



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.

Soy oil price traded higher in the spot market. While cues from CBOT remain absent, early strength in palm lent in support. Likely shift in the domestic price spread due to drift in Palm oil price may impact the soy oil imports adversely, going forward.

- Soy oil Import Parity: Soy oil Import Parity is improving and the imports get feasible from US and Argentina where as the same from Brazil remain uncompetitive at this point.

Soy Oil Landed cost calculation as on (25/02/2011)	Argentina	Brazil	US
FOB USD per ton	1212.77	1277.6	1214.29
CIF USD per ton	1277.77	1340.37	1276.43
Total landed cost INR per ton	58690.73	61542.68	58630.02
Total landed cost USD per ton	1296.75	1359.76	1295.4
Domestic Market price INR per ton in Kandla (Soy degum)	60000	60000	60000
USD per ton	1325.67	1325.67	1325.67
Spread(Landed cost vs Domestic cost)	-28.92	34.09	-30.27

- 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.

Palm oil price remain broadly steady in the spot market. Malaysian Palm prices slipped on the day as weak export data weighed on the sentiment and rise in production in the upcoming months leave less to depend on.

- Exports of Malaysian palm oil products for February fell 10.4 percent to 1,110,672 tonnes from 1,239,758 tonnes shipped during January as put by the cargo surveyor Intertek Testing Services. Exports to China remain on a rise while the same to European union, India and sub continent slipped lower in the above mentioned period.
- 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. 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.
- **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%.



NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend remain ranged near lows. Bears keep the upper hand.
- ✓ 620-640 become the current trading band for the price.
- ✓ 650 level continue to hold on the higher side hold significance as a resistance juncture, until it remains un breached, sellers will continue to dominate.

Trade Recommendation–RSBO NCDEX (March)

Call	Entry	T1	T2	SL
SELL BELOW	636	631	625	641
Support & Resistance				
S2	S1	PCP	R1	R2
620	624	627	634	640



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain in downtrend. Bears maintain the charge.
- ✓ Recent Candle stick formation suggests continuation in the weakness
- ✓ 531 becomes the nearest reliable support on the lower side, while 555 on the higher side becomes an important resistance level.

Trade Recommendation – CPO MCX (March)

Call	Entry	T1	T2	SL
SELL BELOW	545	541	537	550
Support & Resistance				
S2	S1	PCP	R1	R2
531	536	539.40	544	552



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

NCDEX Spread	March	April	May	June	July
March	-	5.5	7	6	14
April	-8	-	1.5	0.5	6
May	-13.5	-5.5	-	-1	0.5



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. 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
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



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Ms Simon	Haldia	February	10,264	CDSBO	7/2/2011	2011	Discharge
Bw Hudson	Haldia	February	17,791	CDSBO	14/02/2011	2011	Discharge
Horizon Theano	Haldia	February	8,650	CDSBO	27/02/2011	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
Asian Glory	Chennai	February	8,500	Palm Oil	28/02/2011	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			484,154				
Edible Oil Imports (Oil year 2010-11 till date)			2,558,390				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		28-02-11	26-02-11	
Refined Soybean Oil	Mumbai +VAT	615	610	+5
	Delhi (Loose)	635	635	-
	Indore (Loose)	615	604	+11
	Kota(Loose)	608	608	-
	Hyderabad+VAT	660	640	+20

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	Jaipur(Loose)	611	611	-
	Rajkot(Loose)	605	600	+5
	Akola(Loose)	634	643	-9
	Amrawati(Loose)	634	643	-9
	Haldiya Port(Loose)	632	621	+11
	Jalna	640	644	-4
	Kakinada	641	641	-
	Nagpur	591	636	-45
	SoyDegumKandla/Mundra+VAT	595	595	-
	Soy Degum Mumbai+VAT	595	595	-
Palm Oil				
	Kandla CPO (5%FFA)	540	542	-2
	Kandla RBD Palmolein +VAT	570	570	-
	Chennai RBD Palmolein (Loose)	595	595	-
	Kakinada RBD Palmolein (Loose)	583	583	-
	Mumbai RBD Pamolein+ VAT	580	580	-
	Hyd. RBD Palmolein VAT	615	615	-
	Delhi RBD Palmolein (Loose)	630	630	-
Refined Sunflower Oil				
	Hyderabad Exp +VAT	720	720	-
	Bellary (Exp. Oil)+VAT	646	641	+5
	Chellakere (Exp. Oil)+VAT	648	643	+5
	Erode (Exp. Oil)+VAT	699	695	+4
	Latur (Exp. Oil)+VAT	661	661	-
	Kandla/Mundra	660	660	-
	Mumbai + VAT	710	705	+5
	Chennai (Loose)	690	690	-
Groundnut Oil				
	Hyderabad +VAT	740	740	-
	Chennai (Loose)	700	700	-
	Delhi (Loose)	775	775	-
	Gondal+VAT	-	755	-
	Jamnagar +VAT	-	760	-
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	691	691	-



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	Mumbai + VAT	755	755	-
	Rajkot (Loose)	760	750	+10
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	588	586	+2
	Sri Ganga Nagar(Exp Oil-Loose)	586	591	-5
	Delhi (Exp. Oil) (Loose)	613	615	-2
	Jaipur (Expeller Oil) (Loose)	585	588	-3
	Kota (Expeller Oil) (Loose)	575	577	-2
	Mumbai (Exp. Oil) +VAT	606	606	-
Refined Cottonseed Oil				
	Mumbai +VAT	608	610	-2
	Hyderabad (Loose)	605	605	-
	Rajkot (Loose)6	605	605	-
	Delhi (Loose)	595	595	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1245	1233	+12
	CNF (Oct) - India	1275	1263	+12
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1190	1185	+5
	CNF (Oct) - India	1220	1215	+5
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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