

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend become ranged. Profit taking may extend. 630 is an important support point.
- ✓ 640-644 continue to prevail as an applicable resistance zone.
- ✓ 630-635 is an immediate countable support zone; until this sustains, bulls are likely to keep an upper hand.
- ✓ 630-640 becomes 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	638.20	640	644



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend remain ranged at highs. Nearness to resistance indicate caution, however strength in overall trend stand supportive.
- ✓ 560 maintains to be the nearest reliable support on the lower side, while 569 on the higher side becomes an important resistance point.
- ✓ 560-569 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
556	561	566.90	569	573



Veg Oil Summary

- ✚ Vegetable oil markets ease off, trend remains upbeat. Correction 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 affects the price walk, although.

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 price traded lower in the spot market. Ease off in the international markets affected the day's walk of the domestic peers. Ranged walk by Crude oil price dollar create skepticism however, overall weakness in trend of dollar and strength in crude oil remain indicative of available support. Weather for Argentina this week and some long liquidation selling helped to spark a recent sell-off and lower trade.

- Brazil's soy-growing regions will see fairly steady, widespread rain over the next Fortnight as put by forecaster Somar, as much of the crop enters the late stages of its development. Hot, dry weather across Rio Grande do Sul will deplete soil moisture and increase stress. Mostly favorable conditions across Parana but soils may trend drier in several days. Favorable conditions for Mato Grosso.
- Domestically, Soy oil prices opened weak on poor buying support against better selling. Soybean plant prices shed in Maharashtra and Madhya Pradesh on Tuesday in the absence of demand. Major mandis of these two states remained closed on the account of Amavasya.
- Crush margins deteriorated further, incorporating dip in the overall market. Also, Local soy oil supply has improved due to soybean crushing which offset the demand led optimism. Import disparity does 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 plunged lower to 50000 bags as compared to 200000 bags a day earlier. The same in Maharashtra were also lower at 60000 bags as compared to 100000 bags a day earlier.
- 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 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 plunged lower in the spot market. Malaysian crude palm oil snapped two days of gains as traders booked profit on a Weather driven rally in global vegetable oil markets.**
- ❖ Palm oil's price cycle may peak in the first half of 2011 as Asian buyers chase for vegetable oil supplies that are shrinking on adverse weather as put by Goldman Sachs.
- ❖ 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
		04-01-11	03-01-11	
Refined Soybean Oil	Mumbai +VAT	620	625	-5
	Indore	598	605	-7
	Rajkot + VAT	625	627	-2
Palm Oil	Kandla CPO (5%FFA)	560	568	-8
	Mumbai RBD Pamolein+ VAT	590	598	-8
Refined Sunflower Oil	Mumbai + VAT	705	720	-15
	Chennai + VAT	725	725	-
Groundnut Oil	Mumbai + VAT	785	780	+5
	Rajkot + VAT	780	790	-10
	Kota +VAT	582	590	-8
Rapeseed Oil	Jaipur + VAT	592	597	-5
	Delhi	627	645	-18
Refined Cottonseed Oil	Mumbai + VAT	596	598	-2
	Rajkot + VAT	600	605	-5

*Indicates all paid price

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