

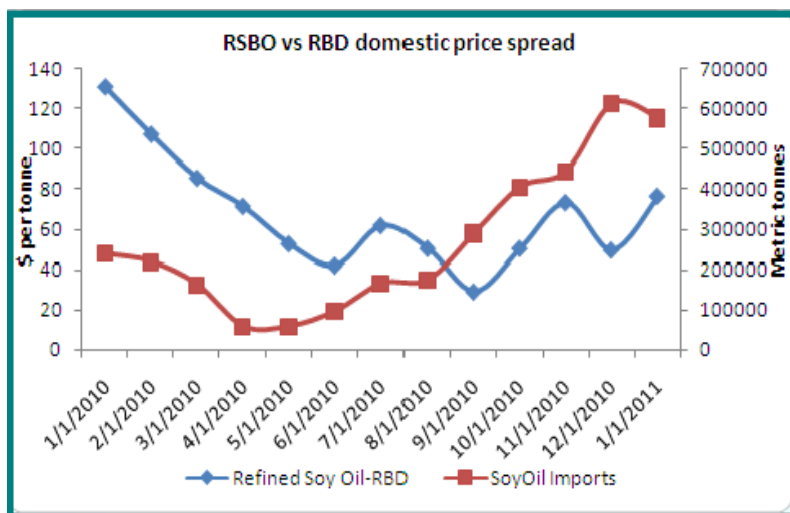


Veg Oil Summary

- ❖ 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.

Palm oil price continue to drift lower in the spot market. Continuous weakness in Malaysian palm weighs further. Palm oil ended off three-month with continuous surge in the crude oil price, restricting the downside. Meanwhile Concerns of pick up in the palm production in Malaysian, prevail.

- Refined Soy Oil monthly average spread with palm oil is following an increasing trend since it has hit the lowest point in September 2010. While the average domestic spread (Soy oil vs. RBD) of \$76.31 per tonne as on January 2011 remain lower from the level of \$130.33 per tonne as on January 2010.



- Going forward, Palm oil prices are likely to bear impact, deriving it from weakness in Malaysian market as production of palm head for a pick up in the coming months. The same shall widen this spread further and shall make the palm imports more attractive than Soy oil.
- 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.

Soy oil price traded weak in the spot market, for another day. Gains in CBOT Soy oil could hardly limit the downside. Likely shift in the domestic price spread due to drift in Palm oil price may impact the soy oil imports adversely, going forward.

- 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.



NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend continue to remain bearish. Price reach near significant support level, a dead cat bounce may intervene.
- ✓ 604-607 on the lower side is a current support juncture.
- ✓ Candle stick formation suggests some indecision may prevail near current juncture.
- ✓ 640 level on the higher side hold significance as a resistance juncture.

Trade Recommendation—RSBO NCDEX (March)

Call	Entry	T1	T2	SL
SELL BELOW	629	624	618	634
Support & Resistance				
S2	S1	PCP	R1	R2
607	612	620.30	627	634



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain in downtrend. Selling pressure intensified.
- ✓ Gap between the recent candles strengthens the weakness.
- ✓ 525 becomes the nearest reliable support on the lower side, while 538-541 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	537	534	528	542
Support & Resistance				
S2	S1	PCP	R1	R2
520	525	530.50	538	541



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

NCDEX Spread	March	April	May	June	July
March	-	4.4	9.1	12	18.6
April	-6.6	-	4.7	7.6	12
May	-11	-4.4	-	2.9	7.6



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



OIL COMPLEX-VEGETABLE OIL

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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 Brilliance	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
		24-02-11	23-02-11	
Refined Soybean Oil	Mumbai +VAT	605	610	-5
	Delhi (Loose)	630	635	-5
	Indore (Loose)	593	598	-5
	Kota(Loose)	605	610	-5
	Hyderabad+VAT	630	-	-
	Jaipur(Loose)	608	613	-5
	Rajkot(Loose)	600	600	-
	Akola(Loose)	637	642	-5
	Amrawati(Loose)	637	642	-5
	Haldiya Port(Loose)	623	631	-8
	Jalna	636	641	-5

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	Kakinada	635	641	-6
	Nagpur	631	641	-10
	SoyDegumKandla/Mundra+VAT	600	580	+20
	Soy Degum Mumbai+VAT	575	580	-5
Palm Oil				
	Kandla CPO (5%FFA)	530	546	-16
	Kandla RBD Palmolein +VAT	570	570	-
	Chennai RBD Palmolein (Loose)	585	595	-10
	Kakinada RBD Palmolein (Loose)	575	-	-
	Mumbai RBD Pamolein+ VAT	570	575	-5
	Hyd. RBD Palmolein VAT	610	-	-
	Delhi RBD Palmolein (Loose)	625	625	-
Refined Sunflower Oil				
	Hyderabad Exp +VAT	651	-	-
	Bellary (Exp. Oil)+VAT	641	641	-
	Chellakere (Exp. Oil)+VAT	643	643	-
	Erode (Exp. Oil)+VAT	695	695	-
	Latur (Exp. Oil)+VAT	646	646	-
	Kandla/Mundra	-	655	-
	Mumbai + VAT	690	690	-
	Chennai (Loose)	690	700	-10
Groundnut Oil				
	Hyderabad +VAT	740	-	-
	Chennai (Loose)	700	700	-
	Delhi (Loose)	765	770	-5
	Gondal+VAT	740	745	-5
	Jamnagar +VAT	745	750	-5
	Narsarropeth+VAT	670	671	-1
	Prodattour+VAT	690	691	-1
	Mumbai + VAT	755	755	-
	Rajkot (Loose)	740	740	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	582	591	-9

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	Sri Ganga Nagar(Exp Oil-Loose)	582	-	-
	Delhi (Exp. Oil) (Loose)	610	605	+5
	Jaipur (Expeller Oil) (Loose)	582	587	-5
	Kota (Expeller Oil) (Loose)	572	578	-6
	Mumbai (Exp. Oil) +VAT	619	623	-4
Refined Cottonseed Oil				
	Mumbai +VAT	610	615	-5
	Hyderabad (Loose)	605	-	-
	Rajkot (Loose)6	600	600	-
	Delhi (Loose)	590	590	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1215	1235	-20
	CNF (Oct) - India	1245	1265	-20
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1155	1170	-15
	CNF (Oct) - India	1185	1200	-15
Argentina FOB (\$/MT)				
		23-02-11	22-02-11	
Soybean Oil Ship(Sep)	Feb/Mar	1201	1200	+1
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1263	1242	+21
Sunflower Oil Ship(Sep)	Feb/Mar	1295	1310	-15
Cottonseed Oil Ship(Sep)	Feb/Mar	1201	1180	+21
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1241	1220	+21

*Indicates all paid price

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