



Domestic Fundamentals:

- Mixed sentiment featured in various edible oils at various market centers on Wednesday.
- 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. March production will be weak. Rise in production after March 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.
Strong soy oil is expected to support palm oil in near term.
Concerns of El Nino weather in Southeast Asia will support 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. Palm oil production is expected to rise to 19-20 MMT in Malaysia and to 35-36 MMT in Indonesia in 2017.
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 – Delay in set of 30 regulation finalized by Obama administration by EPA has send prices of RIN's (Renewable Identification Number) used to value biofuels. This will support soy oil prices in near term.
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.
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	3.05	649.50	654.30	648.00	651.60
May-16	2.95	640.00	644.00	637.90	640.85

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Apr-16	35,920	15550	44360	-6220
May-16	12,910	5070	44810	-630

Vol-OI are taken at 5:05 PM

Spread	Apr-16	May-16
Basis	13.40	
Apr-16		-10.75
May-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	1.10	531.30	538.70	531.30	537.00
Apr-16	0.80	524.40	528.70	524.30	525.80

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	720	-423	2691	-300
Apr-16	2002	588	3847	275

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	8.0	
Mar-16		-11.2
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	0.02	33.15	33.29	32.93	33.16
15-July	0.02	33.41	33.54	33.19	33.42
15-Aug	0.02	33.5	33.59	33.28	33.5
15-Sep	0.01	33.55	33.64	33.37	33.55
15-Oct	0.05	33.61	33.7	33.38	33.64

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Apr	7	2965	2987	2964	2975
15-May	15	2893	2906	2866	2896
15-June	18	2825	2839	2797	2829
15-July	23	2766	2779	2739	2771

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
22/03/2017	6.89	13332	4.42	15.62	65.44	3.09	99.85	47.65

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-Mar-17	21-Mar-17	
Refined Soybean Oil	Indore	665	662	3
	Indore (Soy Solvent Crude)	625	630	-5
	Mumbai	655	655	Unch
	Mumbai (Soy Degum)	602	600	2
	Kandla/Mundra	645	640	5
	Kandla/Mundra (Soy Degum)	615	612	3
	Kolkata	645	650	-5
	Delhi	670	670	Unch
	Nagpur	702	702	Unch
	Rajkot	635	635	Unch
	Kota	670	670	Unch
	Hyderabad	665	665	Unch
	Akola	687	689	-2
	Amrawati	687	688	-1
	Bundi	670	670	Unch
	Jalna	698	700	-2
	Alwar	NA	NA	-
	Solapur	702	702	Unch
	Dhule	695	697	-2
Palm Oil	Kandla (Crude Palm Oil)	545	544	1
	Kandla (RBD Palm oil)	560	560	Unch
	Kandla RBD Pamolein	580	580	Unch
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	580	575	5



	Haldia Pamolein	580	575	5
	Chennai RBD Pamolein	585	580	5
	KPT (krishna patnam) Pamolein	575	570	5
	Mumbai RBD Pamolein	585	585	Unch
	Delhi	625	620	5
	Rajkot	570	575	-5
	Hyderabad	537	537	Unch
	Mangalore RBD Pamolein	585	580	5
	PFAD (Kandla)	440	440	Unch
	Refined Palm Stearin (Kandla)	520	520	Unch
Refined Sunflower Oil	Chennai	670	670	Unch
	Mumbai	710	710	Unch
	Mumbai(Expeller Oil)	615	615	Unch
	Kandla (Ref.)	680	685	-5
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	684	684	Unch
	Latur (Expeller Oil)	670	670	Unch
	Chellakere (Expeller Oil)	630	635	-5
	Erode (Expeller Oil)	710	710	Unch
Groundnut Oil	Rajkot	950	975	-25
	Chennai	1020	1020	Unch
	Delhi	950	950	Unch
	Hyderabad *	1050	1060	-10
	Mumbai	1020	1000	20
	Gondal	1000	970	30
	Jamnagar	990	970	20
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	710	710	Unch
	Jaipur (Kacchi Ghani Oil)	748	739	9
	Kota (Expeller Oil)	710	710	Unch
	Kota (Kacchi Ghani Oil)	740	745	-5
	Neewai (Expeller Oil)	718	715	3
	Neewai (Kacchi Ghani Oil)	738	735	3
	Bharatpur (Kacchi Ghani Oil)	760	760	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	700	710	-10
	Sri-Ganga Nagar (Kacchi Ghani Oil)	735	740	-5
	Mumbai (Expeller Oil)	720	720	Unch
	Kolkata(Expeller Oil)	NA	NA	-



	New Delhi (Expeller Oil)	745	750	-5
	Hapur (Expeller Oil)	765	760	5
	Hapur (Kacchi Ghani Oil)	885	882	3
	Agra (Kacchi Ghani Oil)	765	765	Unch
Refined Cottonseed Oil	Rajkot	660	657	3
	Hyderabad	635	635	Unch
	Mumbai	650	650	Unch
	New Delhi	635	640	-5
Coconut Oil	Kangayan (Crude)	1235	1250	-15
	Cochin	1230	1230	Unch
	Trissur	1250	1235	15
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	725	720	5
	CNF India	738	730	8
Indonesia CPO USD/MT	FOB	715	708	7
	CNF India	738	730	8
RBD Palm oil (Malaysia Origin USD/MT)	FOB	723	718	5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	685	688	-3
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1350	1355	-5
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	685	688	-3
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1310	-
Ukraine Origin CSFO USD/MT Kandla	CIF	790	788	2
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
Argentina FOB (\$/MT)		21-Mar-17	20-Mar-17	Change
Crude Soybean Oil Ship		708	708	Unch
Refined Soy Oil (Bulk) Ship		733	733	Unch
Sunflower Oil Ship		720	720	Unch
Cottonseed Oil Ship		688	688	Unch
Refined Linseed Oil (Bulk) Ship		728	728	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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