

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend inhibit strength. Profit taking continues to remain an open possibility. Reliable supports prevail.
- ✓ 640-644 become an applicable resistance zone.
- ✓ 630-635 is an immediate countable support zone; until this sustains, bulls to maintain majority.
- ✓ 635-645 remains the trading band. Drift in either direction will take the price further in the respective direction.

Trade Recommendation-RSBO NCDEX (January)

Call	Entry	T1	T2	SL
BUY ABOVE	633	636	639	629
Support & Resistance				
S2	S1	PCP	R1	R2
631	634	637.80	640	644



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend become ranged at highs. Bulls keep the charge of the overall trend.
- ✓ 560 remain to be the nearest reliable support on the lower side, while 567 on the higher side becomes an important resistance point.
- ✓ 560-567 becomes the current trading band for the price; drift in either direction will take it further in the respective same.

Trade Recommendation - CPO MCX (January)

Call	Entry	T1	T2	SL
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
557	560	564.30	567	570



Veg Oil Summary

- ✚ Vegetable oil markets carry on with strength. Correction stay deferred but may hinder as demand gets confronted by higher price level, however lower Veg oil imports and demand outlook for the season is likely to maintain the strength.
- ✚ Much of the support is derived from international peers which remain supported by grown up Chinese Soy demand and dry weather in Argentina. Correction in them at higher levels might also be a case.

Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Liquid Gold	12500	Palm Oil	Vessel at Anchor Awaiting Berth
	Mt. Sunrise Wisteria	3500	CPO	Vessel at Berth for Discharging
	Mt.Hartati	6000	Palm Oil	Vessel Expected to Arrive Port
	Mt. Samho Gloreia	12286	CPO	Vessel at Berth for Discharging
	Cestini	9999	CPO	Vessel at Anchor Awaiting Berth
Kakinada	Au Aries	6000	Edible Oil	Vessel Expected to Arrive Port
	Paran Chemi	3009	Edible Ol	Vessel at Berth for Discharging
Chennai	Sun Bridge	5000	Palm Oil	Vessel Expected to Arrive Port
	Au Aries	2020	Palm Oil	Vessel Expected to Arrive Port
	Sp Auckland	8000	CPO	Vessel at Berth For Discharging
	Au Aries	10880	CSFO	Vessel Expected to Arrive Port
	Royal Jasper	7000	Palm Oil	Vessel Expected to Arrive Port
	Grace	12319	CSFO	Vessel Expected to Arrive Port
	Niluder Sultan	10000	CSFO	Vessel Expected to Arrive Port
Tuticorin	Sun Bridge	4501	Palm Oil	Vessel at Berth For Discharging

Fundamental Analysis:

- **Soy oil prices traded firm in the spot market. Prevailing Strength in the international markets, continue to support domestic peers, which confide in good domestic demand.** Internationally, Soybean price bounded higher during 2010 amid voracious export demand from China, the world's top soy buyer, which tightened U.S. and global soy stocks. Concerns about crop prospects in South America drove up the market in recent months as hot and dry conditions persisted in parts of Argentina
 - A sharp break in the US dollar has enticed increased buying support along with upward movement in crude oil price.
 - On the domestic front: Crush margins slipped lower on the day as the price of seed rose considerably, whereas meal price growth did not match. News of an outbreak of bird flu in South Korea, created skepticism over soy meal demand as the country is one of the key importers of Indian soy meal, which may affect the Soy markets.
 - Also, Local soy oil supply has improved due to soybean crushing which offset the demand led optimism. Import disparity do prevail but the reduction in the difference between the landed cost and domestic price has reduced, owing to the recent weakness in dollar and rise in domestic price.
 - Soy arrivals in Madhya Pradesh region were at 200000 bags down from 250000 bags a day earlier. Arrivals at Indore Mandi hovered at 5500 bags as against 4000 bags a day earlier.
 - US, Weekly export sales for soybeans came in at 663,200 metric tonnes for old crop and 285,000 for new crop for a total of 948,200 tonnes which was near the lower end of expectations.Net oil sales came in at just 600 metric tonnes for the current marketing year and 1,500 for the next marketing year for a total of 2,100 which was well under expectations. Cumulative soybean oil sales stand at 77.6% of the USDA forecast for 2010/2011 (current) marketing year versus a 5 year average of 33.3%. Sales of 7,000 metric tonnes are needed each week to reach the USDA forecast.
 - Global vegetable oil stocks in 2010/11 are expected to fall to a 7-year low, which has strengthened prices across all markets. In the United States, soybean oil prices have risen with an outlook for lower output, higher use, and a tightening soybean supply. A weakening dollar and higher price for crude petroleum also provide support for the soybean oil market.
- Soy oil price may inhibit ranged nature with positive bias as correction may hinder, ignited by the same internationally and by some restriction in demand at higher levels along with stock injection into the market at higher levels but concerns over south American crop and better demand prospects both domestically and internationally will remain supportive of the overall trend.**
- ❖ **Palm Oil price remain firm in the spot market. Malaysian crude palm oil hit a new 33-month high on Monday as robust demand chases tightening supplies.**
 - ❖ Palm oil prices, rose 42.2 percent in 2010, are underpinned by heavy rains lashing oil palm estates in Malaysia and Indonesia and dry weather in soy oil-producing Argentina
 - ❖ Exports of Malaysian palm oil products for December 1-31 fell 15 percent: to 1,285,639 tonnes from 1,512,250 tonnes shipped during November as put by the cargo surveyor Intertek Testing Services. Exports to all the major destinations plunged lower in the December month vis a vis a month earlier

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		03-01-11	31-12-10	
Refined Soybean Oil	Mumbai +VAT	625	615	+10
	Indore	605	602	+3
	Rajkot + VAT	627	610	+17
Palm Oil	Kandla CPO (5%FFA)	568	560	+8
	Mumbai RBD Pamolein+ VAT	598	592	+6
	Mumbai + VAT	720	720	-
Refined Sunflower Oil	Chennai + VAT	725	720	+5
	Mumbai + VAT	780	770	+10
Groundnut Oil	Rajkot + VAT	790	775	+15
	Kota +VAT	590	583	+7
	Jaipur + VAT	597	595	+2
Rapeseed Oil	Delhi	645	625	+20
	Mumbai + VAT	598	592	+6
	Rajkot + VAT	605	585	+20

*Indicates all paid price

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