

#### Veg Oil Summary

- ❖ Vegetable oil prices witnessed gains on fresh buying in local market and firm international vegoil market.
- ❖ 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 along with higher production projections for the upcoming season will continue to restrict any upside, led by temporary factors viz disruption in harvest due to rains in some parts of Brazil.

Soy oil prices moved up in cash market recovering recent losses. The rise in demand in the oil ahead of the festival, Holi remained supportive factor for the market. Strong CBOT soy complex and higher Malaysian palm oil lent support the local oil market.

- Soy oil demand picks up in the domestic market at corrected price levels. Going forward likely drift in the soy oil spread (landed cost vs. domestic cost) may favor imports but likely rise in the price differential with CPO may offset the impact.

- Soy oil Imports get viable from Argentina, Brazil and US as depicted by negative price spread between Landed cost and domestic cost, calculated as on 16 th March 2011 based on FOB (April Rates).

Soy oil Landed cost calculation as on (17/03/2011)	Argentina	Brazil	US
FOB USD per ton (April)	1132.3	1195.4	1163.37
CIF USD per ton	1197.3	1257.03	1197.39
Total landed cost INR per ton	54928.5	57645.02	54936.09
Total landed cost USD per ton	1215.77	1275.897	1215.938
Domestic Market price INR per ton in Kandla (Soy degum)	56200	56200	56200
USD per ton	1243.913	1243.913	1243.913
<b>Spread(Landed cost vs. Domestic cost)</b>	<b>-28.14</b>	<b>31.98</b>	<b>-27.97</b>

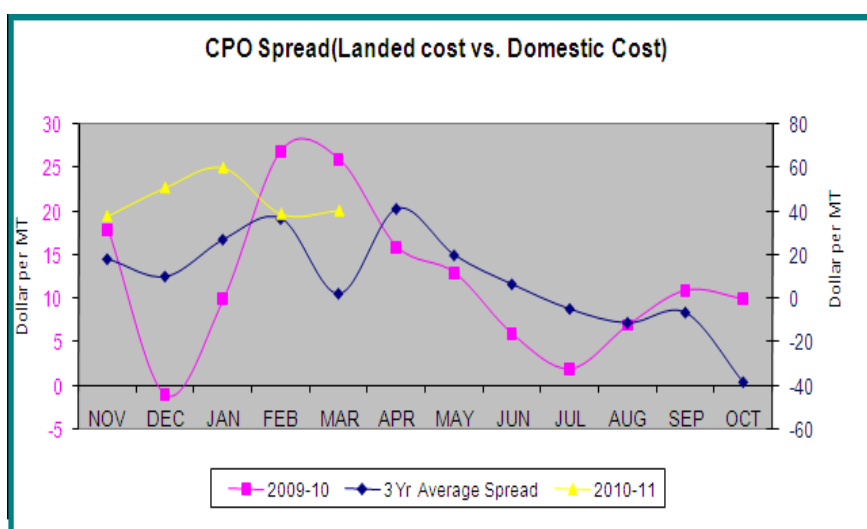
- Soy oil monthly average spread (landed cost vs. domestic cost) of \$50 per Metric tonne has a adverse bearing on Soy oil Imports, as depicted by the trend established based on spread

and imports in the oil year 2009-10. Going forward in March this spread may reduce, based on 3 years average spread movement, the same is likely as FOB rates may continue to drift.

- The average spread until March 15th hover at \$48.42 per MT, which still remain close to the higher limit and thereby unfavorable for soy oil imports but the likely ease of in the same in the rest of the day's of the month may bring in respite.

- Total Edible Oil shipments in March reach at 205255 MT until March 16th 2011: Out of the same CDSBO shipments stand at 29165 MT and Palm oil shipments stand at 161890 MT. Total Edible Oil Imports in Oil year starting Nov 2010 until March till date are likely at 2752143 MT.

- Palm oil price traded higher in the spot market. Malaysian palm oil dip further but loss was limited as demand at corrected levels offset impact



**of slipping exports and catching up production.**

- CPO Monthly average spread (Landed cost vs. domestic cost for march 2011(until 17th) remain at \$ 40.45 per MT, which remain higher than the spread of \$28.77 in March 2010 until same date which remain unfavorable development for palm imports, in the said month but going forward, the spread may face a decline based on 3 years average move on account of further drift in the FOB Rates.

### NCDEX RSBO (Refined Soybean Oil)

#### Technical Analysis:

- ✓ Soy oil prices witnessed uptrend.
- ✓ Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- ✓ RSI and stochastic are rising in neutral region signaling to bulls.
- ✓ Soyoil prices are likely to gain in Saturday's session.

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

Call	Entry	T1	T2	SL
BUY	>613	618	620	610
Support & Resistance				
S2	S1	PCP	R1	R2
608	612	617.15	623	628



### CPO (Crude Palm Oil)

#### Technical Analysis:

- ✓ CPO prices witnessed gains.
- ✓ Prices closed above 9-day EMA indicating gains in near-term.
- ✓ MACD is heading upwards in negative territory.
- ✓ RSI and Stochastic are rising in neutral region.
- ✓ CPO prices are likely gain in Saturday's session.

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

Call	Entry	T1	T2	SL
BUY	>530	533	535	527
Support & Resistance				
S2	S1	PCP	R1	R2
520	525	532.4	537	542





OIL COMPLEX-VEGETABLE OIL

March 19, 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.Ct Dublin	Kandla	March	5085	CDSBO	18/3/2011	2011	Discharge
Mt.Eships Eagle	Kandla	March	4000	Palm Oil	20/3/2011	2011	Discharge
Mt Gemini	Kandla	March	16500	CPO	14/3/2011	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
Rising Sun	Kakinada	March	5,100	Edible Oil	19/3/2011	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	19/3/2011	2011	Discharge
Baltic I	Haldia	March	14,429	CDSBO	20/3/2011	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	4,500	Palm Oil	18/3/2011	2011	Discharge
Angel No. 2	Chennai	March	7,300	CPO	19/3/2011	2011	Discharge
Cm Maya	Chennai	March	4,000	Palm Oil	18/3/2011	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
Gemini	Mangalore	March	11,000	CPO	20/3/2011	2011	Discharge
Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
<b>Edible Oil Shipments for March 2011</b>			<b>219,440</b>				
<b>Edible Oil Imports (Oil year 2010-11 till date)</b>			<b>2,766,328</b>				



#### Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-03-11	17-03-11	
Refined Soybean Oil	Mumbai +VAT	598	592	+6
	Delhi (Loose)	610	605	+5
	Indore (Loose)	579	576	+3
	Kota(Loose)	580	575	+5
	Hyderabad+VAT	640	630	+10
	Jaipur(Loose)	583	578	+5
	Rajkot(Loose)	585	580	+5
	Akola(Loose)	621	616	+5
	Amrawati(Loose)	621	616	+5
	Haldiya Port(Loose)	618	611	+7
	Jalna	619	615	+4
	Kakinada	631	626	+5
	Nagpur	613	611	+2
	SoyDegumKandla/Mundra+VAT	560	565	-5
	Soy Degum Mumbai+VAT	570	565	+5
Palm Oil	Kandla CPO (5%FFA)	519	518	+1
	Kandla RBD Palmolein +VAT	548	545	+3
	Chennai RBD Palmolein (Loose)	560	555	+5
	Kakinada RBD Palmolein (Loose)	550	545	+5
	Mumbai RBD Pamolein+ VAT	558	557	+1
	Hyd. RBD Palmolein VAT	585	575	+10
	Delhi RBD Palmolein (Loose)	600	590	+10
Refined Sunflower Oil	Hyderabad Exp +VAT	705	700	+5
	Bellary (Exp. Oil)+VAT	621	621	-
	Chellakere (Exp. Oil)+VAT	624	623	+1

## OIL COMPLEX-VEGETABLE OIL

March 19, 2011

	Erode (Exp. Oil)+VAT	670	670	-
	Latur (Exp. Oil)+VAT	626	621	+5
	Kandla/Mundra	640	635	+5
	Mumbai + VAT	675	675	-
	Chennai (Loose)	660	665	-5
Groundnut Oil				
	Hyderabad +VAT	760	750	+10
	Chennai (Loose)	700	700	-
	Delhi (Loose)	785	780	+5
	Gondal+VAT	765	755	+10
	Jamnagar +VAT	770	760	+10
	Narsarropeth+VAT	671	671	-
	Prodattour+VAT	701	701	-
	Mumbai + VAT	745	745	-
	Rajkot (Loose)	755	750	+5
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	549	541	+8
	Sri Ganga Nagar(Exp Oil-Loose)	556	553	+3
	Delhi (Exp. Oil) (Loose)	600	595	+5
	Jaipur (Expeller Oil) (Loose)	560	557	+3
	Kota (Expeller Oil) (Loose)	550	545	+5
	Mumbai (Exp. Oil) +VAT	585	580	+5
Refined Cottonseed Oil				
	Mumbai +VAT	590	585	+5
	Hyderabad (Loose)	605	600	+5
	Rajkot (Loose)	590	572	+18
	Delhi (Loose)	570	565	+5
Malaysia Palmolein USD/MT				
	FOB (Oct)	1192	1175	+17
	CNF (Oct) - India	1222	1205	+17
Indonesia/Malaysia CPO	FOB (Oct)	1135	1107	+28



## OIL COMPLEX-VEGETABLE OIL

March 19, 2011

USD/MT	CNF (Oct) - India	1175	1137	+38
Argentina FOB (\$/MT)		17-03-2011	16-03-2011	
Soybean Oil Ship(Sep)	Feb/Mar	1168	1150	+18
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1209	1190	+19
Sunflower Oil Ship(Sep)	Feb/Mar	1220	1240	-20
Cottonseed Oil Ship(Sep)	Feb/Mar	1148	1130	+18
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1188	1170	+18

\*Indicates all paid price

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