

Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Tuesday.
- Palm oil- Expectation of fall in stocks of palm oil in Malaysia in March will support palm oil prices in near term. Production is expected to rise after March which will weigh on prices. However, weakness in exports and appreciation of ringgit will lead to weakness in prices of palm oil in near term. Exports from Malaysia in first 20 days of March showed 3-8 percent fall.
Concerns of El Nino weather in Southeast Asia will 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.
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 62 percent. Further increase in soybean production is expected if condition of harvest remains conducive.
Conducive conditions in Argentina soybean is will support soy oil crops in Argentina and underpin prices.
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 1-20 palm oil exports fell 7.9 percent to 686,741 tons compared to 745,564 tons in corresponding period last month. Top buyers were European Union at 161,030 tons (146,870 tons), China at 103,740 tons (101,020 tons), India at 81,500 tons (81,290 tons), United States at 41,800 tons (58,230 tons) and Pakistan at 19,500 tons (24,000 tons). Values in brackets are figures of last month.
- Allendale Raises US 2017 Soybean Planting Estimate by 5 Mn Acres Allendale has projected US 2017 soybean seeding up to 88.825 million acres from 83.433 million in 2016. The diversion is from corn acreage which is estimated lower to 90.018 million acres in 2017 from 94.004 million in 2016. The agency has also reduced the wheat planting area. If realized, Allendale's forecast for US soybean acreage would be highest on record.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Apr-16	-1.75	646.00	648.40	643.90	646.70
May-16	-1.55	634.20	637.30	632.00	635.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Apr-16	20,370	-9590	50580	850
May-16	7,840	-11610	45440	3300

Vol-OI are taken at 5:05 PM

Spread	Apr-16	May-16
Basis	15.30	
Apr-16		-10.90
May-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	1.10	532.90	535.50	532.00	534.40
Apr-16	2.10	519.10	525.40	519.00	522.90

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	1143	161	2991	-240
Apr-16	1414	285	3572	185

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	19.6	
Mar-16		-11.5
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-May	0.14	32.79	32.99	32.59	32.88
15-July	0.14	33.01	33.26	32.86	33.16
15-Aug	0.15	33.15	33.35	32.98	33.25
15-Sep	0.16	33.3	33.41	33.09	33.33
15-Oct	0.14	33.25	33.45	33.1	33.35

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Apr	31	2949	2970	2924	2968
15-May	36	2840	2879	2818	2877
15-June	31	2778	2811	2754	2809
15-July	20	2722	2750	2702	2747

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
21/03/2017	6.89	13313	4.425	15.63	65.26	3.07	99.82	49.34

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		21-Mar-17	20-Mar-17	
Refined Soybean Oil	Indore	662	660	2
	Indore (Soy Solvent Crude)	630	625	5
	Mumbai	655	655	Unch
	Mumbai (Soy Degum)	600	597	3
	Kandla/Mundra	640	640	Unch
	Kandla/Mundra (Soy Degum)	612	612	Unch
	Kolkata	650	650	Unch
	Delhi	670	670	Unch
	Nagpur	702	702	Unch
	Rajkot	635	635	Unch
	Kota	670	670	Unch
	Hyderabad	665	675	-10
	Akola	689	689	Unch
	Amrawati	688	688	Unch
	Bundi	670	670	Unch
	Jalna	700	700	Unch
	Alwar	NA	NA	-
	Solapur	702	702	Unch
	Dhule	697	697	Unch
Palm Oil	Kandla (Crude Palm Oil)	544	542	2
	Kandla (RBD Palm oil)	560	555	5
	Kandla RBD Pamolein	580	570	10
	Kakinada (Crude Palm Oil)	525	530	-5
	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	585	580	5
	Delhi	620	625	-5
	Rajkot	575	575	Unch
	Hyderabad	537	537	Unch
	Mangalore RBD Pamolein	580	580	Unch
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	520	510	10
Refined Sunflower Oil	Chennai	670	675	-5
	Mumbai	710	715	-5
	Mumbai(Expeller Oil)	615	610	5
	Kandla (Ref.)	685	685	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	684	675	9
	Latur (Expeller Oil)	670	670	Unch
	Chellakere (Expeller Oil)	635	635	Unch
	Erode (Expeller Oil)	710	710	Unch
Groundnut Oil	Rajkot	975	960	15
	Chennai	1020	1020	Unch
	Delhi	950	950	Unch
	Hyderabad *	1060	1060	Unch
	Mumbai	1000	1000	Unch
	Gondal	970	970	Unch
	Jamnagar	970	960	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	710	690	20
	Jaipur (Kacchi Ghani Oil)	739	749	-10
	Kota (Expeller Oil)	710	720	-10
	Kota (Kacchi Ghani Oil)	745	725	20
	Neewai (Expeller Oil)	715	715	Unch
	Neewai (Kacchi Ghani Oil)	735	735	Unch
	Bharatpur (Kacchi Ghani Oil)	760	770	-10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	710	690	20
	Sri-Ganga Nagar (Kacchi Ghani Oil)	740	725	15
	Mumbai (Expeller Oil)	720	720	Unch
	Kolkata(Expeller Oil)	NA	NA	-



	New Delhi (Expeller Oil)	750	745	5
	Hapur (Expeller Oil)	760	760	Unch
	Hapur (Kacchi Ghani Oil)	882	882	Unch
	Agra (Kacchi Ghani Oil)	765	775	-10
Refined Cottonseed Oil	Rajkot	657	660	-3
	Hyderabad	635	635	Unch
	Mumbai	650	650	Unch
	New Delhi	640	645	-5
Coconut Oil	Kangayan (Crude)	1250	1230	20
	Cochin	1230	1230	Unch
	Trissur	1235	1240	-5
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	720	723	-3
	CNF India	730	738	-8
Indonesia CPO USD/MT	FOB	708	713	-5
	CNF India	730	740	-10
RBD Palm oil (Malaysia Origin USD/MT)	FOB	718	720	-2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	688	693	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1355	1375	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	688	693	-5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1275	-
Ukraine Origin CSFO USD/MT Kandla	CIF	788	785	3
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
Argentina FOB (\$/MT)		20-Mar-17	18-Mar-17	Change
Crude Soybean Oil Ship		708	Closed	-
Refined Soy Oil (Bulk) Ship		733	Closed	-
Sunflower Oil Ship		720	Closed	-
Cottonseed Oil Ship		688	Closed	-
Refined Linseed Oil (Bulk) Ship		728	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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