



Veg Oil Summary

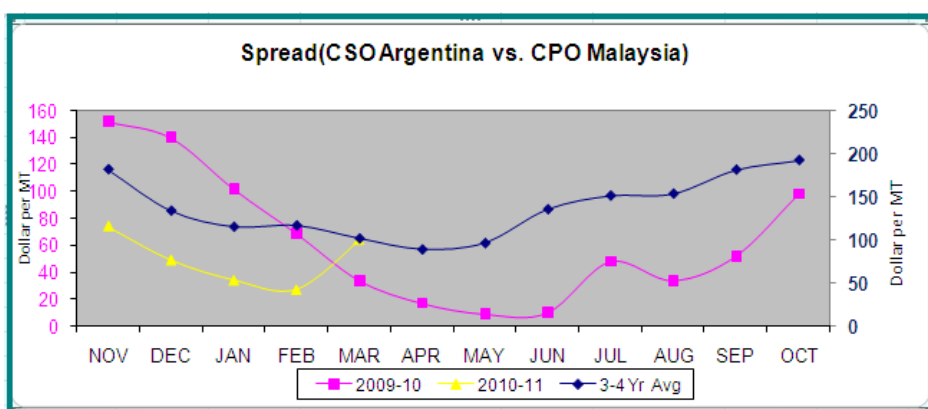
- ❖ Vegetable oil price trend may remain weakly skewed. Demand looses steam after festivity bounce. This along with likely pick up in imports is likely to weigh further.
- ❖ Internationally, likely drift in China's Soy oil Imports and pick up in Palm Imports may produce an offsetting impact. Gaining pace of Brazil's harvest is also to play a negative factor with higher production projections being made, however disruptions due to rain may bring in respite but in the least.

- Palm oil price continue to trade weak in the spot market. Malaysian Palm had a choppy walk, while recovery made a try. Likely rise in Production in the upcoming months is likely to pressure the price trend however rise in China's Palm Imports may act as a support.

- The average spread (CSO Argentina vs. CPO Malaysia) has increased to about \$64 per MT until 22nd March 2011, depicting a surge from February when it stood at \$ 27 per Metric Tonne.

- However, going forward in March this spread may further widen on more drift in CPO Malaysia (FOB Rate).

- Palm Oil Imports are likely to be benefitted from this development as widening differential indicate shift from Soy oil to Palm Oil. More so this price differential stand higher than the last year's level of about \$32.47 per MT, the same indicates palm oil imports may remain higher in March 2011 as compared to March 2010.



- CPO spread (landed cost vs. domestic cost), remain fluctuating in the past few days. After getting pulled to \$40.09 per MT on 18 th March due to recovery in FOB rates, it again slipped lower to \$15.09 per MT as FOB Rates plunged lower again. The spread (landed cost vs. domestic cost) until 22nd March remain lower than the last year's level of \$ 26.81 per MT. The same remain favorable for CPO Imports.

- Soy oil price traded lower in the spot market. Sluggish demand and likely improvement in import parity to remain price dampeners. Weakness in CBOT Soy oil, add to the weakness on global front with no soy oil demand from China being one of the causes.

- Internationally, China's Palm oil imports in March are seen at 183,930 tonnes while imports in April to remain at 204,557 tonnes. Buyers report no Soy oil imports for March while imports in April are seen at 30,498 tonnes.

- Total Edible Oil shipments in March reach at 249830 MT until March 22nd 2011: Out of the same CDSBO shipments stand at 34250 MT and Palm oil shipments stand at 209059 MT. Total Edible Oil Imports in Oil year starting Nov 2010 until March till date are likely at 2796718 MT.

EDIBLE OIL SHIPMENTS AS ON 22nd MARCH 2011	QUANTITY IN MT.
Total Edible oil shipments in March	249830
Soy oil (degummed) shipments in March till date	34,250
Palm shipments in march till date	209,059
Soy oil imports in oil year 2010-11 till date (approx.)	294,105
Palm imports in oil year 2010-11 till date (approx.)	2,272,016

- Soy oil Imports become unviable again, from Argentina, Brazil and US as depicted by the surge in spread (landed cost vs. domestic cost), while calculating import parity from these destinations. Soy oil Imports may get hindered as a outcome. Recent recovery in the FOB Rates contributes to the same.

- 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. The average spread until 21st March ²⁰¹¹ hover at \$33.42 per MT which is lower than the average spread of \$48.42 per MT as on 15th March.

OIL COMPLEX-VEGETABLE OIL

March 24, 2011

- Going forward in March this spread may reduce further, based on 3 years average spread movement, the same is likely as FOB rates may continue to drift. The 3 year average spread stand at negative \$26.7 per MT.
- Mustard Oil price continue to drift lower in the spot market. Demand for Mustard oil remains normal however anticipation of increase in supplies on higher production, contain the same in anticipation of further dip in the prices.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend continue to remain in favor of bears. Price also stands near important support juncture. Rest of the scenario remains same.
- ✓ While 595-612 remains the current trading band for the price. Price trend to remain in the hands of bears until 630 on the higher side is broken.
- ✓ 600, hold importance on the lower side as a support on closing basis, until it prevail, short covering may be the intervening case. Recent candlestick formation, suggests indecision sets in.

Trade Recommendation-RSBO NCDEX (April)

Call	Entry	T1	T2	SL
SELL BELOW	610	606	602	615
Support & Resistance				
S2	S1	PCP	R1	R2
595	600	604	608	612



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain range bound with weak bias. Weakness may pertain, support lay ahead. Scenario has barely shifted
- ✓ 514 persists to be the nearest reliable support on the lower side, while 525 on the higher side remain an important resistance level.
- ✓ RSI Indicate oversold nature; little bounce can not be ruled out.

Trade Recommendation – CPO MCX (April)

Call	Entry	T1	T2	SL
SELL BELOW	525	522	517	529
Support & Resistance				
S2	S1	PCP	R1	R2
508	514	518.90	525	527



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

NCDEX Spread	April	May	June	July
April	-	6.4	11.05	15.45
May	6.4	-	4.65	9.05
Jun	11.05	4.65	-	4.4



OIL COMPLEX-VEGETABLE OIL

March 24, 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
Baltic I	Kandla	March	6386	CDSBO	10/3/2011	2011	Discharge
Mt.Ct Dublin	Kandla	March	5085	CDSBO	19/3/2011	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
Palma Prima	Kakinada	March	5,000	Edible Oil	20/3/2011	2011	Discharge
Rising Sun	Kakinada	March	5,100	Edible Oil	20/3/2011	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
Atlantik Miracle	Krishnapatnam	March	16,020	CPO	22/3/2011	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	18/3/2011	2011	Discharge
Feng Hai 15	Chennai	March	3,370	Palm Oil	22/3/2011	2011	Discharge
Cm Maya	Chennai	March	5,000	Palm Oil	19/3/2011	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
Eastern Glory	Mangalore	March	5,000	CPO	21/3/2011	2011	Discharge
Gemini	Mangalore	March	11,000	CPO	21/3/2011	2011	Discharge

OIL COMPLEX-VEGETABLE OIL

March 24, 2011

Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
Edible Oil Shipments for March 2011			249,830				
Edible Oil Imports (Oil year 2010-11 till date)			2,796,718				

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		23-03-11	22-03-11	
Refined Soybean Oil	Mumbai +VAT	600	602	-2
	Delhi (Loose)	600	605	-5
	Indore (Loose)	568	575	-7
	Kota(Loose)	575	580	-5
	Hyderabad+VAT	640	640	-
	Jaipur(Loose)	578	583	-5
	Rajkot(Loose)	590	590	-
	Akola(Loose)	616	619	-3
	Amrawati(Loose)	616	619	-3
	Haldiya Port(Loose)	606	611	-5
	Jalna	618	619	-1
	Kakinada	621	626	-5
	Nagpur	609	611	-2
	SoyDegumKandla/Mundra+VAT	558	565	-7
	Soy Degum Mumbai+VAT	565	565	-
Palm Oil				
	Kandla CPO (5%FFA)	517	522	-5
	Kandla RBD Palmolein +VAT	552	556	-4
	Chennai RBD Palmolein (Loose)	555	565	-10
	Kakinada RBD Palmolein (Loose)	550	550	-
	Mumbai RBD Pamolein+ VAT	565	568	-3
	Hyd. RBD Palmolein VAT	585	585	-
	Delhi RBD Palmolein (Loose)	590	590	-
Refined Sunflower Oil				
	Hyderabad Exp +VAT	700	700	-



OIL COMPLEX-VEGETABLE OIL

March 24, 2011

	Bellary (Exp. Oil)+VAT	626	626	-
	Chellakere (Exp. Oil)+VAT	628	628	-
	Erode (Exp. Oil)+VAT	670	672	-2
	Latur (Exp. Oil)+VAT	626	626	-
	Kandla/Mundra	635	635	-
	Mumbai + VAT	675	675	-
	Chennai (Loose)	665	665	-
Groundnut Oil				
	Hyderabad +VAT	750	750	-
	Chennai (Loose)	720	720	-
	Delhi (Loose)	790	785	+5
	Gondal+VAT	765	775	-10
	Jamnagar +VAT	770	780	-10
	Narsarropeth+VAT	701	691	+10
	Prodattour+VAT	721	721	-
	Mumbai + VAT	760	760	-
	Rajkot (Loose)	775	775	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	541	541	-
	Sri Ganga Nagar(Exp Oil-Loose)	551	556	-5
	Delhi (Exp. Oil) (Loose)	562	575	-13
	Jaipur (Expeller Oil) (Loose)	545	555	-10
	Kota (Expeller Oil) (Loose)	538	542	-4
	Mumbai (Exp. Oil) +VAT	578	585	-7
Refined Cottonseed Oil				
	Mumbai +VAT	595	600	-5
	Hyderabad (Loose)	600	600	-
	Rajkot (Loose)	590	590	-
	Delhi (Loose)	565	575	-10
Malaysia Palmolein USD/MT				
	FOB (Oct)	1180	1185	-5

OIL COMPLEX-VEGETABLE OIL

March 24, 2011

	CNF (Oct) - India	1200	1212	-12
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1115	1130	-15
	CNF (Oct) - India	1142	1157	-15
Argentina FOB (\$/MT)		22-03-2011	21-03-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	-	1200	-
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	-	1242	-
Sunflower Oil Ship(Sep)	Feb/Mar	-	1250	-
Cottonseed Oil Ship(Sep)	Feb/Mar	-	1180	-
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	-	1220	-

*Indicates all paid price

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.