



Veg Oil Summary

- ❖ Vegetable oil price trend may remain range bound with weak bias. Medium demand and likely sluggish Imports on slipping parity along with higher domestic availability may lead to the same.
- ❖ Internationally, Likely drift in China's Soy oil Imports and pick up in Palm Imports may produce an offsetting impact where as pressure of Brazil and Argentina Soy harvest will remain a price dragger.

Soy oil price traded weak in the spot market. Weakness in CBOT Soy oil affected the domestic sentiment. Continuous ease off in crude prices put impact. Domestically, ample supplies may continue to weigh while likely drift in Soy oil imports may offset impact.

- Soy oil Import Parity: Soy oil Import Parity gets adverse as International prices recover but Domestic price could not recover much. The spread (Landed cost vs. Domestic Cost) Increases and consequently soy oil imports get unviable. This along with higher domestic oilseed availability is likely to weigh on the Soy oil Imports from here on.

Landed cost calculation as on (08/03/2011)	Argentina	Brazil	US
FOB USD per ton	1288.6	1301	1245.2
CIF USD per ton	1353.6	1364.01	1307.65
Total landed cost INR per ton	61899.6	62372.2	59815.09
Total landed cost USD per ton	1373.1	1383.5	1326.8
Domestic Market price INR per ton in Kandla (Soy degum)	58000	58000	58000
USD per ton	1286.6	1286.6	1286.6
Spread(Landed cost- Domestic Cost)	86.51	96.99	40.27

- Total Edible Oil shipments in March remain at 116851 MT until March 8th 2011: Out of the same CDSBO shipments in stand at 8650 MT and Palm oil shipments stand at 97101 MT.

EDIBLE OIL SHIPMENT POSITION AS ON 8TH MARCH	QUANTITY IN MT.
Total edible oil shipments in Feb.	472652
Total palm shipments in Feb.	277812
Total soy oil(degummed) shipments in Feb.	102705
Edible oil shipments in march till date	116851
Soy oil (degummed) shipments in march till date	8,650
Palm oil shipments in march till date	97,101
Edible oil imports in oil year 2010-11 till date (approx.)	2,663,739

- Total Edible Oil Imports in Oil year starting Nov 2010 until March till date are likely at 2663739 MT.

- Edible Oil stocks at Chennai Port hover at 20000 MT until March 07 th 2011, which include Soy oil, Palm and Sunflower oil. Vessel Line up at Chennai Port

until date hover at 30099 MT. The rest 10099 MT. have been consumed.

- **Palm oil price traded mix in the spot market. Malaysian Palm price trend remain choppy as views expressed by Dorab Mistry at recent Bursa Malaysia Conference spread views of likely pull in Palm prices.** He mentioned, given the high energy prices and tight palm oil stocks and the pent up demand, he expects current high prices to remain intact for the next 8 to 10 weeks.
- **India's: 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.
- **Price projection:** YOY Basis, CPO Imports are likely to rise in Feb and March upto 51.3% and 16.59% respectively. The same is likely to bear a flat impact on the prices on in Feb and March on YOY basis and that of +0.3% in February and + 3.4% in March. However this is likely to bring down the MarchCPO Imports by upto 38.06% which may lead to surge of about 12% in the Domestic CPO Price (Kandla).



NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend remain ranged at lows. Some bounce may come handy, selling pressure can not be denied at higher levels.
- ✓ 630-640 maintains as a trading band for the price. Drift in either direction will take it further in the respective same.
- ✓ 655-660 level hold importances on the higher side, as a reversal zone until it is breached, bears are likely to exert pressure.
- ✓ Positioning of RSI in the daily chart still indicate weakness.

Trade Recommendation–RSBO NCDEX (April)

Call	Entry	T1	T2	SL
SELL BELOW	641	638	634	645
Support & Resistance				
S2	S1	PCP	R1	R2
624	627	635.35	641	645



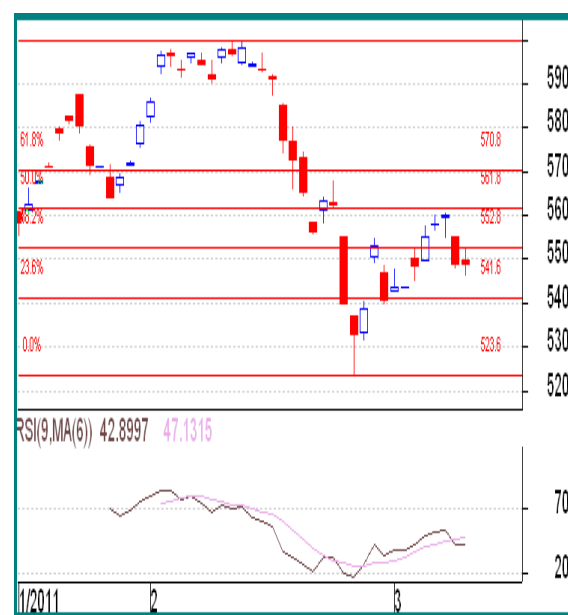
CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price trend remain ranged. Bounce back may intervene, bears keep the upper hand.
- ✓ 545 pertains to be the nearest reliable support on the lower side, while 555 on the higher side remains an important resistance level.
- ✓ Recent candlestick formations indicate indecision near the lows.

Trade Recommendation – CPO MCX (April)

Call	Entry	T1	T2	SL
SELL BELOW	554	551	547	559
Support & Resistance				
S2	S1	PCP	R1	R2
540	545	548.40	552	555



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

NCDEX Spread	March	April	May	June	July
March	-	8.65	15.45	19.75	30.9
April	-11.15	-	6.8	11.1	19.75
May	-19.8	-8.65	-	4.3	11.1



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	Edible Oil	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
Earth Blue	Chennai	March	8,100	Palm Oil	10/3/2011	2011	Discharge
Pair Apollon	Chennai	March	6,000	CPO	6/3/2011	2011	Discharge
Jag Preeti	Cochin	March	8,750	Palm Oil	6/3/2011	2011	Load
Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
Edible Oil Shipments for March 2011			116,851				
Edible Oil Imports (Oil year 2010-11 till date)			2,663,739				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		09-03-11	08-03-11	
Refined Soybean Oil	Mumbai +VAT	610	615	-5
	Delhi (Loose)	625	630	-5
	Indore (Loose)	586	591	-5
	Kota(Loose)	598	600	-2
	Hyderabad+VAT	645	650	-5
	Jaipur(Loose)	601	603	-2
	Rajkot(Loose)	595	598	-3
	Akola(Loose)	634	636	-2
	Amrawati(Loose)	634	636	-2
	Haldiya Port(Loose)	631	632	-1

OIL COMPLEX-VEGETABLE OIL

March 10, 2011

	Jalna	636	636	-
	Kakinada	636	641	-5
	Nagpur	626	626	-
	Soy degumKandla/Mundra+ VAT	580	580	-
	Soy Degum Mumbai + VAT	580	580	-
Palm Oil				
	Kandla CPO (5%FFA)	544	543	+1
	Kandla RBD Palmolein +VAT	565	563	+2
	Chennai RBD Palmolein (Loose)	590	590	-
	Kakinada RBD Palmolein (Loose)	575	580	-5
	Mumbai RBD Pamolein+ VAT	585	583	+2
	Hyd. RBD Palmolein VAT	610	615	-5
	Delhi RBD Palmolein (Loose)	615	618	-3
Refined Sunflower Oil				
	Hyderabad Exp +VAT	720	720	-
	Bellary (Exp. Oil)+VAT	641	641	-
	Chellakere (Exp. Oil)+VAT	643	643	-
	Erode (Exp. Oil)+VAT	631	631	-
	Latur (Exp. Oil)+VAT	646	651	-5
	Kandla/Mundra	650	660	-10
	Mumbai + VAT	705	700	+5
	Chennai (Loose)	685	685	-
Groundnut Oil				
	Hyderabad +VAT	750	740	+10
	Chennai (Loose)	700	700	-
	Delhi (Loose)	775	770	+5
	Gondal+VAT	740	735	+5
	Jamnagar +VAT	745	740	+5
	Narsarropeth+VAT	681	681	-
	Prodattour+VAT	701	701	-
	Mumbai + VAT	755	755	-
	Rajkot (Loose)	740	740	-



OIL COMPLEX-VEGETABLE OIL

March 10, 2011

Rapeseed Oil	Alwar (Expeller Oil)(Loose)	576	579	-4
	Sri Ganga Nagar(Exp Oil-Loose)	576	581	-5
	Delhi (Exp. Oil) (Loose)	595	600	-5
	Jaipur (Expeller Oil) (Loose)	575	582	-7
	Kota (Expeller Oil) (Loose)	571	570	+1
	Mumbai (Exp. Oil) +VAT	586	610	-24
Refined Cottonseed Oil	Mumbai +VAT	605	610	-5
	Hyderabad (Loose)	610	610	-
	Rajkot (Loose)	597	598	-1
	Delhi (Loose)	585	585	-
Malaysia Palmolein USD/MT	FOB (Oct)	1260	1260	-
	CNF (Oct) - India	1285	1285	-
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1220	1220	-
	CNF (Oct) - India	1245	1245	-
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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