



Domestic Fundamentals:

- Edible oil prices featured mostly firm tone at various centers on Wednesday. Markets have not settled completely and are expected to stabilize in couple of days. 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.
- 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 underpinned by hike in import duty on palm oil by India, appreciation of ringgit, weak exports of palm oil and weak competitive oils.
India has imposed higher import duty on palm oil to check the rising import of the tropical oil into the country. This has been done to encourage domestic farmers to grow oilseeds as most of the domestic oil in India was adulterated due to higher price difference with palm oil. With higher duty on palm oil, domestic oils will get better prices which will indirectly help farmers who are going through agrarian distress. This step will cut 5 lakh tons of palm oil imports by India in 2018.
Ringgit has appreciated in near term which has underpinned palm oil in near term and more appreciation is expected as the country clocked record export numbers and weak Dollar Index.
Export fell 11 percent in Malaysia in February as reported by SGS, but the fall was not major as it was short month.
RBD palmolein DALIAN is expected to fall on weak demand of palm oil by China due to higher imports of soybean by China which has led to higher supply of soy oil in the country.
Prices are in a range.
- Soy oil- Soy oil prices are supported by firm demand in domestic markets, bad soybean crop condition in Argentina, rise in crude oil prices and weak dollar index.
Soybean crop in Argentina is facing drought which has led to fall in planted area and fall in yields of standing crop. Various agencies have cut the soybean crop of the country and has warned that if current conditions prevail the there could be more cuts. USDA is expected to cut Argentina soybean crop in March estimate to 48 MMT from 54 MMT.

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	-4.10	788.00	790.80	783.70	785.30
Apr-18	-5.75	794.00	794.00	787.15	788.30

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	8,510	-10240	23510	-20
Apr-18	24,260	-18440	43300	3230

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	-5.30	
Mar-17		3.00
Apr-18		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Mar-17	-6.10	643.00	645.90	638.30	638.80
Apr-18	-5.80	646.40	650.90	643.20	643.60

Prices are taken at 5:05 PM

Contract	Volume	Change	OI	Change
Mar-17	1793	-1001	5127	-676
Apr-18	486	-40	2038	60

Vol-OI are taken at 5:05 PM

Spread	Mar-17	Apr-18
Basis	7.2	
Mar-17		4.8
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	-0.11	32.19	32.19	32.19	32.19
15-May	-0.19	32.52	32.56	32.26	32.29
15-July	-0.17	32.73	32.76	32.47	32.52
15-Aug	-0.19	32.8	32.86	32.58	32.6
15-Sep	-0.19	32.88	32.88	32.66	32.69

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Mar	-37	2475	2477	2441	2446
15-Apr	-38	2476	2481	2440	2443
15-May	-26	2472	2477	2442	2445
15-June	-23	2469	2469	2436	2442

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index	Crude Oil WTI (\$/barrel)
07/03/2018	6.32	13763	3.90	20.30	64.88	3.21	89.50	62.14

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		7-Mar-18	6-Mar-18	
Refined Soybean Oil	Indore	780	780	Unch
	Indore (Soy Solvent Crude)	745	740	5
	Mumbai	775	720	55
	Mumbai (Soy Degum)	735	722	13
	Kandla/Mundra	760	750	10
	Kandla/Mundra (Soy Degum)	732	725	7
	Kolkata	777	775	2
	Delhi	820	810	10
	Nagpur	770	760	10
	Rajkot	760	755	5
	Kota	780	775	5
	Hyderabad	NR	NR	-
	Akola	790	781	9
	Amrawati	785	776	9
	Bundi	767	759	8
	Jalna	792	782	10
	Alwar	782	780	2
	Solapur	783	774	9
	Dhule	NA	NA	-
Palm Oil*	Kandla (Crude Palm Oil)	678	676	2
	Kandla (RBD Palm oil)	735	725	11
	Kandla RBD Pamolein	767	756	11
	Kakinada (Crude Palm Oil)	NR	NR	-
	Kakinada RBD Pamolein	746	735	11

	Haldia Pamolein	748	746	2
	Chennai RBD Pamolein	777	761	16
	Chennai RBD Pamolein (Vitamin A&D Fortified)	798	797	1
	KPT (krishna patnam) Pamolein	746	735	11
	Mumbai RBD Pamolein	782	756	26
	Mangalore RBD Pamolein	761	746	16
	Tuticorin (RBD Palmolein)	758	756	2
	Delhi	780	780	Unch
	Rajkot	751	756	-5
	Hyderabad	NR	NR	-
	PFAD (Kandla)	441	446	-5
	Refined Palm Stearin (Kandla)	494	499	-5
	Superolien (Kandla)	798	777	21
	Superolien (Mumbai)	819	809	11
* inclusive of GST				
Refined Sunflower Oil	Chennai	760	755	5
	Mumbai	790	785	5
	Mumbai(Expeller Oil)	720	705	15
	Kandla (Ref.)	770	760	10
	Kandla/Mundra (Crude)	NA	NA	-
	Hyderabad (Ref)	NR	NR	-
	Latur (Expeller Oil)	Closed	Closed	-
	Chellakere (Expeller Oil)	725	725	Unch
	Erode (Expeller Oil)	780	780	Unch
Groundnut Oil	Rajkot	850	840	10
	Chennai	860	860	Unch
	Delhi	1000	1000	Unch
	Hyderabad *	880	870	10
	Mumbai	880	870	10
	Gondal	850	830	20
	Jamnagar	840	835	5
Rapeseed Oil/Mustard Oil	Jaipur (Expeller Oil)	795	795	Unch
	Jaipur (Kacchi Ghani Oil)	815	803	12
	Kota (Expeller Oil)	780	775	5
	Kota (Kacchi Ghani Oil)	805	805	Unch
	Neewai (Expeller Oil)	775	775	Unch
	Neewai (Kacchi Ghani Oil)	785	785	Unch
	Bharatpur (Kacchi Ghani Oil)	780	790	-10
	Alwar (Expeller Oil)	NA	NA	-
	Alwar (Kacchi Ghani Oil)	NA	NA	-



	Sri-Ganga Nagar(Exp Oil)	785	785	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	805	805	Unch
	Mumbai (Expeller Oil)	770	760	10
	Kolkata(Expeller Oil)	NA	NA	-
	New Delhi (Expeller Oil)	820	825	-5
	Hapur (Expeller Oil)	NR	NR	-
	Hapur (Kacchi Ghani Oil)	NR	NR	-
	Agra (Kacchi Ghani Oil)	785	795	-10
Refined Cottonseed Oil	Rajkot	755	705	50
	Hyderabad	NR	NR	-
	Mumbai	770	770	Unch
	New Delhi	735	740	-5
Coconut Oil	Kangayan (Crude)	1860	1900	-40
	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	610	Unch
Rice Bran Oil (4%)	Uttar Pradesh	NA	NA	-
Malaysia Palmolein USD/MT	FOB	668	668	Unch
	CNF India	693	680	13
Indonesia CPO USD/MT	FOB	657	655	2
	CNF India	683	690	-7
RBD Palm oil (Malaysia Origin USD/MT)	FOB	665	662	3
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	670	670	Unch
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1170	1170	Unch
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	615	612	3
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Ukraine Origin CSFO USD/MT Kandla	CIF	810	808	2
Rapeseed Oil Rotterdam Euro/MT	FOB	900	900	Unch
Argentina FOB (\$/MT)		6-Mar-18	5-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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