



Veg Oil Summary

- ❖ **Vegetable oil price trend may remain ranged. Slipping soy oil import parity may restrict imports and may support prices a little. On going harvest in Brazil and continuous drift in the China's Soy imports, February onwards is likely to put pressure at every rise. Higher production and drifting Malaysian palm exports are likely to keep the pressure on prices, alive.**

Soy oil price traded broadly lower in the spot market. While cues from CBOT remain absent on the day, higher energy prices keep providing the temporary boost. Un viability of imports on drifting parity, may come to rescue of the prices at lower levels.

- **Total Edible Oil shipments in February remain at 472652 MT and the same stands at 100001 MT until March 7th**

2011: Out of the same CDSBO shipments in February remain at 102705 MT and in March until 3rd, the same stand at 8650 MT. Total Edible Oil Imports in Oil year starting Nov 2010

EDIBLE OIL SHIPMENT POSITION AS ON 7TH MARCH	QUANTITY IN MT.
Total edible oil shipments in Feb.	472652
Edible oil shipments in march till date	100001
Soy oil (degummed) shipments in Feb.	102705
Soy oil (degummed) shipments in march till date	8,650
Soy oil (degummed) imports in oil year 2010-11 till date	241,570
edible oil imports in oil year till date	2,646889

until March Till date hover around 2646889 MT.

- **Soy oil production in India is projected to surge by 10.24% at 1.4 million tonnes in 2010-11 as compared to 1.27 million tonnes in 2009-10**, which is likely to inflate the total supplies by 6.73% in 2010-11, while consumption is anticipated to grow by 6.43 percent in the same period. The same is likely to lead to 11.76% rise in ending stocks.
- **Mustard oil price traded with weak bias in the spot market. While demand for Mustard oil remains stable, new crop arrival pressure dampen the price sentiment.** Mustard seed production is projected at 7.2 million tonnes in 2010-11 depicting an anticipated rise of 20% from last year. The same is likely to bear an incremental impact on mustard oil availability which is projected to incorporate a surge of 4.49% in 2010-11 as compared to last year.
- **Palm oil price remain steady to lower in the spot market. Malaysian Palm surged higher on Lower monthly stock outlook. The same could hardly affect the domestic price sentiment.**
- **Going Forward, Malaysian Palm Oil Production is projected to rise by 4.73% in 2010-11 as compared to 2009-10.** Exports are projected to surge by 3.67% 2010-11, while ending stocks are likely to drift lower by 3.33% in the same period. However on Monthly basis Palm exports witness a decline of about 14% in February 2011 on YOY basis while the same drifted lower by 8.26% in the same month as compared to January 2011.
- **CPO Import Parity:** has improved as on 5th March 2011 as compared to the situation, which existed in Mid February, due to drift in FOB rate within that duration. The spread (Landed cost vs. Domestic cost) has declined to \$ 38.14 per tonne as on 5th March 2011 as compared to \$ 73.81 per tonne as on 15 Feb 2011. However this spread has increased in the past 4 days from the level of \$27.09 per tonne witnessed on March 1, 2011.
- **In India, CPO Imports are likely to remain feasible in March** as spread (Landed cost vs. domestic Cost) is likely to get narrower on likely drift in FOB rates of Palm in the same month. The average monthly spread hover at \$39 per metric tonne in February 2011 and it may further reduce to near about 4 year average spread of \$ 2 per metric tonne in March and thereafter this drift may continue in further months.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend depict ranged nature. Short covering intervenes; selling pressure is likely near resistances.
- ✓ 630-640 maintains to be the current trading band for the price.
- ✓ 645 level hold importances on the higher side, as a resistance juncture, until it remains un breached, sellers will continue to dominate.
- ✓ Remain cautious, Indecision near lows remain a case.

Trade Recommendation–RSBO NCDEX (March)

Call	Entry	T1	T2	SL
SELL BELOW	636	633	630	640
Support & Resistance				
S2	S1	PCP	R1	R2
627	630	633.60	637	640



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain ranged near lows. Short covering might extend, bears still have the upper hand.
- ✓ 550 becomes the nearest reliable support on the lower side, while 565 on the higher side remains an important resistance level.
- ✓ Recent candlestick formations indicate indecision.

Trade Recommendation – CPO MCX (March)

Call	Entry	T1	T2	SL
SELL BELOW	565	562	556	569
Support & Resistance				
S2	S1	PCP	R1	R2
548	552	557.20	562	566



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

NCDEX Spread	March	April	May	June	July
March	-	8.95	13.6	16.1	28.8
April	-12.7	-	4.65	7.15	16.1
May	-21.65	-8.95	-	2.5	7.15



OIL COMPLEX-VEGETABLE OIL

March 08, 2011

VESSEL	PORT	MONTH	QUANTITY (MT.)	EDIBLE OIL	ETA	YEAR	ACTIVITY
March Edible Oil Shipment							
Global Neptune	Tuticorin	March	19200	Palm Oil	1/3/2011	2011	Discharge
Global Venus	Tuticorin	March	8000	Palm Oil	5/3/2011	2011	Discharge
Fair Apollon	Tuticorin	March	2000	Palm Oil	1/3/2011	2011	Discharge
Mt. Au Leo	Kandla	March	11,502	CPO	1/3/2011	2011	Discharge
Atlantik Miracle	Kakinada	March	5,500	CPO	2/3/2011	2011	Discharge
Titan Glory	Kakinada	March	3,000	Edible Oil	7/3/2011	2011	Discharge
Cm Maya	Kakinada	March	8,100	CPO	4/3/2011	2011	Discharge
Titan Glory	Krishnapatnam	March	5,050	CPO	10/3/2011	2011	Load
Horizon Theano	Haldia	March	8,650	CDSBO	2/3/2011	2011	Discharge
Golden Brilliance	Chennai	March	5,999	CPO	3/3/2011	2011	Discharge
Global Themis	Chennai	March	10,000	Palm Oil	7/3/2011	2011	Discharge
Pair Apollon	Chennai	March	6,000	CPO	6/3/2011	2011	Discharge
Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
Edible Oil Shipments for March 2011			100,001				
Edible Oil Imports (Oil year 2010-11 till date)			2,646,889				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		07-03-11	05-03-11	
Refined Soybean Oil	Mumbai +VAT	620	625	-5
	Delhi (Loose)	635	640	-5
	Indore (Loose)	604	604	-
	Kota(Loose)	606	608	-2
	Hyderabad+VAT	650	660	-10
	Jaipur(Loose)	609	611	-2
	Rajkot(Loose)	600	600	-
	Akola(Loose)	639	641	-2
	Amrawati(Loose)	639	641	-2
	Haldiya Port(Loose)	631	631	-
	Jalna	639	643	-4
	Kakinada	641	646	-5
	Nagpur	631	634	-3

OIL COMPLEX-VEGETABLE OIL

March 08, 2011

	SoyDegumKandla/Mundra+VAT	585	590	-5
	Soy Degum Mumbai+VAT	585	590	-5
Palm Oil				
	Kandla CPO (5%FFA)	548	548	-
	Kandla RBD Palmolein +VAT	568	570	-2
	Chennai RBD Palmolein (Loose)	590	590	-
	Kakinada RBD Palmolein (Loose)	580	580	-
	Mumbai RBD Pamolein+ VAT	588	588	-
	Hyd. RBD Palmolein VAT	615	620	-5
	Delhi RBD Palmolein (Loose)	620	625	-5
Refined Sunflower Oil				
	Hyderabad Exp +VAT	720	720	-
	Bellary (Exp. Oil)+VAT	641	641	-
	Chellakere (Exp. Oil)+VAT	644	644	-
	Erode (Exp. Oil)+VAT	700	690	-10
	Latur (Exp. Oil)+VAT	651	651	-
	Kandla/Mundra	665	655	+10
	Mumbai + VAT	710	710	-
	Chennai (Loose)	685	685	-
Groundnut Oil				
	Hyderabad +VAT	740	750	-10
	Chennai (Loose)	700	700	-
	Delhi (Loose)	780	780	-
	Gondal+VAT	745	755	-10
	Jamnagar +VAT	750	760	-10
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	706	706	-
	Mumbai + VAT	755	755	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	579	581	-2
	Sri Ganga Nagar(Exp Oil-Loose)	581	586	-5
	Delhi (Exp. Oil) (Loose)	610	617	-7
	Jaipur (Expeller Oil) (Loose)	594	594	-

OIL COMPLEX-VEGETABLE OIL

March 08, 2011

	Kota (Expeller Oil) (Loose)	584	584	-
	Mumbai (Exp. Oil) +VAT	615	615	-
Refined Cottonseed Oil				
	Mumbai +VAT	615	615	-
	Hyderabad (Loose)	610	610	-
	Rajkot (Loose)	605	605	-
	Delhi (Loose)	585	590	-5
Malaysia Palmolein USD/MT				
	FOB (Oct)	-	1255	-
	CNF (Oct) - India	-	1285	-
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	-	1210	-
	CNF (Oct) - India	-	1240	-
Argentina FOB (\$/MT)				
		04-03-2011	03-03-2011	
Soybean Oil Ship(Sep)	Feb/Mar	1297	1285	+12
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1342	1330	+12
Sunflower Oil Ship(Sep)	Feb/Mar	-	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1277	1265	+12
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1317	1305	+12

*Indicates all paid price

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