



### Domestic Fundamentals:

- Edible oil prices featured firm tone at various centers on Monday on hike in import duty on palm oil. Global benchmark opened today and only then prices were quoted in India as there were no prices on Saturday. Both international and domestic oil at various markets showed firm trend on Monday.
- Government of India (GOI) hiked import duty on crude palm oil to 44 percent from 30 percent and RBD palmolein to 54 percent from 50 percent. This hike is to support oilseed farmers and domestic crushers. Low palm oil import duty has destroyed domestic crushing industry in last decade and has led farmers to shift from oilseeds to other crops. There is no hike in import duty on other major soft oils.
- According to cargo surveyor Societe Generale de Surveillance (SGS), Malaysia's February palm oil exports fell 11.0 percent to 1,167,908 tons compared to 1,312,679 tons last month. Top buyers are European Union at 306,371 tons (278,212 tons), India at 231,515 tons (190,328 tons), United States at 74,790 tons (99,769 tons), China at 66,670 tons (142,000 tons) and Pakistan at 27,000 tons (51,500 tons). Values in brackets are figures of last month.
- Government of India raised import duty on crude palm oil and refined palm oil in an effort to stem the surge in imports of palm oil in the country. Now, CPO duty stands at 48.4 percent, RBD palmolein stands at 59.4 percent, soy oil at 33 percent, sunflower oil at 27.5 percent and rapeseed (canola) oil at 27.5 percent. This effectively reduces palm oil attractiveness compared to softer oils. This will open doors to higher imports of softer oil especially sunflower oil whose duty is less than soy oil and are quoting at lower prices than soy oil at CNF markets. However, this step will help domestic crushing and support oilseed farmers who are facing agrarian distress. More steps from government has to be taken to support domestic crushing and help oilseed farmers. This might not be the last step on duty hikes.
- Palm oil- Palm oil prices are supported by depreciation of ringgit, expectation of fall in end stocks of palm oil in Malaysia in February on rise in exports of palm oil from Malaysia and fall in production of palm oil in Malaysia coupled with rise in competing oils.

Ringgit depreciation has supported palm oil in near term and more depreciation is expected as Dollar Index is expected to strengthen on robust US economy and expectation of faster hike by FED.

Export fell 11 percent in Malaysia in February as reported by SGS, but it was due to lower number of days in February and adjusted exports are still healthy.

Moreover, production is expected to fall in February in Malaysia and with adjusting less number of days of February production of palm oil is expected to fall in big single digits.

CBOT soy oil has been falling for long time and is in oversold zone and technical rebound is expected. Moreover, RBD palmolein DALIAN is expected to rise from oversold zone.

Demand from China is especially weak in February due to higher supply of soy oil in China due to higher imports of soybean lading to record supply of soy oil in the country. Prices are in a range.

**Outlook:** Edible oil basket is expected to feature range –bound to firm sentiment in near term.

### NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Mar-17	19.55	777.50	778.00	770.00	774.90
Apr-18	18.05	783.50	784.35	775.00	779.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	23,820	13980	26700	-2860
Apr-18	39,480	26660	33970	1780

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	0.10	
Mar-17		4.70
Apr-18		

### MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-17	19.50	638.30	640.70	631.40	639.30
Apr-18	18.60	642.80	643.70	635.90	642.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	4546	3700	5928	-395
Apr-18	1302	1172	1743	446

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	24.7	
Mar-17		3.4
Apr-18		

\* CPO Kandla prices taken for spread calculated as at 6:30 PM

**CBOT Soy Oil Futures (Projections):**

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Mar	0.06	32.15	32.15	32.12	32.12
15-May	0.08	32.3	32.46	32.17	32.38
15-July	0.09	32.37	32.65	32.37	32.58
15-Aug	0.09	32.46	32.73	32.46	32.66
15-Sep	0.12	32.65	32.78	32.61	32.77

**BMD CPO Futures:**

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-4	2476	2492	2476	2491
15-Apr	-4	2456	2476	2456	2474
15-May	-12	2449	2472	2449	2463
15-June	-12	2448	2467	2447	2461

**Forex:**

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
05/03/2018	6.34	13761	3.909	20.23	65.11	3.25	90.05	61.34

**Edible Oil Prices at Key Market**

Commodity	Centre	Prices(Per 10 Kg)		Change
		5-Mar-18	3-Mar-18	
Refined Soybean Oil	Indore	775	750	25
	Indore (Soy Solvent Crude)	735	NA	-
	Mumbai	780	NA	-
	Mumbai (Soy Degum)	720	NA	-
	Kandla/Mundra	760	NA	-
	Kandla/Mundra (Soy Degum)	722	NA	-
	Kolkata	775	NA	-
	Delhi	805	NA	-
	Nagpur	820	Closed	-
	Rajkot	740	NA	-
	Kota	750	NA	-
	Hyderabad	NR	NR	-
	Akola	815	Closed	-
	Amrawati	821	Closed	-
	Bundi	823	Closed	-
	Jalna	817	Closed	-
	Alwar	775	744	31
	Solapur	810	Closed	-
	Dhule	NA	NA	-
Palm Oil*	Kandla (Crude Palm Oil)	697	NA	-
	Kandla (RBD Palm oil)	735	NA	-
	Kandla RBD Pamolein	746	NA	-
	Kakinada (Crude Palm Oil)	NR	NA	-
	Kakinada RBD Pamolein	735	NA	-
	Haldia Pamolein	735	NA	-

	Chennai RBD Pamolein	740	NA	-
	Chennai RBD Pamolein (Vitamin A&D Fortified)	NR	NA	-
	KPT (krishna patnam) Pamolein	730	NA	-
	Mumbai RBD Pamolein	751	NA	-
	Mangalore RBD Pamolein	698	NA	-
	Tuticorin (RBD Palmolein)	693	NA	-
	Delhi	710	NA	-
	Rajkot	746	NA	-
	Hyderabad	NR	NR	-
	PFAD (Kandla)	446	NA	-
	Refined Palm Stearin (Kandla)	499	NR	-
	Superolien (Kandla)	772	NA	-
	Superolien (Mumbai)	788	NR	-
<b>* inclusive of GST</b>				
<b>Refined Sunflower Oil</b>	Chennai	750	NA	-
	Mumbai	790	NA	-
	Mumbai(Expeller Oil)	700	NA	-
	Kandla (Ref.)	760	NA	-
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	NR	NR	-
	Latur (Expeller Oil)	NR	Closed	-
	Chellakere (Expeller Oil)	710	Closed	-
	Erode (Expeller Oil)	780	NA	-
<b>Groundnut Oil</b>	Rajkot	835	NA	-
	Chennai	850	NA	-
	Delhi	925	NA	-
	Hyderabad *	900	Closed	-
	Mumbai	870	NA	-
	Gondal	825	Closed	-
	Jamnagar	825	Closed	-
<b>Rapeseed Oil/Mustard Oil</b>	Jaipur (Expeller Oil)	790	NA	-
	Jaipur (Kacchi Ghani Oil)	805	805	Unch
	Kota (Expeller Oil)	755	NA	-
	Kota (Kacchi Ghani Oil)	800	NA	-
	Neewai (Expeller Oil)	760	Closed	-
	Neewai (Kacchi Ghani Oil)	780	Closed	-
	Bharatpur (Kacchi Ghani Oil)	790	Closed	-
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-
	Sri-Ganga Nagar(Exp Oil)	780	NA	-

	Sri-Ganga Nagar (Kacchi Ghani Oil)	800	NA	-
	Mumbai (Expeller Oil)	760	NA	-
	Kolkata(Expeller Oil)	NA	NA	-
	New Delhi (Expeller Oil)	815	NA	-
	Hapur (Expeller Oil)	NR	Closed	-
	Hapur (Kacchi Ghani Oil)	NR	Closed	-
	Agra (Kacchi Ghani Oil)	795	Closed	-
Refined Cottonseed Oil	Rajkot	705	NA	-
	Hyderabad	NR	NR	-
	Mumbai	765	NA	-
	New Delhi	735	NA	-
Coconut Oil	Kangayan (Crude)	1925	NA	-
	Cochin	1900	NA	-
	Trissur	NA	NA	-
Sesame Oil	New Delhi	1000	NA	-
	Mumbai	NA	NA	-
Kardi	Mumbai	785	NA	-
Rice Bran Oil (40%)	New Delhi	550	NA	-
Rice Bran Oil (4%)	Punjab	595	NA	-
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	663	NA	-
	CNF India	680	NA	-
Indonesia CPO USD/MT	FOB	NA	NA	-
	CNF India	670	NA	-
RBD Palm oil (Malaysia Origin USD/MT)	FOB	660	Closed	-
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	665	Closed	-
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1160	Closed	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	613	Closed	-
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	Closed	-
Ukraine Origin CSFO USD/MT Kandla	CIF	805	NA	-
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
<b>Argentina FOB (\$/MT)</b>		<b>3-Mar-18</b>	<b>1-Mar-18</b>	<b>Change</b>
Crude Soybean Oil Ship		NA	NA	-
Refined Soy Oil (Bulk) Ship		NA	NA	-
Sunflower Oil Ship		NA	NA	-
Cottonseed Oil Ship		NA	NA	-

Refined Linseed Oil (Bulk) Ship	NA	NA	-
<i>* indicates including VAT</i>			

**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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