

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price stay remains range bound. 635-650 remains the applicable trading band.
- ✓ Indecision continues to prevail near support juncture.
- ✓ Bears to keep a upper hand until 650 on the higher side remain un breached.
- ✓ While 646-649 sustain as a relevant resistance zone, 631-635 on the lower side is the relevant support zone.
- ✓ Note that, 639 still sustain as a significant support (on closing basis) until it persists, bounce backs will remain likely

Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
SELL BELOW	644	640	636	649
Support & Resistance				
S2	S1	PCP	R1	R2
633	636	641	644	648



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend inhibit weak trend. Intraday bounce back may happen from oversold territory, selling pressure may maintain at higher levels.
- ✓ 545 remains the nearest reliable support on the lower side, while 555 on the higher side becomes an important resistance point.
- ✓ 545-555 becomes the current trading band for the price; drift in either direction will take it further in the respective same.

Trade Recommendation - CPO MCX (February)

Call	Entry	T1	T2	SL
SELL BELOW	553	549	545	557
Support & Resistance				
S2	S1	PCP	R1	R2
541	544	547.50	551	555



Veg Oil Summary

- ✚ Vegetable oil price trend 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 OI	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
Chennai	MT.World Bridge	9600	Edible Oil	Vessel Expected to Arrive Port
	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 remain steady to lower in the spot market. Weakness in CBOT Soy oil and slip in BMD Palm, later in the day weigh down the sentiment. A slip in crude oil price weighed on the Soy oil price. China's soy import boom is likely to slow as crushers ditch pricey imports in favor of state supplies, the same impact the price walk from here on.

Net weekly export sales for soybeans came in at 495,000 metric tonnes for the current marketing year and 180,000 for the next marketing year for a total of 675,000 which was a little higher than expected. Soybean oil sales came in at 7,500 metric tonnes which pushed cumulative sales to 79.3% of the USDA forecast for 2010/2011 (current) marketing year versus a 5 year average of 34.5%.

- The National Oilseed Processors Association's monthly crush data should show the U.S. crush for December at 149.4 million bushels. Trade estimates ranged from 146.5 million to 151.1 million bushels. NOPA reported the November crush at 148.9 million bushels.
 - 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.
 - India's vegetable oil imports in December rose 8.3 percent from November as per the Reuters survey. Going forward, 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. While demand for oil still remain festive driven, it remain subject to higher price levels and fluctuate, based on that. Soy Crush Margins declined further on the day owing majorly to the slip in oil price.
- 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 remain steady to lower in the spot market. Malaysian palm oil futures inched higher early on Friday as traders bet heavy rains might further curb production just as demand starts to grow again, but finally settled lower.**
- ❖ 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

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		14-01-11	13-01-11	
Refined Soybean Oil	Mumbai +VAT	615	615	-
	Indore	598	604	-6
	Rajkot + VAT	Closed	595	-
Palm Oil	Kandla CPO (5%FFA)	540	545	-5
	Mumbai RBD Pamolein+ VAT	580	580	-
Refined Sunflower Oil	Mumbai + VAT	715	705	+10
	Chennai + VAT	720	720	-
Groundnut Oil	Mumbai + VAT	760	760	-
	Rajkot + VAT	Closed	730	-
	Kota +VAT	575	575	-
Rapeseed Oil	Jaipur + VAT	587	587	-
	Delhi	602	600	+2
Refined Cottonseed Oil	Mumbai + VAT	600	600	-
	Rajkot + VAT	Closed	585	-

*Indicates all paid price

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