



#### Veg Oil Summary

- ❖ Vegetable oil price trend may remain range bound with weak bias. Medium demand and likely sluggish Imports amidst 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.

*Palm oil price continue to trade weak in the spot market. Malaysian palm oil futures turned positive late in the day, after earlier falling to a near four-month low, as re-stocking demand continued and low prices tempted buyers. The same could only limit the weakness in the domestic market.*

- Exports of Malaysian palm oil products for March 1-15 fell 17 percent to 526,407 tonnes from 636,966 tonnes shipped during Feb. 1-15 as put by cargo surveyor Intertek Testing Services. Exports to major destinations, China, India and European Union decline in the mentioned period.
- India's Palm oil Imports declined in Feb. 2011 by 29.4% as compared to same month last year. They plunged about 29.17% from Jan 2011. Import disparity and seasonal low affected the same along with lesser price differential of CSO with CPO.
- Going Forward: Average CPO Spread (Landed cost vs. domestic cost) is likely to reduce from Feb to March 2011 on further decline in FOB Rates. Average price spread with Soy oil is likely to rise from Feb to March, based on 3 years average spread, however the same reduced Month on Month in the previous year, 2010. This is likely to result in higher CPO imports (Feb- March 2011).

*Soy oil price dipped further in the spot market. Overnight weakness in CBOT Soy oil affected the day's sentiment. Higher availability remains dragger on the domestic front while drift in Vegoil Imports offset the impact.*

- Total Edible Oil shipments in March reach at 153026 MT until March 14th 2011: Out of the same CDSBO shipments in stand at 14736 MT and Palm oil shipments stand at 124,090 MT. Total Edible Oil Imports in Oil year starting Nov 2010 until March till date are likely at 2699914 MT.
- Edible oil stock at ports remain higher at Kandla and Chennai as on 07 th March 2011 as compared to same period a month earlier, while stocks hover at a lower level at Mundra Port until same date, compared to last month
- India's Veg oil imports plunged lower by 19.8% in February 2011 as compared to same month last year. Higher availability, import disparity remain major contributors to the decline.

Edible Oil	Mar-11	Feb-11	% Change
Vessels at Kandla in March (till date)	17888		
Stocks at Kandla as on 7th March	192686	146365	31.64
Vessels at Mundra in March (till date)	-		
Stocks at Mundra as on 7th March	21474	34425	-37.62
Vessels at Chennai in March (till date)	35599		
Stocks at Chennai	20000	10000	100

Soy oil Imports surged in February 2011 by 46.9% as compared to same month last year while month on month surge remain about 161.79%. Lesser price spread with Palm as compared to last year and higher seasonal demand backed the same, despite the offsetting impact coming from import disparity (On average basis).

- Average Monthly Soy oil Spread (Landed cost vs. Domestic cost) depicts import disparity in the oil year starting Nov 2010-Feb 2011: the spread hover at higher levels than in 2009-10(same period) and it also remains above the 3 year's average spread.
- Going forward Soy oil imports may find little boost, based on assumption that the spread (landed cost vs. domestic cost) may get narrower in the coming months based on average spread condition of the last three years but given the higher projected Soybean Production and consequent oil availability this season (2010-11) and likely widening of the price spread with CPO, from march onwards along with likely

improvement in the CPO parity, Soy oil Imports may get offset/reduce in coming months (March, April, May).

#### NCDEX RSBO (Refined Soybean Oil)

##### Technical Analysis:

- ✓ Soy oil price remain in downtrend. Bounce remains likely, selling pressure may re originate at higher levels.
- ✓ 600-625 continue to be the applicable trading band for the price. Drift in either direction will take it further in the respective same.
- ✓ While low risk traders may wait for a fresh chance, keeping in mind that short covering may intervene, high risk takers may play as below.
- ✓ RSI Positioning suggests oversold nature of price.

#### Trade Recommendation–RSBO NCDEX (April)

Call	Entry	T1	T2	SL
<b>SELL BELOW</b>	616	612	606	621
Support & Resistance				
S2	S1	PCP	R1	R2
597	600	607.65	612	618



#### CPO (Crude Palm Oil)

##### Technical Analysis:

- ✓ CPO price trend remain weak. Short covering may come in handy. Rest of the scenario remains same.
- ✓ 510 remains the nearest reliable support on the lower side, while 530 on the higher side becomes an important resistance level.
- ✓ RSI Indicate oversold nature; Bears are likely to maintain the upper hand.

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

Call	Entry	T1	T2	SL
<b>SELL BELOW</b>	525	521	516	529
Support & Resistance				
S2	S1	PCP	R1	R2
508	512	517	522	527



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

NCDEX Spread	March	April	May	June	July
<b>March</b>	-	5.35	9.85	14.25	17.9
<b>April</b>	-3.65	-	4.5	8.9	14.25
<b>May</b>	-9	-5.35	-	4.4	8.9



### OIL COMPLEX-VEGETABLE OIL

March 16, 2011

VESSEL	PORT	MONTH	QUANTITY (MT.)	EDIBLE OIL	ETA	YEAR	ACTIVITY
<b>March Edible Oil Shipment</b>							
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
Baltic I	Kandla	March	6386	CDSBO	10/3/2011	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
Au Aries	Kakinada	March	8,200	Edible Oil	12/3/2011	2011	Discharge
Cm Maya	Kakinada	March	3,000	Edible Oil	11/3/2011	2011	Discharge
Titan Glory	Krishnapatnam	March	5,050	CPO	11/3/2011	2011	Load
Ubt Ocean	Haldia	March	7,989	CPO	6/3/2011	2011	Discharge
Ping An	Haldia	March	7,500	CPO	16/3/2011	2011	Discharge
Horizon Theano	Haldia	March	8,350	CDSBO	3/3/2011	2011	Discharge
Golden Brilliance	Chennai	March	5,999	CPO	3/3/2011	2011	Discharge
Chemical Arrow	Chennai	March	1,500	Palm Oil	18/3/2011	2011	Discharge
Cm Maya	Chennai	March	4,000	Palm Oil	17/3/2011	2011	Load
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	Discharge
Liquid Success	Kolkata	March	6,000	CPO	11/3/2011	2011	Discharge
Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
<b>Edible Oil Shipments for March 2011</b>			<b>153,026</b>				
<b>Edible Oil Imports (Oil year 2010-11 till date)</b>			<b>2,699,914</b>				

### Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		15-03-11	14-03-11	
Refined Soybean Oil	Mumbai +VAT	592	600	-8
	Delhi (Loose)	605	605	-
	Indore (Loose)	571	573	-2
	Kota(Loose)	575	581	-6

## OIL COMPLEX-VEGETABLE OIL

March 16, 2011

	Hyderabad+VAT	625	645	-20
	Jaipur(Loose)	578	584	-6
	Rajkot(Loose)	575	575	-
	Akola(Loose)	612	616	-4
	Amrawati(Loose)	612	616	-4
	Haldiya Port(Loose)	619	624	-5
	Jalna	621	623	-2
	Kakinada	626	631	-5
	Nagpur	608	616	-8
	SoyDegumKandla/Mundra+VAT	562	570	-8
	Soy Degum Mumbai+VAT	562	565	-3
Palm Oil				
	Kandla CPO (5%FFA)	506	512	-6
	Kandla RBD Palmolein +VAT	542	548	-6
	Chennai RBD Palmolein (Loose)	560	570	-10
	Kakinada RBD Palmolein (Loose)	548	565	-17
	Mumbai RBD Pamolein+ VAT	555	562	-7
	Hyd. RBD Palmolein VAT	580	600	-20
	Delhi RBD Palmolein (Loose)	590	600	-10
Refined Sunflower Oil				
	Hyderabad Exp +VAT	705	715	-10
	Bellary (Exp. Oil)+VAT	626	631	-5
	Chellakere (Exp. Oil)+VAT	627	633	-6
	Erode (Exp. Oil)+VAT	677	677	-
	Latur (Exp. Oil)+VAT	621	-	-
	Kandla/Mundra	640	640	-
	Mumbai + VAT	685	680	+5
	Chennai (Loose)	670	670	-
Groundnut Oil				
	Hyderabad +VAT	750	750	-
	Chennai (Loose)	700	700	-
	Delhi (Loose)	765	770	-5

## OIL COMPLEX-VEGETABLE OIL

March 16, 2011

	Gondal+VAT	740	740	-
	Jamnagar +VAT	745	745	-
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	701	-	-
	Mumbai + VAT	745	745	-
	Rajkot (Loose)	730	735	-5
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	541	548	-7
	Sri Ganga Nagar(Exp Oil-Loose)	556	561	-5
	Delhi (Exp. Oil) (Loose)	595	590	+5
	Jaipur (Expeller Oil) (Loose)	558	558	-
	Kota (Expeller Oil) (Loose)	547	545	+2
	Mumbai (Exp. Oil) +VAT	587	580	+7
Refined Cottonseed Oil				
	Mumbai +VAT	594	595	-1
	Hyderabad (Loose)	600	600	-
	Rajkot (Loose)	570	570	-
	Delhi (Loose)	565	565	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	-	1190	-
	CNF (Oct) - India	-	1220	-
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1110	1115	-5
	CNF (Oct) - India	1140	1145	-5
Argentina FOB (\$/MT)		14-03-2011	11-03-2011	
Soybean Oil Ship(Sep)	Feb/Mar	1210	1225	-15
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1252	1268	-16
Sunflower Oil Ship(Sep)	Feb/Mar	-	1280	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1190	1205	-15
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1230	1245	-15



\*Indicates all paid price

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