



#### Veg Oil Summary

- ❖ Vegetable oil price trend may remain weakly skewed, barring little recovery. Weak demand and higher availability is likely to keep on weighing the trend. Imports to provide direction ahead.
- ❖ Internationally, Pick up in China's Demand, harvesting disruptions in Brazil due to rains and likely lower revision in the US Soy area in the upcoming Demand and Supply Report are the factors that may provide temporary lift.

- Soy oil price depicted minor recovery in the spot market. Positive global cues could provide little support as CBOT Soy oil price recouped. Demand from Solvent extraction units continues to remain weak, in anticipation of further drift in the prices as they pick, hand to mouth. Domestically likely drift in the Soy oil Imports may act a temporary boost for the market.

- According to AW Projections, Soy oil Availability is projected to surge by 18% in 2010-11 to 1.5 million tonnes as compared to 1.2 million tonnes estimated in 2009-10. Crushing, which is projected higher at 8.6 million tonnes in 2010-11 as compared to 7.4 million tonnes in 2009-10 backs the same.

- Soy oil import remains unviable from all the major destinations: Argentina, Brazil, US. Import parity may improve further from Argentina, as the spread between landed cost and domestic cost face a reduction as FOB Rate recovery remain comparatively less and the Soy Degum price at Kandla rises. The Spread reduces to \$ 5 per tonne in case of Argentina.

Soy oil Landed cost calculation as on (29/03/2011)	Argentina	Brazil	US
FOB USD per ton (April)	1194.47	1252.7	1223.99
CIF USD per ton	1259.47	1315.22	1286.23
Total landed cost INR per ton	57235.43	59747.86	58441.57
Total landed cost USD per ton	1278.43	1334.55	1305.37
Domestic Market price INR per ton in Kandla (Soy degum)	57000	57000	57000
USD per ton	1273.17	1273.17	1273.17
Spread( Landed Cost vs. Domestic cost)	5.26	61.38	32.2

- Groundnut oil price trend remain steady to higher in the spot market. Demand remains weak, and supply also remains low due to offseason. Demand from major players, remain of routine nature. Oil availability to remain affected as disparity (200) per ton prevails which restrict crushing. However stocks remain at 30-35% (2.5 lakh tonnes) with oil extraction units, which remain comfortable until the arrival of new crop, as per market sources.

- Mustard Oil Price traded mixed in the spot market. Demand remains affected until now as major expeller units are not indulging in surplus buying until now. However market participants suggest, demand may start to pick up as crop has already arrived in Major areas of Rajasthan and this pressure may start to ease and prices are likely to locate support.

- Palm oil price recouped, in the spot market. Recovery in Malaysian Palm, acted as a support on the day. Slip in exports and higher production anticipations are likely to keep on weighing on the price trend, although.

- India, CPO spread (landed cost vs. domestic cost), drift lower to \$ 6.70 per MT as on March 29<sup>th</sup>. FOB Rates (Malaysia) ease once again after posting some recovery in the last few days.

- The average spread (landed cost vs. domestic cost) until 29th March reach at \$31.23 per MT which remain higher than the last year's level of \$26.24 per MT until same time last year but remain lower from the average spread of \$ 39 per MT in Feb 2011. With just two days remaining in March for completion, skepticism prevails over it moving nearer to 3 yrs average level of \$ 2 per MT. Likely Impact of above development on CPO Imports: Imports may improve on MOM Basis in March however lag from a year earlier.



#### NCDEX RSBO (Refined Soybean Oil)

##### Technical Analysis:

- ✓ Soy oil price trend gets ranged near lows; Short covering can not be ruled out.
- ✓ Candle stick formation suggests indecision still exist.
- ✓ 590-606 persistently remains the relevant trading band for the price. Price trend to remain in the hands of bears until 625 on the higher side is broken.
- ✓ 590, continue to hold importance on the lower side as a support on closing basis.
- ✓ Low risk traders may wait for low risk trade.

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

Call	Entry	T1	T2	SL
<b>SELL BELOW</b>	605	602	597	609.50
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
588	594	598.50	601	606



#### CPO (Crude Palm Oil)

##### Technical Analysis:

- ✓ CPO price remain range bound. Weakness may pertain, at higher levels. Little Recovery may precede although.
- ✓ Candle stick depicts that indecision remain part, however price attempts to locate support, for the time near almost the same juncture.
- ✓ 505 persist to be the nearest reliable support on the lower side, while 520 on the higher side becomes an important resistance level.

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

Call	Entry	T1	T2	SL
<b>WAIT</b>	-	-	-	-
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
503	506	513.10	516	519



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

NCDEX Spread	April	May	June	July
<b>April</b>	-	8.65	17.6	25.15
<b>May</b>	8.65	-	8.95	16.5
<b>Jun</b>	17.6	8.95	-	7.55



OIL COMPLEX-VEGETABLE OIL

March 31, 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	19/3/2011	2011	Discharge
Mt.Eships Eagle	Kandla	March	4000	Palm Oil	22/3/2011	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	5000	Edible Oil	20/3/2011	2011	Discharge
Rasim Akar	Kakinada	March	5100	Edible Oil	29/3/2011	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
Torm Thyra	Haldia	March	15,500	CDSBO	29/3/2011	2011	Discharge
Ping An	Haldia	March	7,500	CPO	30/3/2011	2011	Discharge
Baltic I	Haldia	March	14,429	CDSBO	22/3/2011	2011	Discharge
Horizon Theano	Haldia	March	8350	CDSBO	3/3/2011	2011	Discharge
Golden Brilliance	Chennai	March	5999	CPO	3/3/2011	2011	Discharge
Chemical Arrow	Chennai	March	4500	Palm Oil	18/3/2011	2011	Discharge
Angel No. 2	Chennai	March	7300	CPO	18/3/2011	2011	Discharge
Feng Hai 15	Chennai	March	3370	Palm Oil	22/3/2011	2011	Discharge
Cm Maya	Chennai	March	5500	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
Niluper Sultan	Chennai	March	17,000	CSFO	30/3/2011	2011	Discharge
Rasim Akar	Chennai	March	12,700	CSFO	21/3/2011	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

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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
Gogasan Johar	Mangalore	March	7,000	CPO	5/3/2011	2011	Discharge
Edible Oil Shipments for March 2011			295,530				
Edible Oil Imports (Oil year 2010-11 till date)			2,842,418				

## Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		30-03-11	29-03-11	
Refined Soybean Oil	Mumbai +VAT	590	590	-
	Delhi (Loose)	590	590	-
	Indore (Loose)	561	558	+3
	Kota(Loose)	570	568	+2
	Hyderabad+VAT	625	630	-5
	Jaipur(Loose)	573	571	+2
	Rajkot(Loose)	580	580	-
	Akola(Loose)	605	605	-
	Amrawati(Loose)	605	605	-
	Haldiya Port(Loose)	596	-	-
	Jalna	611	609	+2
	Kakinada	621	605	+16
	Nagpur	596	596	-
	SoyDegumKandla/Mundra+VAT	570	580	-10
	Soy Degum Mumbai+VAT	565	560	+5
Palm Oil	Kandla CPO (5%FFA)	513	507	+6
	Kandla RBD Palmolein +VAT	540	537	+3
	Chennai RBD Palmolein (Loose)	545	540	+5
	Kakinada RBD Palmolein (Loose)	537	535	+2
	Mumbai RBD Pamolein+ VAT	548	548	-
	Hyd. RBD Palmolein VAT	575	570	+5
	Delhi RBD Palmolein (Loose)	565	565	-



### OIL COMPLEX-VEGETABLE OIL

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Refined Sunflower Oil				
	Hyderabad Exp +VAT	695	690	+5
	Bellary (Exp. Oil)+VAT	623	-	-
	Chellakere (Exp. Oil)+VAT	625	-	-
	Erode (Exp. Oil)+VAT	660	662	-2
	Latur (Exp. Oil)+VAT	-	-	-
	Kandla/Mundra	620	620	-
	Mumbai + VAT	657	665	-8
	Chennai (Loose)	660	660	-
Groundnut Oil				
	Hyderabad +VAT	760	760	-
	Chennai (Loose)	720	720	-
	Delhi (Loose)	785	785	-
	Gondal+VAT	775	780	-5
	Jamnagar +VAT	780	775	+5
	Narsarropeth+VAT	711	701	+10
	Prodattour+VAT	721	721	-
	Mumbai + VAT	760	760	-
	Rajkot (Loose)	770	770	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	531	539	-8
	Sri Ganga Nagar(Exp Oil-Loose)	536	536	-
	Delhi (Exp. Oil) (Loose)	535	535	-
	Jaipur (Expeller Oil) (Loose)	532	531	+1
	Kota (Expeller Oil) (Loose)	525	525	-
	Mumbai (Exp. Oil) +VAT	560	565	-5
Refined Cottonseed Oil				
	Mumbai +VAT	580	580	-
	Hyderabad (Loose)	575	570	+5
	Rajkot (Loose)	582	582	-
	Delhi (Loose)	560	560	-



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Malaysia Palmolein USD/MT	FOB (Oct)	1170	1155	+15
	CNF (Oct) - India	1197	1183	+14
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1115	1095	+20
	CNF (Oct) - India	1142	1123	+19
Argentina FOB (\$/MT)		29-03-2011	28-03-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1211	1208	+3
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1253	1250	+3
Sunflower Oil Ship(Sep)	Feb/Mar	-	1260	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1191	1188	+3
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1231	1225	+6

\*Indicates all paid price

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