



Domestic Fundamentals:

- Edible oil prices featured mixed tone at various centers on Tuesday. There is confusion in the market in market as prices of oils are showing diverging prices. Markets will settle down in a day or two. This is on the back of hike in import duty of palm oil.
- 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 if 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	11.10	779.00	796.35	778.10	793.00
Apr-18	10.45	785.00	802.00	783.10	798.00

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	18,750	-5070	23530	-3170
Apr-18	42,700	3220	40070	6100

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	-13.00	
Mar-17		5.00
Apr-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-17	3.00	640.50	647.50	637.30	645.10
Apr-18	4.80	644.00	652.00	641.60	650.70

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	2794	-1752	5803	-125
Apr-18	526	-776	1978	235

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	18.9	
Mar-17		5.6
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	0.23	32.21	32.51	32.18	32.44
15-May	0.25	32.41	32.7	32.38	32.65
15-July	0.27	32.53	32.77	32.48	32.74
15-Aug	0.26	32.58	32.83	32.58	32.82
15-Sep	0.18	32.72	32.82	32.66	32.82

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-11	2490	2493	2480	2491
15-Apr	4	2480	2496	2459	2478
15-May	22	2478	2494	2455	2478
15-June	24	2466	2491	2455	2476

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
06/03/2018	6.34	13762	3.897	20.20	64.95	3.24	89.79	62.88

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		6-Mar-18	5-Mar-18	
Refined Soybean Oil	Indore	780	775	5
	Indore (Soy Solvent Crude)	740	735	5
	Mumbai	720	780	-60
	Mumbai (Soy Degum)	722	720	2
	Kandla/Mundra	750	760	-10
	Kandla/Mundra (Soy Degum)	725	722	3
	Kolkata	775	775	Unch
	Delhi	810	805	5
	Nagpur	760	820	-60
	Rajkot	755	740	15
	Kota	775	750	25
	Hyderabad	NR	NR	-
	Akola	781	815	-34
	Amrawati	776	821	-45
	Bundi	759	823	-64
	Jalna	782	817	-35
	Alwar	780	775	5
	Solapur	774	810	-36
	Dhule	NA	NA	-
Palm Oil*	Kandla (Crude Palm Oil)	676	697	-21
	Kandla (RBD Palm oil)	725	735	-11
	Kandla RBD Pamolein	756	746	11
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	735	735	Unch

	Haldia Pamolein	746	735	11
	Chennai RBD Pamolein	761	740	21
	Chennai RBD Pamolein (Vitamin A&D Fortified)	797	776	21
	KPT (krishna patnam) Pamolein	735	730	5
	Mumbai RBD Pamolein	756	751	5
	Mangalore RBD Pamolein	746	698	47
	Tuticorin (RBD Palmolein)	756	693	63
	Delhi	780	710	70
	Rajkot	756	746	11
	Hyderabad	NR	NR	-
	PFAD (Kandla)	446	446	Unch
	Refined Palm Stearin (Kandla)	499	499	Unch
	Superolien (Kandla)	777	772	5
	Superolien (Mumbai)	809	788	21
* inclusive of GST				
Refined Sunflower Oil	Chennai	755	750	5
	Mumbai	785	790	-5
	Mumbai(Expeller Oil)	705	700	5
	Kandla (Ref.)	760	760	Unch
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	NR	NR	-
	Latur (Expeller Oil)	Closed	NR	-
	Chellakere (Expeller Oil)	725	710	15
	Erode (Expeller Oil)	780	780	Unch
Groundnut Oil	Rajkot	840	835	5
	Chennai	860	850	10
	Delhi	1000	925	75
	Hyderabad *	870	900	-30
	Mumbai	870	870	Unch
	Gondal	830	825	5
	Jamnagar	835	825	10
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	795	790	5
	Jaipur (Kacchi Ghani Oil)	803	805	-2
	Kota (Expeller Oil)	775	755	20
	Kota (Kacchi Ghani Oil)	805	800	5
	Neewai (Expeller Oil)	775	760	15
	Neewai (Kacchi Ghani Oil)	785	780	5
	Bharatpur (Kacchi Ghani Oil)	790	790	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-



	Sri-Ganga Nagar(Exp Oil)	785	780	5
	Sri-Ganga Nagar (Kacchi Ghani Oil)	805	800	5
	Mumbai (Expeller Oil)	760	760	Unch
	Kolkata(Expeller Oil)	NA	NA	-
	New Delhi (Expeller Oil)	825	815	10
	Hapur (Expeller Oil)	NR	NR	-
	Hapur (Kacchi Ghani Oil)	NR	NR	-
	Agra (Kacchi Ghani Oil)	795	795	Unch
Refined Cottonseed Oil	Rajkot	705	705	Unch
	Hyderabad	NR	NR	-
	Mumbai	770	765	5
	New Delhi	740	735	5
Coconut Oil	Kangayan (Crude)	1900	1925	-25
	Cochin	1900	1900	Unch
	Trissur	NA	NA	-
Sesame Oil	New Delhi	1000	1000	Unch
	Mumbai	NA	NA	-
Kardi	Mumbai	785	785	Unch
Rice Bran Oil (40%)	New Delhi	550	550	Unch
Rice Bran Oil (4%)	Punjab	610	595	15
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	668	663	5
	CNF India	680	680	Unch
Indonesia CPO USD/MT	FOB	NA	NA	-
	CNF India	690	670	20
RBD Palm oil (Malaysia Origin USD/MT)	FOB	662	660	2
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	670	665	5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1170	1160	10
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	612	613	-1
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	1210	-
Ukraine Origin CSFO USD/MT Kandla	CIF	808	805	3
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
Argentina FOB (\$/MT)		5-Mar-18	3-Mar-18	Change
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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