

RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend depicts range bound nature. Price felt a knee jerk reaction while nearing to the recent peak, as indicated.
- ✓ 660-675 continue to remain the trading band for the price. Drift in either direction will take price further in the respective same.
- ✓ 660 level on the lower side hold a lot of importance, while correction may extend below the same, until it sustains (on closing basis), bulls are likely to hold on to strength.
- ✓ While low risk traders may wait for clear direction, high risk traders may play as per the mentioned levels.

Trade Recommendation-RSBO NCDEX (February)

Call	Entry	T1	T2	SL
SELL BELOW	667	664	660	671
Support & Resistance				
S2	S1	PCP	R1	R2
657	660	663.85	667	670



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price stay in uptrend. Correction from overbought levels can not be ruled out, however.
- ✓ 584 remains the nearest reliable support on the lower side, while 590 on the higher side persist to be important resistance point.
- ✓ 584-590 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
BUY ABOVE	584	587	590	579
Support & Resistance				
S2	S1	PCP	R1	R2
580	584	588.80	591	595



Veg Oil Summary

- ✚ Vegetable oil price trend remain optimistically skewed. Correction remains hindered as positive developments in the international market, resurrects strength in the same, thus providing the same to us. Severe rains in Malaysia disrupt production activity which aggravates supply concerns. However, possibility of correction is not ruled out, altogether as higher prices are bound to come in the way of demand.

Port Watch

Port	Vessel Name	Volume(MT)	Commodity	Status
Kandla	Mt. Feng Hai 11	8000	Palm Oil	Vessel at Berth For Discharging
	Mt. Argent Hibiscus	1800	CPO	Vessel at Anchor Awaiting Berth
	Mt. Wildebeest	18000	CDSBO	Vessel Expected to Arrive Port
	Mt. Taurus	8000	Palm Oil	Vessel Expected to Arrive Port
Kakinada	Asian Glory	8609	Edible Oil	Vessel at Berth For Discharging
	Feng Hai	4500	Edible Oil	Vessel at Anchor Awaiting Berth
	Ubt Ocean	3560	Edible Oil	Vessel at Anchor Awaiting Berth
	Cm Maya	8000	Edible Oil	Vessel Expected to Arrive Port
Chennai	Cf Zachery	7000	CPO	Vessel Expected to Arrive Port
	Fair Apollon	3500	Palm Oil	Vessel Expected to Arrive Port
	Java Palm	8000	Palm Oil	Vessel at Berth For Discharging
	Sun Bridge	3500	Palm Oil	Vessel Expected to Arrive Port
	Titan Glory	3050	Palm Oil	Vessel Expected to Arrive Port
	Global Themis	4000	Palm Oil	Vessel Expected to Arrive Port
Tuticorin	Global Themis	6000	Palm Oil	Vessel Expected to Arrive Port

Fundamental Analysis:

Soy oil price depicted mixed trend on the day. Continued global optimism limited the downside that was part of corrective move that stay deferred as of now. However, a temporary end to the strike in Argentina offset the positive influences.

In a recent development: Brazil soy belt in line for heavier rain over weekend, while the same is presumed to be beneficial, exact impact is to be determined with time.

- US, Soy market stay erected but news of ease in the strike at Argentina's port bring off some part of the optimism as the prior was led by it, recently. Devastating effect of floods on palm in Malaysia, however continue to keep supply concerns alive in the vegoil market.
- Going forward, internationally, global soy oil consumption is likely to rise above production in the current season with Chinese and European demand remaining strong. China's Oct. 2010/Sept. 2011 soy oil imports are forecast to rise to 1.67 million tonnes from 1.51 million tonnes in the same year-ago period. The same stay supportive however grown up prices will continue to counter the demand and thereby will disrupt the price rally ahead.
- On the domestic front: Soybean arrivals in Madhya Pradesh improved on the day as compared to the prior day however continue to hover near the lower levels of 1 lakh 25 thousand, which stay supportive for the oil market.
- Soy Crush margins improved on the day however still stays negative. Improvement in the meal price led to the improvement however higher growth in the bean prices as compared to the growth oil and meal price push them into negative territory.
- India's Soy oil Imports may find a boost 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.

Soy oil price trend is likely to stay range bound with positive bias, given the part revival in global optimism. Lower imports until now in the season and diminished soy arrivals also stay supportive however improvement in availability of the same due to higher production and improved crushing may bear offsetting impact. Strength in Malaysian Palm is likely to stay a major inspiration for the direction ahead.

Palm oil price remain steady to lower in the spot market. Malaysian palm oil futures rose to a three-year high on last trading day, as output jitters buoyed prices in the wake of flooding in key plantations areas and comparative vegetable oil supplies were hit by strike action.

- ❖ Exports of Malaysian palm oil products in January fell 4.6 percent to 1,202,368 tonnes from 1,260,713 tonnes shipped in December a put by cargo surveyor SGS. Exports to all the major destinations slipped lower in the month in question when compared to the last year.
- ❖ 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
		03-02-11	02-02-11	
Refined Soybean Oil	Mumbai +VAT	645	645	-
	Indore	619	621	-2
	Rajkot + VAT	625	615	+10
Palm Oil	Kandla CPO (5%FFA)	586	582	+4
	Mumbai RBD Pamolein+ VAT	595	605	-10
Refined Sunflower Oil	Mumbai + VAT	725	730	-5
	Chennai + VAT	720	720	-
Groundnut Oil	Mumbai + VAT	765	760	+5
	Rajkot + VAT	750	730	+20
	Kota +VAT	590	590	-
Rapeseed Oil	Jaipur + VAT	600	597	+3
	Delhi	600	605	-5
Refined Cottonseed Oil	Mumbai + VAT	630	620	+10
	Rajkot + VAT	618	610	+8

*Indicates all paid price

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