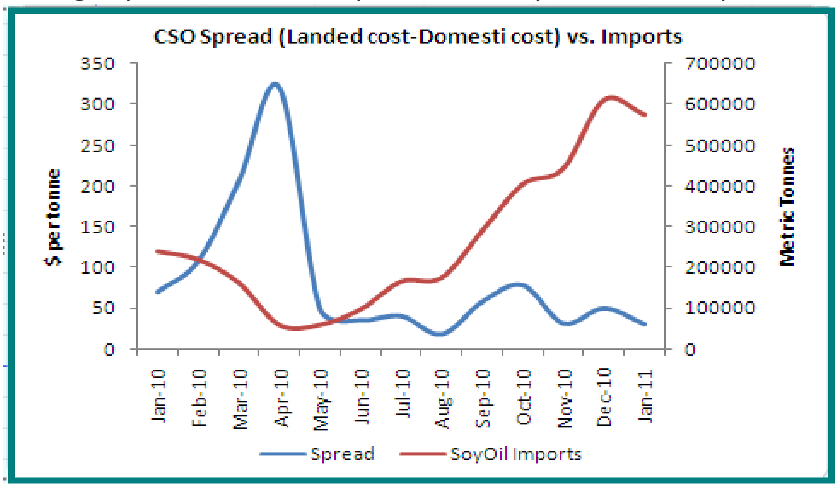
Veg Oil Summary

- **Vegetable oil price trend remain bearish. Continuous downturn in international prices to continue to affect. Pick up in Brazil's harvest, likely drift in China's Soy imports in February and ahead may play draggers. Weakness in Malaysian Palm is likely to contribute to the sentiment. Also, developing import parity may facilitate higher import which is likely to weigh further on the prices.**

Soy oil price plunged lower, in the spot market. Intensified weakness in CBOT Soy oil and Malaysian Palm dampened the sentiment on the domestic front. Massive long liquidation pressured the international market.

- The Soy oil average monthly spread (Landed cost vs. domestic cost) hover near $ 30 per tonne as on Jan 2011 and the same remains favorable for imports as it is inculcated from the historical pattern that incase of average spread below $50 per tonne, imports inhibit upward momentum.



- Edible Oil Stocks at Chennai port hover near 8000 tonnes as on 21st February 2011, the same were lower by 2000 tonnes, reported until 05 February 2011. Edible total imports until in Oil year 2010-11(Nov-Feb (till date) remain at 2501059 tonnes.

- **Palm oil price traded weak in the spot market. Weakness in Malaysian Palm sent in negative cues. Likely pick up in the Monthly Malaysian CPO production, is likely to pressure the market in the day's ahead.**

- **CPO Production in Malaysia is projected to drift lower to 988200 tonnes in February** as compared to 1321244 tonnes estimated in January which suggests a fall of 25% month on month and drift of 14.58% on YOY basis.
- While the impact of the same remain discounted to a large extent, going forward in March 2011 production is projected to start rising, with anticipated rise of 24.41%.
- **Current development in India's Import parity**: CPO Import Parity has improved as on 22 nd February 2011 as compared to the situation, which existed a week back due to drift in FOB Rate within that duration. The spread (Landed cost vs. Domestic cost) has declined to $ 35.46 per tonne as on 22 Feb. 2011 as compared to $ 73.81 per tonne as on 15 Feb 2011.**And as per the established relation, the spread (Landed cost-Domestic cost), bear a significant impact on Import** and imports follow a rise when spread drift below $ 30 and same may continue and impact the CPO imports as we go forward.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- **Soy oil price trend continue to remain bearish. Bears may add more gains, enters oversold territory although.**
- Recent candlestick formations back the weakness.
- Price closed much below the significant support level of 635, which further favor bears.

Trade Recommendation–RSBO NCDEX (March)

Call	Entry	T1	T2	SL
SELL BELOW	628	622	616	633

Support & Resistance

S2	S1	PCP	R1	R2
610	615	620	628	634

CPO (Crude Palm Oil)

Technical Analysis:

- **CPO price trend remain bearish. Selling pressure intensified.**
- 535 becomes the nearest reliable support on the lower side, while 545-550 on the higher side becomes an important resistance zone.
- Bears hold a clear majority; a dead cat bounce is their only hope.

Trade Recommendation – CPO MCX (March)

Call	Entry	T1	T2	SL
SELL BELOW	545	540	537	550

Support & Resistance

S2	S1	PCP	R1	R2
535	538	541.50	545	550

NCDEX Soy Oil Price Spread (Far Month vs. Near Month)

NCDEX Spread	Feb	March	April	May	June
Feb	-	-	-	-	-
March	-	-	6.3	10.9	14.9
April	-	-	-	4.6	8.6
May	-	-	-	-	4

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
Mt. Golden Dynasty	kandla	February	7,200	CPO	7/2/2011	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
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
AU Leo	kakinada	February	14,250	Edible Oil	25/01/2011	2011	Discharge
Au Aries	kakinada	February	4,500	Edible Oil	21/02/2011	2011	Discharge
Topazt	kakinada	February	6,000	Edible Oil	22/02/2011	2011	Discharge
Liquid Success	kakinada	February	5,000	Edible Oil	26/02/2011	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
Theresa Taurus	kakinada	February	16,024	Edible Oil	9/2/2011	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
Global Eos	Krishnapatnam	February	3,000	CPO	16/02/2011	2011	Discharge
Angel No. 1	Haldia	February	7,200	Palm Oil	19/02/2011	2011	Discharge
Torm Helving	Haldia	February	16,000	CDSBO	29/01/2011	2011	Berth
Blue Green Tiger	Haldia	February	7,022	Palm Oil	16/02/2011	2011	Discharge
Green Chemi	Haldia	February	1,997	CPO	1/2/2011	2011	Discharge
Java Palm	Haldia	February	8,000	CPO	1/2/2011	2011	Discharge
Ms Simon	Haldia	February	10,264	CDSBO	7/2/2011	2011	Discharge
Bw Hudson	Haldia	February	17,791	CDSBO	14/02/2011	2011	Discharge
Cf Zachery	Haldia	February	9,204	CPO	12/2/2011	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
Eastern Glory	Chennai	February	6,240	Palm Oil	21/02/2011	2011	Discharge
Topazt	Chennai	February	7,250	CSFO	20/02/2011	2011	Discharge
Global Themis	Chennai	February	4,000	Palm Oil	7/2/2011	2011	Discharge
Global Neptune	Chennai	February	6,000	Palm Oil	25/02/2011	2011	Discharge
World Bridge	Chennai	February	9,500	CPO	8/2/2011	2011	Discharge
Global Eos	Chennai	February	5,000	Palm Oil	14/02/2011	2011	Discharge
Golden Brillance	Chennai	February	3,300	Palm Oil	16/02/2011	2011	Load
Titan Peace	Mangalore	February	8,200	CPO	9/2/2011	2011	Load
Gemini	Mangalore	February	8,500	CPO	22/02/2011	2011	Discharge
Therese Arise	Mangalore	February	6,000	CPO	19/02/2011	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
Edible Oil Shipments for February 2011			**426,823**				
Edible Oil Imports (Oil year 2010-11 till date)			**2,501,059**				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-02-11	**22-02-11**	
Refined Soybean Oil	**Mumbai +VAT**	610	615	-5
	Delhi (Loose)	635	640	-5
	Indore (Loose)	598	604	-6
	Kota(Loose)	610	610	-
	Hyderabad+VAT	-	640	-
	Jaipur(Loose)	613	613	-
	Rajkot(Loose)	600	610	-10
	Akola(Loose)	642	645	-3
	Amrawati(Loose)	642	645	-3
	Haldiya Port(Loose)	631	631	-
	Jalna	641	644	-3
	Kakinada	641	641	-
	Nagpur	641	641	-
	SoyDegumKandla/Mundra+VAT	580	595	-15

OIL COMPLEX-VEGETABLE OIL

February 24, 2011

	Soy Degum Mumbai+VAT	580	595	-15
Palm Oil	Kandla CPO (5%FFA)	546	560	-14
	Kandla RBD Palmolein +VAT	570	575	-5
	Chennai RBD Palmolein (Loose)	595	600	-5
	Kakinada RBD Palmolein (Loose)	-	595	-
	Mumbai RBD Pamolein+ VAT	575	585	-10
	Hyd. RBD Palmolein VAT	-	630	-
	Delhi RBD Palmolein (Loose)	625	630	-5
Refined Sunflower Oil	Hyderabad Exp +VAT	-	740	-
	Bellary (Exp. Oil)+VAT	641	643	-2
	Chellakere (Exp. Oil)+VAT	643	645	-2
	Erode (Exp. Oil)+VAT	695	700	-5
	Latur (Exp. Oil)+VAT	646	666	-20
	Kandla/Mundra	655	660	-5
	Mumbai + VAT	690	705	-15
	Chennai (Loose)	700	695	+5
Groundnut Oil	Hyderabad +VAT	-	740	-
	Chennai (Loose)	700	700	-
	Delhi (Loose)	770	775	-5
	Gondal+VAT	745	745	-
	Jamnagar +VAT	750	750	-
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	691	701	-10
	Mumbai + VAT	755	760	-5
	Rajkot (Loose)	740	750	-10
Rapeseed Oil	Alwar (Expeller Oil)(Loose)	591	589	+2
	Sri Ganga Nagar(Exp Oil-Loose)	-	586	-
	Delhi (Exp. Oil) (Loose)	605	615	-10
	Jaipur (Expeller Oil) (Loose)	587	591	-4
	Kota (Expeller Oil) (Loose)	578	580	-2
	Mumbai (Exp. Oil) +VAT	623	619	+4
Refined Cottonseed Oil	Mumbai +VAT	615	620	-5

	Hyderabad (Loose)	-	605	-
	Rajkot (Loose)6	600	615	-15
	Delhi (Loose)	590	600	-10
Malaysia Palmolein USD/MT	FOB (Oct)	1235	1285	-50
	CNF (Oct) - India	1265	1305	-40
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1170	1225	-55
	CNF (Oct) - India	1200	1255	-55
Argentina FOB ($/MT)				
		22-02-11	**18-02-11**	
Soybean Oil Ship(Sep)	Feb/Mar	1200	1247	-47
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1242	1291	-49
Sunflower Oil Ship(Sep)	Feb/Mar	1310	1320	-10
Cottonseed Oil Ship(Sep)	Feb/Mar	1180	1227	-47
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1220	1267	-47

*Indicates all paid price