

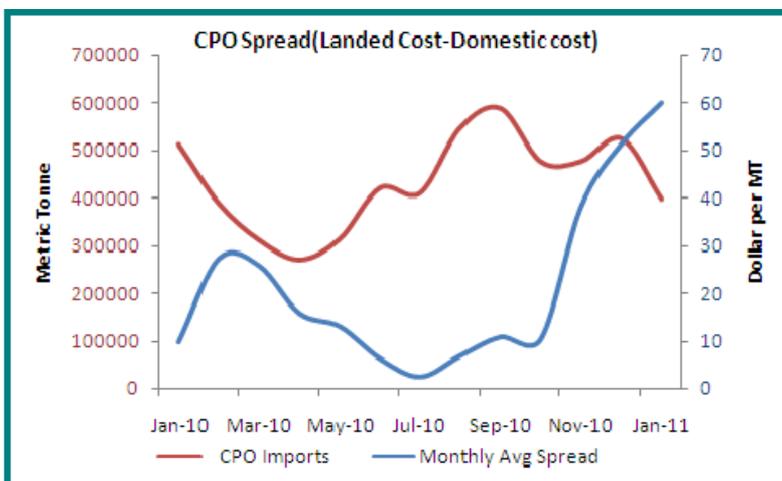


Veg Oil Summary

- **Vegetable oil price trend gets negatively skewed. International price also loose strength at higher levels amidst lack of positive drivers. Pick up in Brazil's harvest, likely drift in China's Soy imports in February may play draggers. Weakness in Malaysian Palm is likely to contribute to the sentiment. Lower Soy Imports and arrivals, however may bring in little offsetting impact.**

- **Palm oil price remain broadly weak in the spot market. Malaysian palm oil price touch a near three-week low, on worries about fund selling and concerns that prices had overrun the fundamentals. Uncertainty over a possible cut in a range of food import taxes by China that may not include palm oil also added spark.**
- **India's Imports of Palm oil drifted lower; recording a drop of 19% MOM and 6.8% Quarter on Quarter. Imports of RBD Palm plunged lower by 22.34% MOM in January 2011 and the same slipped by 2% QOQ.**

- **Palm spread (Landed cost-Domestic cost), bear a significant impact on its imports. CPO Imports drift lower in Jan 2011 as monthly average spread hover at the higher level around \$ 60 per Metric Tonne. Imports may continue to drift lower until average monthly spread slips below \$ 30 as after the same happened last year same time, CPO Imports found a significant boost.**



Soy oil price depicted weakness in the spot market. Weakness in Malaysian Palm affected the domestic sentiment.

Sluggish demand play a dampener domestically, lower Veg oil Imports, however may bring in some offsetting impact.

- **India's Imports:** Edible oil imports declined by 9% in first quarter of the oil year. Out of the same Soy Oil Imports witnessed a major drop of 56% to 0.49 lakh tonnes in January 2011 as compared to 1.1 lakh tonne, same month last year. Import disparity, and higher domestic crushing were the working factors behind.
- **Soy Oil current Import Parity Situation:** Soy Oil Imports remain unviable to import from Argentina and Brazil as Landed cost stay higher vis-à-vis Domestic cost and the spread between the two remain at \$33 and \$22.49 respectively as on 14 February 2011. However Imports from US remain viable as the ease of in the recent Ease off in the FOB rates led to a favorable spread between the landed cost and Domestic cost calculated as on 14 February.
- **Stocks:** of Oils at Mundra Port hover at 34425 MT as of 5/02/2011 which constitutes of 12233.12 MT Crude Soy Degummed oil, RBD Palm oil stocks stand nil whereas Crude Palm Oil Stocks stand near 19923.53 MT, Sunflower Oil Stocks hover near 1270.27 MT. Coconut oil stocks are at 998.38 MT. There were no shipments Reported from 07-12 February at Mundra Port. The Vegoil stocks at Kandla hover near 146365.15 MT as on 05/02/2011 which constitute of 115734.75 MT of CPO, 11105.48 MT of RBD, 14675.07 MT of CDSBO and 4849.83 MT of Cotton seed oil. Stocks at Chennai ports hover at 10000 MT constituting of Soy oil
- **On the Global front:** China's Soy oil imports for January and February were estimated at 65,600 tonnes and 118,003 tonnes, respectively.

Soy oil price trend is likely to stay range bound with weak bias. Improved availability and sluggish demand at higher price level remain negative drivers.



NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend continue to favor bears. Short covering from significant support juncture can not be ruled out.
- ✓ 655-640 becomes the trading band. Drift in either direction will take it further in the respective same.
- ✓ Selling pressure at highs is likely to remain a case. Bears to keep an upper hand until 665 on the higher side are breached.

Trade Recommendation–RSBO NCDEX (March)

Call	Entry	T1	T2	SL
SELL BELOW	655	652	646	659
Support & Resistance				
S2	S1	PCP	R1	R2
638	642	648.20	651	655



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend turns bearish. Scenario has barely shifted.
- ✓ 565 remains the nearest reliable support on the lower side, while 578-583 on the higher side becomes to be important resistance zone.
- ✓ 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 (March)

Call	Entry	T1	T2	SL
SELL BELOW	575	571	565	579
Support & Resistance				
S2	S1	PCP	R1	R2
560	564	572.20	578	583



NCDEX Soy Oil Price Spread

NCDEX Spread	Feb	March	April	May	June
Feb	-	-16.9	-25.5	-31.05	-35.6
March	-	-	-8.5	-14.15	-18.7
April	-	-	-	-10.55	-10.55
May	-	-	-	-	-4.55



OIL COMPLEX-VEGETABLE OIL

February 18, 2011

VESSEL	PORT	MONTH	QUANTITY (MT.)	EDIBLE OIL	ETA	YEAR	ACTIVITY
February Edible Oil Shipment							
Global Themis	Tuticorin	February	6,000	Palm Oil	1/2/2011	2011	Discharge
Mt.Argent Hibiscus	Kandla	February	1,800	CPO	30/01/2011	2011	Discharge
Mt.Wildebest	Kandla	February	18,000	CDSBO	3/2/2011	2011	Discharge
Mt. Golden Top	Kandla	February	12,000	Palm Oil	15/02/2011	2011	Discharge
Mt. Taurus	Kandla	February	8,000	Palm Oil	3/2/2011	2011	Discharge
AU Leo	kakinada	February	14,250	Edible Oil	25/01/2011	2011	Discharge
Feng Hai	kakinada	February	4,500	Edible Oil	29/01/2011	2011	Discharge
Ubt Ocean	kakinada	February	3,560	Edible Oil	29/01/2011	2011	Discharge
Gs Grand	kakinada	February	6,000	Edible Oil	1/2/2011	2011	Discharge
Cm Maya	kakinada	February	8,000	Edible Oil	3/2/2011	2011	Discharge
Fair Pigasos	kakinada	February	5,000	Edible Oil	5/2/2011	2011	Discharge
Titan Glory	Krishnapatnam	February	5,051	Edible Oil	4/2/2011	2011	Discharge
Sun Bridge	Krishnapatnam	February	6,000	Edible Oil	4/2/2011	2011	Discharge
Angel No. 1	Haldia	February	7,200	CPO	26/01/2011	2011	Berth
Torm Helving	Haldia	February	16,000	CDSBO	29/01/2011	2011	Berth
Green Chemi	Haldia	February	1,997	CPO	1/2/2011	2011	Discharge
Java Palm	Haldia	February	8,000	CPO	1/2/2011	2011	Discharge
Sun Bridge	Chennai	February	3,500	Palm Oil	1/2/2011	2011	Berth
Titan Glory	Chennai	February	3,050	Palm Oil	3/2/2011	2011	Berth
Cf Zachary	Chennai	February	7,000	CPO		2011	Discharge
Fair Apollon	Chennai	February	3,470	Palm Oil	5/2/2011	2011	Discharge
World Bridge	Chennai	February	4,500	CPO	8/2/2011	2011	Discharge
Senmar Sernade	Cochin	February	10,200	Palm Oil	6/2/2011	2011	Load
Oriental Kerria	Mumbai	February	1,000	Veg Oil	5/2/2011	2011	Berth
Mt. Golden Dynasty	kandla	February	7,200	CPO	7/2/2011	2011	Discharge
Theresa Taurus	kakinada	February	16,024	Edible Oil	9/2/2011	2011	Discharge
Theresa Taurus	kakinada	February	16,024	Edible Oil	8/2/2011	2011	Discharge
Sun Bridge	Krishnapatnam	February	6,000	CPO	4/2/2011	2011	Berth
Ms Simon	Haldia	February	10,264	CDSBO	7/2/2011	2011	Discharge
Bw Hudson	Haldia	February	17,791	CDSBO	14/02/2011	2011	Discharge
Global Themis	Chennai	February	4,000	Palm Oil	7/2/2011	2011	Discharge
MT. Dongbu Promy 2	Kandla	February	7,200	CPO	12/2/2011		Discharge
Sun Bridge	Krishnapatnam	February	6,000	CPO	4/2/2011	2011	Berth

OIL COMPLEX-VEGETABLE OIL

February 18, 2011

Cf Zachery	Haldia	February	9,204	CPO	12/2/2011	2011	Discharge
Global Themis	Chennai	February	4,000	Palm Oil	7/2/2011	2011	Discharge
Cm Maya	kakinada	February	8,000	Edible Oil	3/2/2011	2011	Discharge
Mt. Stolt Peak	Kandla	February	21,500	CDSBO	10/2/2011	2011	Discharge
Mt. Horizon Theano	Kandla	February	10,500	CDSBO	12/2/2011	2011	Discharge
Mt. Sampurna Swarajya	Kandla	February	27,500	CPO	12/2/2011	2011	Discharge
Titan Peace	Mangalore	February	8,200	CPO	9/2/2011	2011	Load
Mt Argent Iris	Kandla	February	30,250	CPO	15/02/2011	2011	Discharge
Mt. Gemini	Kandla	February	27,500	CPO	13/2/2011	2011	Discharge
World Bridge	Chennai	February	9,500	CPO	8/2/2011	2011	Discharge
Eastern Glory	Chennai	February	6,500	Palm Oil	19/02/2011	2011	Discharge
Global Eos	Chennai	February	5,000	Palm Oil	14/02/2011	2011	Discharge
Therese Arise	Mangalore	February	6,000	CPO	19/02/2011	2011	Discharge
Golden Brillance	Chennai	February	3,300	Palm Oil	16/02/2011	2011	Load
Global Eos	Krishnapatnam	February	3,000	CPO	16/02/2011	2011	Discharge
Edible Oil Shipments for February 2011			434,535				
Edible Oil Imports (Oil year 2010-11 till date)			2,508,771				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		17-02-11	16-02-11	
Refined Soybean Oil	Mumbai +VAT	615	620	-5
	Delhi (Loose)	640	645	-5
	Indore (Loose)	600	600	-
	Kota(Loose)	612	615	-3
	Hyderabad+VAT	-	636	-
	Jaipur(Loose)	615	618	-3
	Rajkot(Loose)	615	615	-
	Akola(Loose)	649	649	-
	Amrawati(Loose)	649	649	-
	Haldiya Port(Loose)	636	651	-15
	Jalna	644	643	+1
	Kakinada	646	646	-
	Nagpur	646	646	-
	SoyDegumKandla/Mundra+VAT	595	600	-5
	Soy Degum Mumbai+VAT	595	600	-5
Palm Oil	Kandla CPO (5%FFA)	563	570	-7
	Kandla RBD Palmolein +VAT	590	590	-
	Chennai RBD Palmolein (Loose)	610	612	-2

OIL COMPLEX-VEGETABLE OIL

February 18, 2011

	Kakinada RBD Palmolein (Loose)	593	601	-8
	Mumbai RBD Pamolein+ VAT	600	600	-
	Hyd. RBD Palmolein VAT	-	-	-
	Delhi RBD Palmolein (Loose)	630	641	-11
	Hyderabad Exp +VAT	-	-	-
	Bellary (Exp. Oil)+VAT	646	648	-2
	Chellakere (Exp. Oil)+VAT	648	650	-2
Refined Sunflower Oil	Erode (Exp. Oil)+VAT	710	710	-
	Latur (Exp. Oil)+VAT	671	661	+10
	Kandla/Mundra	670	670	-
	Mumbai + VAT	700	710	-10
	Chennai (Loose)	710	710	-
	Hyderabad +VAT	-	-	-
	Chennai (Loose)	710	710	-
	Delhi (Loose)	770	775	-5
Groundnut Oil	Gondal+VAT	745	730	+15
	Jamnagar +VAT	750	735	+15
	Narsarropeth+VAT	676	676	-
	Prodattour+VAT	691	691	-
	Mumbai + VAT	765	765	-
	Rajkot (Loose)	740	740	-
	Alwar (Expeller Oil)(Loose)	586	587	-1
	Sri Ganga Nagar(Exp Oil-Loose)	583	586	-3
Rapeseed Oil	Delhi (Exp. Oil) (Loose)	610	605	+5
	Jaipur (Expeller Oil) (Loose)	590	590	-
	Kota (Expeller Oil) (Loose)	580	580	-
	Mumbai (Exp. Oil) +VAT	613	622	-9
	Mumbai +VAT	618	620	-2
Refined Cottonseed Oil	Hyderabad (Loose)	-	-	-
	Rajkot (Loose)	615	615	-
	Delhi (Loose)	600	600	-
Malaysia Palmolein USD/MT	FOB (Oct)	1290	1300	-10
	CNF (Oct) - India	1320	1330	-10
	FOB (Oct)	1243	1265	-22
Indonesia/Malaysia CPO USD/MT	CNF (Oct) - India	1273	1295	-22
Argentina FOB (\$/MT)				
		16-02-11	15-02-11	
Soybean Oil Ship(Sep)	Feb/Mar	1251	1250	+1
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1294	1293	+1
Sunflower Oil Ship(Sep)	Feb/Mar	1330	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1231	1230	+1



OIL COMPLEX-VEGETABLE OIL

February 18, 2011

Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1271	1270	+1
------------------------------------	---------	------	------	----

*Indicates all paid price

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.