

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price remain range bound. Indecision prevails near support juncture. Rest of the scenario has barely shifted.
- ✓ Bears to keep a upper hand until 650 on the higher side remain un breached.
- ✓ 634-644 continue to remain the relevant trading band for the price, and drift in either direction will take it further in the respective same.
- ✓ While 646-649 sustain as a relevant resistance zone, 631-635 on the lower side is the relevant support zone.
- ✓ Note that, 639 is a significant support (on closing basis) until it sustains, little bounce back can not be ruled out.

Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
SELL BELOW	638	635	633	643
Support & Resistance				
S2	S1	PCP	R1	R2
634	637	640.10	644	648



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend stay ranged with weak bias. Scenario remains same.
- ✓ 550 remains the nearest reliable support on the lower side, while 560 on the higher side becomes an important resistance point.
- ✓ 550-560 becomes the current trading band for the price; drift in either direction will take it further in the respective same.
- ✓ While some bounce back may happen, selling pressure is likely to exert at higher levels.

Trade Recommendation - CPO MCX (February)

Call	Entry	T1	T2	SL
SELL BELOW	557	554	549	562
Support & Resistance				
S2	S1	PCP	R1	R2
545	548	551.30	556	560



Veg Oil Summary

- ✚ Vegetable oil price remain range bound. Alike sentiment in International markets remain prevalent. While positive developments remain discounted to an extent, negative drivers remain less effective until now.
- ✚ Weather in Argentina continues to lay concerns where as Brazil soy crop prospects remain optimistic. Trend in Malaysian Palm confides in weather disruptions in Malaysia but slip in exports affects otherwise. Its price walk ahead is likely to bear impact.

Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Stx Forte	8000	Palm Oil	Vessel Expected to Arrive Port
	Mt . Ema Querida	18740	CPO	Vessel Expected to Arrive Port
	Samho Sapphire	11713	CPO	Vessel at Berth For Discharging
	Mt. ChemBulk Tortola	18000	CPO	Vessel Expected to Arrive Port
	Mt. Oceanic Coral	8000	Palm Oil	Vessel Expected to Arrive Port
	Mt.Chembulk Ulsan	5000	CPO	Vessel Expected to Arrive Port
Kakinada	Mt. G S Grnad	6000	Edible Oil	Vessel at Anchor Awaiting Berth
	Mt Amsterdam	8000	Edible Ol	Vessel at Anchor Awaiting Berth
	Fair Apollon	4020	Edible Oil	Vessel Expected to Arrive Port
	Palma Prima	8300	Edible Oil	Vessel at Berth For Discharging
	Royal Japer	5000	Edible Oil	Vessel at Anchor Awaiting Berth
	Grace	4410	Edible Oil	Vessel Expected to Arrive Port
	MT.World Bridge	9600	Edible Oil	Vessel Expected to Arrive Port
Chennai	Ten Rose	6300	Palm Oil	Vessel Expected to Arrive Port
	Antonis	10880	CSFO	Vessel at Berth For Discharging
	Grace	13054	CSFO	Vessel at Berth For Discharging
	Theresa Leopard	17500	CSFO	Vessel Expected to Arrive Port
	Liquid Crystal	2000	Palm Oil	Vessel Expected to Arrive Port
	Titan Glory	8200	Palm Oil	Vessel Expected to Arrive Port

Fundamental Analysis:

Soy oil price traded higher in the spot market. Gains in CBOT Soy complex and Recovery in Malaysian Palm uplifted the domestic sentiment on the day. Bullish USDA report news sparked aggressive buying. Rally in Crude oil price also supported. To add to this USDA announced a sale of 40,000 tonnes of US soybean oil to China for the 2010/11 season.

- **USDA Report highlights:** U.S. oilseed production for 2010/11 is estimated at 100.5 million tons, down 1.2 million from last month. US soybean production revised lower to 90.61MMT for 2010/11 as compared to 91.85 MMT stated a month earlier. US soybean ending stocks projections lowered at 3.82 million tonnes for the same period vs. 4.49 million tonnes a month earlier.
- **Domestically:** Soy Crush Margins declined on the day owing to higher soybean rate. Margins remain fluctuating. Soybean arrivals in Madhya Pradesh slipped lower to 1 lakh 50 thousand bags as compared to 1 lakh 60 thousand bags a day earlier whereas arrivals improved to 5000 bags in Indore Mandi as compared to 4500 bags a day earlier.
- India's vegetable oil imports in December rose 8.3 percent from November as per the Reuters survey.
- 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.
- Crop forecasters see a bumper soybean crop for Brazil again this year: with two of the latest independent estimates zeroing in on a harvest that is just shy of last year's record. Despite dry weather that worried local producers early in the planting season, rains have since normalized and favored the new crop. Continued regular rains will still be required during the critical pod-filling months ahead to bring in a bumper crop. AgraFNP analysts raised their monthly forecast by 300,000 tonnes to 68.3 million tonnes. This compares with a record 68.7 million tonnes last year.

Soy oil prices confide in better demand outlook and deteriorating Soybean arrivals along with incorporating international price trend however higher Soy crop for this season and better crush margins boost the supplies as well. Price might follow a ranged path but trend is likely to remain positively skewed, barring inherent correction, derived from international price cool off.

- ❖ **Palm oil price depicted mixed trend in the spot market. Malaysian crude palm oil futures rebounded from three-week lows hit the previous day after key report showed a deeper-than-expected cut for U.S. soy stocks.**
- ❖ Differential between Palm and Soy faced a reduction in December 2010 as compared to same month year back. It continues to remain lower in January 2011 (average price calculated until Jan 10) as compared to same duration last year, which may offset part of the imports as soy oil remain more attractive.
- ❖ Malaysian Palm trend may remain supported by likely better demand from China as it head towards its New Year in early February and reduction in Month on Month production but corrective dip can not be ruled out as demand stabilization become obvious at higher price levels.

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-01-11	12-01-11	
Refined Soybean Oil	Mumbai +VAT	615	613	+2
	Indore	604	600	+4
	Rajkot + VAT	595	590	+5
Palm Oil	Kandla CPO (5%FFA)	545	546	-1
	Mumbai RBD Pamolein+ VAT	580	583	-3
	Mumbai + VAT	705	700	+5
Refined Sunflower Oil	Chennai + VAT	720	720	-
	Mumbai + VAT	760	765	-5
Groundnut Oil	Rajkot + VAT	730	745	-15
	Kota +VAT	575	575	-
	Jaipur + VAT	587	585	+2
Rapeseed Oil	Delhi	600	595	+5
	Mumbai + VAT	600	598	+2
	Rajkot + VAT	585	585	-

*Indicates all paid price

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