

Domestic Fundamentals:

- Mostly weak sentiments featured on Tuesday on ample supply prospects in medium to long-term.
- Indian government lifted trade barriers for edible oil exports by allowing producers to sell edible oils overseas in bulk. This move comes at a time when India has produced record oilseeds which has led to lower imports of edible oils. However, Indian producers are not getting optimum prices for their product. Surplus production of oilseeds has created more problems than solving it. Surplus oilseeds cannot be crushed when crushing is in disparity and if left uncrushed it will create surplus oilseeds in markets which may lead to lower prices of oilseeds thereby discouraging oilseeds farming. Many oilseeds have traded below MSP in markets in 2016-17. India has recently decreased sunflower seed imports into India between April-September 2017 in an effort to encourage crushing and utilize spare capacity during off season. This step is in similar manner to encourage producers for crushing.
- Palm oil- Expectation of fall in stocks of palm oil in Malaysia in March will support palm oil prices in near to medium term. Production is expected to rise after March. However, production in March is expected to be weak. Palm production is expected to be weak due to lagged effect of El Nino. Rise in production in Malaysia 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 25 days of March showed marginal fall. Weak competitive oils are expected to weaken palm oil prices in near term. 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 underpin prices in near to medium term. Prices are in a range.
- Soy oil – Imposition of anti dumping duty on imports of biodiesel from Argentina is expected to support soy oil prices in near term. However, record crop of soybean in Brazil and Argentina coupled with record area under soybean in US will underpin prices. Argentina and Indonesia has denied that they were dumping biodiesel. Anti dumping duty comes after biodiesel imports after Trump administration decided to delay in set of 30 regulation finalized by Obama administration has send prices of RIN's (Renewable Identification Number) used to value biofuels. Bunions Aires Grains Exchanged has increased Argentina soybean production from 54.8 MMT to 56.5 MMT on higher yields. However, the agency reduced marginally area under soybean in Argentina. Harvesting has started in Argentina and if conditions prevail then soybean crop estimate will increase. Conducive condition of soybean harvest has helped harvest to reach around 68 percent in Brazil. Further increase in soybean production is expected in Brazil and Argentina if condition of harvest remains conducive. 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. Soy oil stocks are expected to rise in March on low demand and higher crush. Fall in prices of crude oil will underpin prices. Prices are in a range.

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

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Apr-16	3.65	638.60	641.75	636.60	639.80
May-16	2.85	626.80	630.90	625.55	627.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Apr-16	24,150	-4440	40010	-3680
May-16	24,780	-4000	55720	-1610

Vol-OI are taken at 5:05 PM

Spread	Apr-16	May-16
Basis	0.20	
Apr-16		-12.20
May-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-16	3.20	511.80	514.60	510.20	513.00
Apr-16	1.60	500.00	501.90	497.50	499.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-16	1531	-182	5069	329
Apr-16	302	94	1980	77

Vol-OI are taken at 5:05 PM

Spread	Mar-16	Apr-16
Basis	29.0	
Mar-16		-14
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	32.32	32.41	32.18	32.27
15-July	-0.02	32.58	32.68	32.46	32.53
15-Aug	-0.02	32.63	32.72	32.59	32.61
15-Sep	0	32.77	32.79	32.67	32.7
15-Oct	0.05	32.75	32.85	32.65	32.79

BMD CPO Futures:
 (Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Apr	16	2884	2884	2850	2859
15-May	10	2789	2806	2775	2783
15-June	11	2709	2731	2699	2707
15-July	9	2638	2668	2636	2643

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
28/03/2017	6.88	13305	4.41	15.60	65.10	3.13	99.26	48.14

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-Mar-17	27-Mar-17	
Refined Soybean Oil	Indore	640	645	-5
	Indore (Soy Solvent Crude)	615	615	Unch
	Mumbai	635	635	Unch
	Mumbai (Soy Degum)	595	595	Unch
	Kandla/Mundra	635	635	Unch
	Kandla/Mundra (Soy Degum)	602	605	-3
	Kolkata	640	640	Unch
	Delhi	665	665	Unch
	Nagpur	Closed	691	-
	Rajkot	630	630	Unch
	Kota	650	650	Unch
	Hyderabad	660	665	-5
	Akola	Closed	677	-
	Amrawati	Closed	676	-
	Bundi	650	650	Unch
	Jalna	Closed	685	-
	Alwar	NA	NA	-
	Solapur	Closed	691	-
	Dhule	Closed	688	-
Palm Oil	Kandla (Crude Palm Oil)	542	544	-2
	Kandla (RBD Palm oil)	547	555	-8
	Kandla RBD Pamolein	565	565	Unch
	Kakinada (Crude Palm Oil)	525	525	Unch
	Kakinada RBD Pamolein	558	560	-2



	Haldia Pamolein	565	570	-5
	Chennai RBD Pamolein	565	570	-5
	KPT (krishna patnam) Pamolein	545	550	-5
	Mumbai RBD Pamolein	565	570	-5
	Delhi	610	615	-5
	Rajkot	565	560	5
	Hyderabad	527	532	-5
	Mangalore RBD Pamolein	565	570	-5
	PFAD (Kandla)	455	440	15
	Refined Palm Stearin (Kandla)	505	520	-15
Refined Sunflower Oil	Chennai	665	665	Unch
	Mumbai	705	705	Unch
	Mumbai(Expeller Oil)	600	610	-10
	Kandla (Ref.)	675	675	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	684	684	Unch
	Latur (Expeller Oil)	680	680	Unch
	Chellakere (Expeller Oil)	620	620	Unch
	Erode (Expeller Oil)	700	700	Unch
Groundnut Oil	Rajkot	975	950	25
	Chennai	1030	1030	Unch
	Delhi	950	950	Unch
	Hyderabad *	1050	1050	Unch
	Mumbai	1040	1030	10
	Gondal	1010	1000	10
	Jamnagar	1000	1000	Unch
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	722	725	-3
	Jaipur (Kacchi Ghani Oil)	763	763	Unch
	Kota (Expeller Oil)	730	730	Unch
	Kota (Kacchi Ghani Oil)	760	765	-5
	Neewai (Expeller Oil)	720	720	Unch
	Neewai (Kacchi Ghani Oil)	745	745	Unch
	Bharatpur (Kacchi Ghani Oil)	770	770	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	715	715	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	750	755	-5
	Mumbai (Expeller Oil)	750	750	Unch
	Kolkata(Expeller Oil)	NA	NA	-



	New Delhi (Expeller Oil)	725	735	-10
	Hapur (Expeller Oil)	777	777	Unch
	Hapur (Kacchi Ghani Oil)	885	885	Unch
	Agra (Kacchi Ghani Oil)	775	775	Unch
Refined Cottonseed Oil	Rajkot	655	655	Unch
	Hyderabad	625	635	-10
	Mumbai	640	640	Unch
	New Delhi	630	630	Unch
Coconut Oil	Kangayan (Crude)	1250	1250	Unch
	Cochin	1230	1230	Unch
	Trissur	1280	1280	Unch
Sesame Oil	New Delhi	770	770	Unch
	Mumbai	730	730	Unch
Kardi	Mumbai	730	730	Unch
Rice Bran Oil (40%)	New Delhi	550	550	Unch
Rice Bran Oil (4%)	Punjab	590	590	Unch
Rice Bran Oil (4%)	Uttar Pradesh	590	590	Unch
Malaysia Palmolein USD/MT	FOB	708	713	-5
	CNF India	720	718	2
Indonesia CPO USD/MT	FOB	695	690	5
	CNF India	723	723	Unch
RBD Palm oil (Malaysia Origin USD/MT)	FOB	710	703	7
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	663	663	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1230	1250	-20
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	675	670	5
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1230	-
Ukraine Origin CSFO USD/MT Kandla	CIF	780	785	-5
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
Argentina FOB (\$/MT)		27-Mar-17	25-Mar-17	Change
Crude Soybean Oil Ship		693	Closed	-
Refined Soy Oil (Bulk) Ship		717	Closed	-
Sunflower Oil Ship		720	Closed	-
Cottonseed Oil Ship		673	Closed	-
Refined Linseed Oil (Bulk) Ship		713	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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