mar-17	
Refined Soybean Oil	Indore	660	660	Unch
	Indore (Soy Solvent Crude)	625	625	Unch
	Mumbai	660	655	5
	Mumbai (Soy Degum)	595	598	-3
	Kandla/Mundra	635	645	-10
	Kandla/Mundra (Soy Degum)	612	610	2
	Kolkata	650	655	-5
	Delhi	675	675	Unch
	Nagpur	702	702	Unch
	Rajkot	635	635	Unch
	Kota	670	660	10
	Hyderabad	679	679	Unch
	Akola	689	689	Unch
	Amrawati	688	688	Unch
	Bundi	663	665	-2
	Jalna	700	700	Unch
	Alwar	NA	NA	-
	Solapur	702	702	Unch
	Dhule	698	699	-1
Palm Oil	Kandla (Crude Palm Oil)	545	545	Unch
	Kandla (RBD Palm oil)	555	565	-10
	Kandla RBD Pamolein	570	580	-10
	Kakinada (Crude Palm Oil)	528	528	Unch
	Kakinada RBD Pamolein	575	575	Unch



	Haldia Pamolein	575	575	Unch
	Chennai RBD Pamolein	580	580	Unch
	KPT (krishna patnam) Pamolein	570	570	Unch
	Mumbai RBD Pamolein	580	585	-5
	Delhi	625	625	Unch
	Rajkot	570	575	-5
	Hyderabad	532	532	Unch
	Mangalore RBD Pamolein	580	580	Unch
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	510	510	Unch
Refined Sunflower Oil	Chennai	675	675	Unch
	Mumbai	715	715	Unch
	Mumbai(Expeller Oil)	610	605	5
	Kandla (Ref.)	685	685	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	684	684	Unch
	Latur (Expeller Oil)	670	680	-10
	Chellakere (Expeller Oil)	630	635	-5
	Erode (Expeller Oil)	710	710	Unch
Groundnut Oil	Rajkot	970	970	Unch
	Chennai	1020	1000	20
	Delhi	950	950	Unch
	Hyderabad *	1060	1060	Unch
	Mumbai	1000	1000	Unch
	Gondal	960	950	10
	Jamnagar	960	960	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	690	675	15
	Jaipur (Kacchi Ghani Oil)	738	732	6
	Kota (Expeller Oil)	710	700	10
	Kota (Kacchi Ghani Oil)	725	710	15
	Neewai (Expeller Oil)	712	705	7
	Neewai (Kacchi Ghani Oil)	730	720	10
	Bharatpur (Kacchi Ghani Oil)	750	755	-5
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	690	680	10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	725	720	5
	Mumbai (Expeller Oil)	710	710	Unch
	Kolkata(Expeller Oil)	NA	NA	-



	New Delhi (Expeller Oil)	740	735	5
	Hapur (Expeller Oil)	Closed	740	-
	Hapur (Kacchi Ghani Oil)	Closed	840	-
	Agra (Kacchi Ghani Oil)	755	760	-5
Refined Cottonseed Oil	Rajkot	645	645	Unch
	Hyderabad	630	630	Unch
	Mumbai	650	650	Unch
	New Delhi	640	640	Unch
Coconut Oil	Kangayan (Crude)	1180	1175	5
	Cochin	1230	1230	Unch
	Trissur	1220	1220	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	Closed	725	-
	CNF India	740	743	-3
Indonesia CPO USD/MT	FOB	Closed	715	-
	CNF India	743	743	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	Closed	723	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	Closed	695	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	Closed	1370	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	Closed	695	-
Crude palm Kernel Oil India (USD/MT)	CNF India	Closed	1325	-
Ukraine Origin CSFO USD/MT Kandla	CIF	785	785	Unch
Rapeseed Oil Rotterdam Euro/MT	FOB	920	920	Unch
Argentina FOB (\$/MT)		17-Mar-17	16-Mar-17	Change
Crude Soybean Oil Ship		700	700	Unch
Refined Soy Oil (Bulk) Ship		725	725	Unch
Sunflower Oil Ship		720	720	Unch
Cottonseed Oil Ship		680	680	Unch
Refined Linseed Oil (Bulk) Ship		720	720	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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