

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price correct from the highs, reach near support levels now. Scenario has barely shifted.
- ✓ 645-655 becomes the immediate trading band for the price. Drift in either direction will take price further in the respective same.
- ✓ While, weakness is likely to intensify below 650, until it prevails, some bounce back may happen, until higher resistances.
- ✓ 660 on the higher side is an acting resistance.

Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
SELL BELOW	656	652	648	660
Support & Resistance				
S2	S1	PCP	R1	R2
645	648	653.50	656	660



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend become range bound. Short covering may persist, resistance lay ahead.
- ✓ 565 remains the nearest reliable support on the lower side, while 575 on the higher side persist to be important resistance point.
- ✓ 565-575 becomes the broad 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	573	570	567	577
Support & Resistance				
S2	S1	PCP	R1	R2
561	564	568.30	571	575



Veg Oil Summary

- ✚ Vegetable oil price trend remain ranged. Cool off from the highs remain part as higher prices restrict domestic demand and with major festivity out of the way along with easing winters, slow down looks likely. Higher crushing lead to improved supplies as well.
- ✚ Internationally, positive prospects for Brazil's Soy crop and rains in the forecast for Argentina play triggers for a ease off while positive developments stay discounted.

Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Feng Hai 11	8000	Palm Oil	Vessel at Anchor Awaiting Berth
	Mt. Stx Fort	8000	Palm Oil	Vessel at Anchor Awaiting Berth
	Mt. Argent Hibiscus	1800	CPO	Vessel Expected to Arrive Port
	Mt. Ms Simon	10500	CDSBO	Vessel at Berth For Discharging
	Mt. Wildebeest	18000	CDSBO	Vessel Expected to Arrive Port
	Mt. Taurus	8000	Palm Oil	Vessel Expected to Arrive Port
Kakinada	Bluegreen Tigre	7067	Edible Oil	Vessel at Berth For Discharging
	Feng Hai	4500	Edible Oil	Vessel Expected to Arrive Port
	Ubt Ocean	3560	Edible Oil	Vessel Expected to Arrive Port
Chennai	Samho Crystal	12080	CSFO	Vessel at Berth For Discharging
	Feng Hai 13	3928	Palm Oil	Vessel at Berth For Discharging
	Java Palm	8000	Palm Oil	Vessel at Anchor Awaiting Berth
Mumbai	Global Challenge	3000	Palm Oil	Vessel at Anchor Awaiting Berth
Tuticorin	Global Themis	6000	Palm Oil	Vessel Expected to Arrive Port

Fundamental Analysis:

Soy oil prices continue to slip lower in the spot market. Weakness in CBOT Soy aggravated the weakness in the domestic markets, which remain led by slipping demand at higher price levels.

International development: Talk of possible disruptions from port strikes in Argentina and continued demand from China helped spark increased speculative buying into early trade. In another development, early Brazil soy yields show no La Nina effects.

- India's Soy oil Imports may pick up amidst developing parity as international price ease at a higher rate when compared to domestic prices. Also its differential with Palm continues to stay lower as compared to last year, which further remains supportive of the same. The same may lead to month on month increase in the same but at the same time with decent domestic crushing being done, supplies already remain higher on the other hand demand may remain sluggish at higher price levels and with easing winter and festive season. Conclusively, the later may moderate the imports.
- Domestically Soy demand which remain subject to higher prices, tend to fluctuate based on that. Crush margins which remain negative, continue to act as another restriction. Soy crushing which has been done until now, give rise to improved soy oil supplies which again remain a limiting factor for the price that remain desperate for a cool off, to match the domestic fundamentals, as they were aggravated mostly by international push.
- Globally, Soybean prices had already strengthened considerably, and growing concerns over new-crop conditions in Argentina have only added to that momentum. Also contributing to the bullish price movement is market sentiment that soybeans may have difficulty gaining acreage next spring against other crops (particularly corn). Anticipations that, higher prices might belittle demand suggest some stabilization might be in store.
- With rains hitting, South America recently, market remain bothered about improvement in the crop conditions there and the same add jitters.

Soy oil price trend is likely to project ranged nature. Lower imports and diminished soy arrivals stay supportive however improvement in availability of the same due to higher production and improved crushing may bear offsetting impact. Palm oil price trend which inhibit medium term strength may head for a breather and affect soy oil as a result.

Palm oil price drifted lower in the spot market. On the last trading day Malaysia Palm grew a little on supply concerns but remain set for 1st monthly loss in 7 months.

- ❖ Surveyor cargo surveyor Societe Generale de Surveillance reported exports of Malaysian palm oil products for Jan 1-25 down 2.1 percent to 1,017,913 tonnes from 1,040,145 tonnes shipped during Dec 1-25. According to data reported by this surveyor, export to European Union, China, US and India slipped lower in the same period as compared to last month. Exports to Pakistan showed improvement however.
- ❖ World Palm Oil Production is projected to rise to 47.91 million tonnes in 2010-11 as compared to 44.82 million tonnes in 2009-10, however consumption is seen catching up to 48.20 million tonnes in 2010-11 as compared to 44.69 million tonnes in 2009-10. The later is seen rising at a higher pace, which stands as a supportive factor.

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		29-01-11	28-01-11	
Refined Soybean Oil	Mumbai +VAT	630	630	-
	Indore	611	613	-2
	Rajkot + VAT	610	615	-5
Palm Oil	Kandla CPO (5%FFA)	558	560	-2
	Mumbai RBD Pamolein+ VAT	600	605	-5
Refined Sunflower Oil	Mumbai + VAT	725	725	-
	Chennai + VAT	715	715	-
Groundnut Oil	Mumbai + VAT	765	770	-5
	Rajkot + VAT	735	745	-10
	Kota +VAT	582	587	-5
Rapeseed Oil	Jaipur + VAT	594	597	-3
	Delhi	600	610	-10
Refined Cottonseed Oil	Mumbai + VAT	612	617	-5
	Rajkot + VAT	600	600	-

*Indicates all paid price

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