



Veg Oil Summary

- ❖ Vegetable oil price may remain range bound. Weak demand and higher availability is likely to weigh on the price. Recent decline in Veg oil Imports may provide temporary support, going forward imports may start to catch up thereby adding to the supplies.
- ❖ Internationally, ongoing normal harvest pace in Brazil and Argentina and likely cool off in China's soy demand in the months ahead remain negative drivers. Recent decline in Crude oil price add to the pessimism, its short term trend is likely to bear the impact.

Soy oil price traded mixed in the spot market. Mild positivity in Malaysian markets could restrict loss along with lowered domestic Veg oil imports. Demand hasn't picked up yet, domestically, as per market sources, and is likely to remain sluggish until pre monsoon buying starts in May.

- **Edible Oil Shipments until 15th April 2011 reach at 214634 MT.** Out of the same CSFO quantity reach at 50380 MT, Palm shipments hover at 111502 MT, CDSBO at 27500 MT, other edible oil quantity remain at 25252 MT. Total Edible Oil imports until April likely remain at 3066954 MT.

- **Veg oil Stocks at ports face a significant decline of 42.74% and 37.54% at Haldia and Kakinada ports** until 11th April 2011 as compared to a week ago, while stocks also remain lower at other ports.

Veg oil Stocks at ports in MT.	As on 11th April 2011	As on 4th April 2011	% Change W.O.W
Kandla	101787.416	128955	-21.07
Mundra	34340.426	38896.17	-11.71
Kakinada	24720	39580	-37.54
Chennai	72032	84174	-14.42
Haldia	9406	16426	-42.74

- **Edible Oil Imports declined by 32.7 % in March 2011 as compared to same month**

last year, while this decline was reported by 23.4% in March 2011 as compared to Feb 2011. Soy oil imports declined about 44.4% to 81131 MT in March 2011 as compared to same month last year while this decline remains at 37.4% from Feb to March.

- **Projections vs. Actual Imports:** We projected a decline in CSO imports of 41.3% in oil year until March and a decline of 17.2% for Palm imports in the same period vis a vis last year which remain close to the actual decline of 35.3% and 15.7% in CSO and Palm Imports respectively.
- **Soy oil Availability is estimated higher by 10.2% in 2010-11 to 1.4 million tonnes as compared to 1.27 million tonnes estimated in 2009-10.** Crushing, which was being projected higher at about 8.6 million tonnes in 2010-11 as compared to 7.4 million tonnes in 2009-10, the same is revised at 8.0 million tonnes driven by lower than projected meal exports.

Palm oil price continue to decline in the spot market. Malaysian palm oil depicts mild recovery on hopes that buyers will switch away from more expensive rival soybean oil as the spread widens.

- **India, CPO spread (landed cost vs. domestic cost), narrows down further in the month of April (Average - 1-18) to \$ 2.4 per MT as compared to \$ 14.98 per MT the same time last year.** Better than last year and previous month's spread indicate likely improvement in the Palm Imports in the Month of April, now that stocks depict a Week on Week decline, indicating pacing up consumption.
- **Average price spread between CSO Argentina and CPO Malaysia widens further to \$ 86.94 per tonne until 18th April 2011** which remains higher than the last year's level of \$23.93 per MT until same time previous year and the same is getting nearer to 3 yrs. average spread of \$ 89 per MT in April. The same implicate that CPO Imports may improve in the month of April on MOM and YOY basis, higher domestic availability of other oils however may keep offsetting the quantity.
- **Groundnut oil price trade ranged with weak bias.** Demand for groundnut oil remain almost negligible, as participants are unwilling to buy at current price, Rs 800 per 20 Kg (Rajkot), a slip to Rs. 780 is likely will lead to pick up in the same according to market sources. While this leads to only a corrective move, lower

oil availability due to crushing disparity is likely to remain supportive price driver. **Cottonseed oil price continue to drift lower in the spot market**, following continuous decline in Palm oil price, as the same lead to demand substitution.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend remain range bound. Price corrects further, gets closer to supports. Rest of the scenario remains same.
- ✓ Candle stick formation suggestion weakness pertains.
- ✓ 600-625 remains the broad trading band for the price. 615 is another resistance juncture, prior to that.
- ✓ Bears may keep an upper hand until 625 is breached on the higher side.

Trade Recommendation—RSBO NCDEX (May)

Call	Entry	T1	T2	SL
SELL BELOW	612	608	605	616
Support & Resistance				
S2	S1	PCP	R1	R2
601	604	609.50	613	616



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain weakly skewed. Bears maintain charge, bounce from support can not be ruled out.
- ✓ 498 becomes the nearest reliable support on the lower side.
- ✓ While 510 on the higher side remains an important resistance level.
- ✓ 498-510 becomes the current trading range; drift in either direction will take the price further in the respective same.

Trade Recommendation – CPO MCX (May)

Call	Entry	T1	T2	SL
SELL BELOW	506	503	500	510
Support & Resistance				
S2	S1	PCP	R1	R2
498	500	502.70	505	508



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

NCDEX Spread	April	May	June	July
April	-	2.55	9.55	15.05
May	2.55	-	7	12.5
Jun	9.55	7	-	5.5

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	BERTH DATE	ETC	ACTIVITY
April Edible Oil Shipment							
Torm Thyra	Haldia	15,500	CDSBO	29/3/2011	30/3/2011	1/4/2011	Discharge
Angel No. 2	Haldia	7,299	CPO	3/4/2011			Discharge
Mt Liquid Silver	Kandla	8,500	Palm Oil	8/4/2011			Discharge
M.T.Liquid Success	Kandla	7,500	CPO	16/4/2011			Discharge
Mt Horizon	Kandla	30,172	CPO	12/4/2011			Discharge
Mt Pvt Sel Lion	Kandla	10,000	CPO	7/4/2011			Discharge
M.T.Prisco Elizaveta	Kandla	12,000	CDSBO	10/4/2011			Discharge
Green Chemi	Kakinada	1,250	Edible Oil	14/4/2011			Discharge
Rasim Akar	Kakinada	5,100	Edible Oil	2/4/2011			Discharge
Caribbean Renaissance	Kakinada	3,000	Edible Oil	16/4/2011			Discharge
Au Aries	Kakinada	8,000	Edible Oil	10/4/2011	10/4/2011	12/4/2011	Discharge
Titan Glory	Kakinada	7,902	Edible Oil	30/3/2011	31/3/2011	2/4/2011	Discharge
World Bridge	Chennai	3,000	Palm Oil	13/4/2011	13/4/2011	15/4/2011	Discharge
Titan Glory	Chennai	8,200	Palm Oil	17/4/2011			Discharge
Global Neptune	Chennai	10,000	Palm Oil	9/4/2011	13/4/2011	17/4/2011	Discharge
Borchali	Chennai	13,500	CSFO	21/4/2011			Discharge
Titan Vision	Chennai	3,500	Palm Oil	14/4/2011	14/4/2011	16/4/2011	Discharge
Nilufer Sultan	Chennai	17,780	CSFO	30/3/2011	31/3/2011	5/4/2011	Discharge
Caribbean Renaissance	Chennai	8,000	CSFO	1/4/2011	4/4/2011	6/4/2011	Discharge
Caribbean Renaissance	Krishnapatnam	6,000	CSFO	9/4/2011			Discharge
Fair Faethon	Krishnapatnam	5,000	CPO	8/4/2011	8/4/2011	9/4/2011	Discharge
Rasim Akar	Krishnapatnam	5,100	CSFO	31/3/2011	1/4/2011	2/4/2011	Discharge
Feng Hai-15	Kolkata	6,501	CPO	11/4/2011			Discharge
Liquid Success	Mangalore	5,000	CPO	15/4/2011			Discharge
Horizon	Mangalore	6,830	CPO	9/4/2011			Discharge
Edible Oil Shipments for April 2011		214,634					
Edible Oil Imports (Oil year 2010-11 till date)		3,066,954					

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		18-04-11	16-04-11	

OIL COMPLEX-VEGETABLE OIL

April 19, 2011

Refined Soybean Oil	Mumbai +VAT	590	590	-
	Delhi (Loose)	610	615	-5
	Indore (Loose)	577	580	-3
	Kota(Loose)	580	590	-10
	Hyderabad+VAT	640	640	-
	Jaipur(Loose)	583	593	-10
	Rajkot(Loose)	585	580	+5
	Akola(Loose)	-	-	-
	Amrawati(Loose)	-	-	-
	Haldiya Port(Loose)	596	-	-
	Jalna	623	627	-4
	Kakinada	621	616	+5
	Nagpur	631	631	-
	SoyDegumKandla/Mundra+VAT	565	560	+5
	Soy Degum Mumbai+VAT	565	565	-
Palm Oil				
	Kandla CPO (5%FFA)	504	505	-1
	Kandla RBD Palmolein +VAT	536	540	-4
	Chennai RBD Palmolein (Loose)	550	550	-
	Kakinada RBD Palmolein (Loose)	540	540	-
	Mumbai RBD Pamolein+ VAT	553	555	-2
	Hyd. RBD Palmolein VAT	575	575	-
	Delhi RBD Palmolein (Loose)	575	580	-5
Refined Sunflower Oil				
	Hyderabad Exp +VAT	700	700	-
	Bellary (Exp. Oil)+VAT	621	-	-
	Chellakere (Exp. Oil)+VAT	523	-	-
	Erode (Exp. Oil)+VAT	670	672	-2
	Latur (Exp. Oil)+VAT	621	-	-
	Kandla/Mundra	620	620	-
	Mumbai + VAT	652	653	-1
	Chennai (Loose)	665	660	+5

OIL COMPLEX-VEGETABLE OIL

April 19, 2011

Groundnut Oil				
	Hyderabad +VAT	850	840	+10
	Chennai (Loose)	800	810	-10
	Delhi (Loose)	825	850	-25
	Gondal+VAT	800	-	-
	Jamnagar +VAT	800	-	-
	Narsarropeth+VAT	811	-	-
	Prodattour+VAT	841	-	-
	Mumbai + VAT	810	815	-5
	Rajkot (Loose)	800	800	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	536	541	-5
	Sri Ganga Nagar(Exp Oil-Loose)	528	531	-3
	Delhi (Exp. Oil) (Loose)	550	555	-5
	Jaipur (Expeller Oil) (Loose)	545	544	+1
	Kota (Expeller Oil) (Loose)	538	540	-2
	Mumbai (Exp. Oil) +VAT	565	572	-7
	Kolkata	-	-	-
	Hapur	-	-	-
	Kacchi Ghani Oil	570	572.5	-2.5
Refined Cottonseed Oil				
	Mumbai +VAT	588	590	-2
	Hyderabad (Loose)	585	590	-5
	Rajkot (Loose)	585	587	-2
	Delhi (Loose)	565	-	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1150	1150	-
	CNF (Oct) - India	1177	1177	-
Indonesia/Malaysia CPO USD/MT				
	FOB (Oct)	1090	1085	+5
	CNF (Oct) - India	1117	1112	+5
Argentina FOB (\$/MT)		15-04-2011	14-04-2011	Change

OIL COMPLEX-VEGETABLE OIL

April 19, 2011

Soybean Oil Ship(Sep)	Feb/Mar	-	1190	-
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	-	1231	-
Sunflower Oil Ship(Sep)	Feb/Mar	-	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	-	1170	-
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	-	1210	-

*Indicates all paid price

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