



#### Veg Oil Summary

- ❖ Vegetable oil price trend may get ranged. Developing import parity may facilitate higher import which is likely to weigh further on the prices. On going harvest in Brazil and continuous drift in the China's Soy imports, February onwards is likely to put pressure at every rise. Cues from Malaysian Palm to further direct the prices.

**Palm oil price recouped higher in the spot market. While cues from Malaysia remain absent on the day. Recovery on the last trading day, on bargain hunting and on anticipations that India and China may snap up cargoes in March offered positive cues.**

- **Current development in India's Import parity Situation:** CPO Import Parity has improved as on 25 th February 2011 as compared to the situation, which existed 10 days back, due to drifting FOB rate within that duration.

CPO IMPORT PARITY		
Date	15-Feb-2011	25-Feb-2011
FOB USD per tonne	1288	1185
CIF USD per tonne	1318	1215
Total landed cost INR per tonne	60859.26	55969.90
Total landed cost USD per tonne	1337.27	1233.63
Domestic Market price INR per ton CPO Kandla	57500	54200
USD per tonne	1263.46	1194.62
Spread \$ per tonne	73.81	39.01

- The spread (Landed cost vs. Domestic cost) has declined to \$ 39.01 per tonne as on 25 Feb. 2011 as compared to \$ 73.81 per tonne as on 15 Feb 2011.

- Out of Total Edible Oil shipments of 467004 MT as on 25th Feb 2011, Palm oil shipments remain at 280814 MT. Palm Oil total imports until January 2011 remain at 1977486 MT according to data put by Solvent Extraction.

- **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

PALM OIL	PORT	QUANTITY IN MT
TOTAL EDIBLE OIL SHIPMENTS IN FEB AS ON 25 FEB		467004
PALM SHIPMENTS IN FEB AS ON 25 FEB		280814
STOCK AS ON 5 FEB	KANDLA	126840
	MUNDRA	19924
PALM IMPORTS IN OIL YEAR 2010-11 TILL DATE		1977486

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%.

**Soy oil price traded higher in the spot market. Gains in CBOT Soy oil lifted the sentiment. Likely shift in the domestic price spread due to drift in Palm oil price may impact the soy oil imports adversely, going forward.**

- 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.
- 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.



#### NCDEX RSBO (Refined Soybean Oil)

##### Technical Analysis:

- ✓ Soy oil price trend may get ranged at lows as dead cat bounce intervenes.
- ✓ Stay cautious, selling pressure likely at higher levels.
- ✓ 625-635 zone on the lower side is a support juncture.
- ✓ Candle stick formation suggest, more recovery is likely.
- ✓ 650 level on the higher side hold significance as a resistance juncture, until it remains unreached, sellers will continue to dominate.

#### Trade Recommendation-RSBO NCDEX (March)

Call	Entry	T1	T2	SL
<b>SELL BELOW</b>	646	642	637	650
Support & Resistance				
S2	S1	PCP	R1	R2
650	644	639.50	634	626



#### CPO (Crude Palm Oil)

##### Technical Analysis:

- ✓ CPO price remain in downtrend. Bounce may extend, selling pressure to exert at higher levels.
- ✓ 542 becomes the nearest reliable support on the lower side, while 556-562 on the higher side becomes an important resistance zone.
- ✓ Bears maintain the charge, while short covering may intervene.

#### Trade Recommendation – CPO MCX (March)

Call	Entry	T1	T2	SL
<b>SELL BELOW</b>	562	557	553	566
Support & Resistance				
S2	S1	PCP	R1	R2
537	542	552.60	556	562



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

NCDEX Spread	March	April	May	June	July
<b>March</b>	-	<b>5.15</b>	<b>8.1</b>	<b>9.6</b>	<b>19.6</b>
<b>April</b>	<b>-10</b>	-	<b>2.95</b>	<b>4.45</b>	<b>9.6</b>
<b>May</b>	<b>-15.15</b>	<b>-5.15</b>	-	<b>1.5</b>	<b>4.45</b>



VESSEL	PORT	MONTH	QUANTITY (MT.)	EDIBLE OIL	ETA	YEAR	ACTIVITY
<b>February Edible Oil Shipment</b>							
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. Au Leo	Kandla	February	11,502	CPO	1/3/2011	2011	Discharge
Mt. Golden Dynasty	kandla	February	7,200	CPO	7/2/2011	2011	Discharge
Mt. Palma Prima	Kandla	February	8,300	CPO	23/02/2011	2011	Discharge
Mt. Feng Hai 10	Kandla	February	11,500	CPO	23/02/2011	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	23/02/2011	2011	Discharge
Liquid Success	kakinada	February	5,000	Edible Oil	27/02/2011	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



### OIL COMPLEX-VEGETABLE OIL

February 28, 2011

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	24/02/2011	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	23/02/2011	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
Lourdes Chemical Arroee	Kolkata	February	4,136	CPO	23/02/2011	2011	Discharge
Paran Chemi	Kolkata	February	4,743	CPO	19/02/2011	2011	Discharge
Edible Oil Shipments for February 2011			467,004				
Edible Oil Imports (Oil year 2010-11 till date)			2,541,240				

### Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		26-02-11	25-02-11	
Refined Soybean Oil	Mumbai +VAT	610	600	+10
	Delhi (Loose)	635	635	-
	Indore (Loose)	604	595	+9
	Kota(Loose)	608	602	+6

	Hyderabad+VAT	640	625	+15
	Jaipur(Loose)	611	605	+6
	Rajkot(Loose)	600	600	-
	Akola(Loose)	643	634	+9
	Amrawati(Loose)	643	634	+9
	Haldiya Port(Loose)	621	621	-
	Jalna	644	634	+10
	Kakinada	641	636	+5
	Nagpur	636	631	+5
	SoyDegumKandla/Mundra+VAT	595	580	+15
	Soy Degum Mumbai+VAT	595	580	+15
				-
				-
Palm Oil	Kandla CPO (5%FFA)	542	532	+10
	Kandla RBD Palmolein +VAT	570	562	+8
	Chennai RBD Palmolein (Loose)	595	585	+10
	Kakinada RBD Palmolein (Loose)	583	572	+11
	Mumbai RBD Pamolein+ VAT	580	568	+12
	Hyd. RBD Palmolein VAT	615	605	+10
	Delhi RBD Palmolein (Loose)	630	615	+15
Refined Sunflower Oil	Hyderabad Exp +VAT	720	720	-
	Bellary (Exp. Oil)+VAT	641	641	-
	Chellakere (Exp. Oil)+VAT	643	644	-1
	Erode (Exp. Oil)+VAT	695	690	+5
	Latur (Exp. Oil)+VAT	661	651	+10
	Kandla/Mundra	660	650	+10
	Mumbai + VAT	705	690	+15
	Chennai (Loose)	690	690	-
Groundnut Oil				
	Hyderabad +VAT	740	740	-
	Chennai (Loose)	700	700	-



	Delhi (Loose)	775	770	+5
	Gondal+VAT	755	745	+10
	Jamnagar +VAT	760	750	+10
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	691	691	-
	Mumbai + VAT	755	755	-
	Rajkot (Loose)	750	740	+10
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	586	588	-2
	Sri Ganga Nagar(Exp Oil-Loose)	591	581	+10
	Delhi (Exp. Oil) (Loose)	615	612	+3
	Jaipur (Expeller Oil) (Loose)	588	585	+3
	Kota (Expeller Oil) (Loose)	577	575	+2
	Mumbai (Exp. Oil) +VAT	606	606	-
Refined Cottonseed Oil				
	Mumbai +VAT	610	605	+5
	Hyderabad (Loose)	605	600	+5
	Rajkot (Loose)6	605	600	+5
	Delhi (Loose)	595	592	+3
Malaysia Palmolein USD/MT				
	FOB (Oct)	1233	1210	+23
	CNF (Oct) - India	1263	1240	+23
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1185	1170	+15
	CNF (Oct) - India	1215	1200	+15
Argentina FOB (\$/MT)				
		25-02-11	24-02-11	
Soybean Oil Ship(Sep)	Feb/Mar	1260	1210	+50
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1304	1252	+52
Sunflower Oil Ship(Sep)	Feb/Mar	1315	1290	+25
Cottonseed Oil Ship(Sep)	Feb/Mar	1240	1190	+50
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1280	1230	+50

\*Indicates all paid price

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