

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend continue to remain north headed. Bulls maintain the charge.
- ✓ 655-670 becomes the immediate trading band for the price.
- ✓ Indication of short covering materialized, bulls have regain strength, and important resistances are breached.
- ✓ 659, on the lower side become an important support juncture.
- ✓ Buying on dips to remain fruitful. 670 may act as an important hurdle.

Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
BUY ABOVE	662	666	669	657.80
Support & Resistance				
S2	S1	PCP	R1	R2
655	660	666.10	669	673



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend remain range bound with positive bias.
- ✓ 565 remains the nearest reliable support on the lower side, while 575 on the higher side persist to be a 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.

Trade Recommendation - CPO MCX (February)

Call	Entry	T1	T2	SL
BUY ABOVE	568	573	576	564
Support & Resistance				
S2	S1	PCP	R1	R2
563	568	572.30	575	579



Veg Oil Summary

- ✚ Vegetable oil price trend remain range bound with positive bias. Regained strength in International markets rebuilds optimism. Anticipated cuts in the Argentina's soy production support the prices along with active Soybean purchases by China. Domestically, demand for oil, lower imports and diminished soy arrivals remain supportive of the price trend.

Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Feng Hai 11	8000	Palm Oil	Vessel Expected to Arrive Port
	Mt. Ema Querida	18740	CPO	Vessel at Berth For Discharging
	Mt. Stx Forte	8000	Palm Oil	Vessel at Anchor Awaiting Berth
	Mt.Chembulk Ulsan	5000	CPO	Vessel at Anchor Awaiting Berth
	Mt. Global Challenge	15500	CPO	Vessel Expected to Arrive Port
	Mt. Ms Simon	10500	CDSBO	Vessel Expected to Arrive Port
Kakinada	Mt. G S Grnad	6000	Edible Oil	Vessel at Anchor Awaiting Berth
	Fair Apollon	4020	Edible Oil	Vessel at Berth For Discharging
	Earth Blue	2400	Edible Oil	Vessel at Anchor Awaiting Berth
	MT.World Bridge	9600	Edible Oil	Vessel at Anchor Awaiting Berth
	Paran Chemi	2500	Edible Oil	Vessel Expected to Arrive Port
Chennai	Ten Rose	6300	Palm Oil	Vessel at Anchor Awaiting Berth
	Samho Crystal	9170	CSFO	Vessel Expected to Arrive Port
	Torm Helvig	10000	CSFO	Vessel Expected to Arrive Port
	Theresa Leopard	21000	CSFO	Vessel at Berth For Discharging
	Liquid Crystal	2000	Palm Oil	Vessel at Berth For Discharging

Fundamental Analysis:

Soy oil price remain steady to higher in the spot market. Price headed higher but gains were thin as activity remains subdued. Meanwhile domestic markets continue to derive positive cues from global markets.

International developments that drove the price: China has purchased an additional 8.45 million metric tons of U.S. soybeans, bringing its two-day total to 11.52 million.

- Domestically, Soy Arrivals remain steady in Madhya Pradesh at 1 lakh 50 thousand bags as a day earlier, the same impact the markets positively as it prevail at lower levels already.
- Soy Crush margins improved slightly on the day from a day earlier, on the back of notable surge in the soy meal price. Crush margins stay negative as seed prices increase at a faster pace than the rise in Soy meal and Soy oil price.
- While oilseed area for kharif season witnessed an increase of 0.61% in 2010 as compared to 2009, Rabi oilseed sowing until January 14 2011, witnessed an increase of 2.40% as compared to same period last year.
- On the basis of Kharif sowing, major production shifts are seen for Ground nut and Soybean crop, which contribute to higher anticipated oilseed production. The corresponding oil availability is likely to be affected due to that. Total oil availability from kharif produce, is projected at 55.37 lakh tonnes.
- China's Overall Soybean Imports are on a continuous rise and is projected at 57 million metric tonnes for 2010-11 as per revisions made in January, the backing reason remain continuous rise in its total use which is projected at 68.85 MMT for 2010-11 as compared to 59.43 MMT estimated in 2009-10.
- Global edible oil production is projected to rise by 4.61 percent in 2010-11 whereas consumption growth is projected to outpace the same and remain around 6.21 percent; the same along with lower beginning stocks for 2010-11 is likely to draw down stocks. This anticipated development in figures may aggravate, given the unstable weather scenario in South America and Malaysia, which pose a threat to supplies.

Soy oil price trend is likely to project ranged nature with positive bias. Lower imports and diminished soy arrivals stay supportive however improvement in availability of the same due to higher production and improved crushing may bring in offsetting impact.

- ❖ **Palm oil price remain positively skewed in the spot market. While remain shut on the day, Malaysian palm oil futures rose to a near two-week high on Friday, as traders cited a favorable supply and demand outlook for early 2011, combined with a technical rebound.**
- ❖ Palm oil imports in India, witnessed an increase of 2.89% in December 2010 as compared to same month last year, the same may find continuity as purchases might pace up, ahead of implementation of proposed hike of Indonesia's export tax hike in February, however lower differential with Soy oil may offset part of the same.
- ❖ Malaysian Palm current price trend remain driven by cuts in production in the December month as compared to November and cuts in the stocks also remains a favorable development.

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		22-01-11	21-01-11	
Refined Soybean Oil	Mumbai +VAT	630	625	+5
	Indore	619	618	+1
	Rajkot + VAT	605	605	-
Palm Oil	Kandla CPO (5%FFA)	558	557	+1
	Mumbai RBD Pamolein+ VAT	590	588	+2
Refined Sunflower Oil	Mumbai + VAT	725	725	-
	Chennai + VAT	720	720	-
Groundnut Oil	Mumbai + VAT	770	770	-
	Rajkot + VAT	770	770	-
	Kota +VAT	592	592	-
Rapeseed Oil	Jaipur + VAT	605	605	-
	Delhi	620	616	+4
Refined Cottonseed Oil	Mumbai + VAT	617	615	+2
	Rajkot + VAT	595	597	-2

*Indicates all paid price

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