

### RSBO (Refined Soybean Oil)

#### Technical Analysis:

- ✓ Soy oil price trend become ranged. Bulls and bears fight at highs.
- ✓ 644-655 is the relevant trading band for the price. Drift in either direction will take it further in the respective same.
- ✓ 655-657 on the higher side becomes the relevant resistance zone.
- ✓ 645 is an immediate countable support zone.
- ✓ Market stand at a trend deciding juncture.

#### Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
640	644	650.10	654	657



### CPO (Crude Palm Oil)

#### Technical Analysis:

- ✓ CPO price trend become ranged at highs.
- ✓ 565 becomes the nearest reliable support on the lower side, while 575 on the higher side becomes an important resistance point.
- ✓ 565-575 becomes the current trading band for the price; drift in either direction will take it further in the respective same.
- ✓ While profit taking may extend, supports are likely to act.

#### Trade Recommendation - CPO MCX (February)

Call	Entry	T1	T2	SL
BUY ABOVE	567	570	573	563
Support & Resistance				
S2	S1	PCP	R1	R2
561	565	570.50	574	578



### Veg Oil Summary

- ✚ Vegetable oil market takes a breather and resurrect. Correction hinder as demand gets confronted by higher price level, however lower Veg oil imports and demand outlook for the season is likely to back 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.
- ✚ Rains are being anticipated for Argentina and Brazil but their sufficiency remains doubtful.

#### Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Liquid Gold	12500	Palm Oil	Vessel at Anchor Awaiting Berth
	Mt.Hartati	6000	Palm Oil	Vessel Expected to Arrive Port
Kakinada	Au Aries	6000	Edible Oil	Vessel Expected to Arrive Port
	Mt Amsterdam	8000	Edible Oil	Vessel Expected to Arrive Port
	Taurus	6500	Edible Oil	Vessel Expected to Arrive Port
Chennai	Sun Bridge	5000	Palm Oil	Vessel at Anchor Awaiting Berth
	Au Aries	2020	Palm Oil	Vessel at Berth For Discharging
	Au Aries	10880	CSFO	Vessel Expected to Arrive Port
	Royal Jasper	7000	Palm Oil	Vessel at Berth For Discharging
	Grace	12319	CSFO	Vessel Expected to Arrive Port
	Niluder Sultan	10000	CSFO	Vessel Expected to Arrive Port
	Sp Amsterdam	3000	Palm Oil	Vessel Expected to Arrive Port
	Ubt Ocean	8500	Palm Oil	Vessel Expected to Arrive Port

#### Fundamental Analysis:

**Soy oil price traded broadly higher in the spot market. Strength was derived from recovery in CBOT Soy prices and BMD Palm oil which regained the same on resurrected concerns over Argentina's crop as rains remain likely but sufficiency of the same is yet to be determined. Recovery in dollar, a day earlier however tried to weigh down.**

- With palm oil trading up to near soybean oil for the first time in three years, improvement in demand for soybean oil over the near-term remain likely, which prevail as a supportive factor.
- On the domestic front, Soy Crush margins slipped lower as against yesterday's level, although drop was little as soy oil price increased along with higher soybean price. Soy arrivals in Madhya Pradesh were steady at 2 lakh 50 thousand bags.
- Squeezed differential between Soy oil and Palm oil, increase prospects for Soy oil imports, although better import parity is eyed.
- India doesn't have any plan to impose an import duty on crude edible oils or to raise the tax on refined edible oils as put by a senior food ministry official. India import nearly 50% of edible oil requirement.
- Closely-watched private U.S. crop analyst Michael Cordonnier had lowered his forecast of Argentine 2010/11 soybean production for a third straight week due to hot and dry weather in the world's third largest soybean exporter. He reduced his estimate to 45 million tonnes from 48 million tonnes. Cordonnier left unchanged his estimate of the 2010/11 soybean crop in Brazil at 67 million tonnes.
- 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.

**Soy oil price may stay range bound with positive bias as corrective dips remain an option as higher prices are likely to cap demand however higher meal demand facilitate higher crush which stand supportive, although oil supplies will increase as a result and offset some of the impact. International markets also remain upbeat on squeezing Veg oil supplies, which affect us alike.**

- ❖ **Palm Oil price was broadly higher in the spot market. Malaysian crude palm oil recovered on Thursday, driven by erratic weather slowing production in major vegetable oil exporting regions at a time when global demand grows. The same provided us the boost.**
- ❖ Palm oil clawed back most of its losses from the day before despite a firmer dollar as rains continued to pound estates in Malaysia.
- ❖ Malaysia's palm oil stocks data and USDA monthly supply and demand report are due next week. Concerns of tight palm oil supplies in Malaysia due to the rains have lifted cash prices, prompting traders to ship in cheaper, more ample variety from Indonesia for Malaysia's refining industry.

#### Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		06-01-11	05-01-11	
Refined Soybean Oil	Mumbai +VAT	625	615	+10
	Indore	603	600	+3
	Rajkot + VAT	605	610	-5
Palm Oil	Kandla CPO (5%FFA)	562	562	-
	Mumbai RBD Pamolein+ VAT	600	590	+10
Refined Sunflower Oil	Mumbai + VAT	715	705	+10
	Chennai + VAT	725	725	-
Groundnut Oil	Mumbai + VAT	785	785	-
	Rajkot + VAT	770	770	-
	Kota +VAT	583	580	+3
Rapeseed Oil	Jaipur + VAT	593	590	+3
	Delhi	625	626	-1
Refined Cottonseed Oil	Mumbai + VAT	598	598	-
	Rajkot + VAT	600	600	-

\*Indicates all paid price

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