

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 lead towards some recovery.
- ❖ Internationally, ongoing normal harvest pace in Brazil and Argentina remain a negative factor. Lowered Import revisions for China amidst cancellation of soy cargoes also remain a contemporary pessimistic cue. Recovery in crude oil price to remain supportive.

Soy oil price traded mixed in the spot market. It recouped higher in few markets on the day on catching up demand. Lower Imports and Recovery in international market continue to add to support.

- **Domestic market sentiment:** Market sources convey that the demand for Soy oil has depicted slight improvement, specifically in Indore and Maharashtra while the same still remain sluggish towards Rajasthan as higher Mustard oil availability still lead to preference for the later along with other cheap oils like Palm.

- **Soy oil Imports again gets unviable from major destinations as FOB Rates recover from the lower levels that existed a week back.** Import spread(Landed cost vs. domestic cost) from Brazil, depicted a negative spread as calculated as on 14 April 2011, however the spread increases to \$ 13 per MT as on 19 th April 2011.

- Spread has widened in case of US as well to \$ 46.6 per MT until 19 April while it was at \$ 21.14 per MT as on 14 April 2011. Contrastingly, Argentina FOB Rates decline within this period.

- **CSO Imports likely scenario**

ahead: FOB Argentina rates continue to plunge lower in the past few days despite the same landed cost spread has improved as recent recovery in dollar kept the imports expensive.

- **CSO Average Spread (Landed cost vs. domestic cost) hover at \$9.60 per MT. (April 1-18)**, which remain higher than the negative spread of \$(4.09) which existed same time last year. This, combined with higher than last year price spread with soy oil is likely to keep bearing a diminishing impact on the soy oil imports in the April month.

- **Edible Oil Shipments until 19th April 2011 reach at 270918 MT.** Out of the same CSFO quantity reach at 56480 MT, Palm shipments hover at 161686 MT, CDSBO at 27500 MT, other edible oil quantity remain at 25252 MT. Total Edible Oil imports until April likely remain at 3123238 MT.

- **Palm oil price traded higher in the spot market. Likely pick up in Palm Imports by China and India led to Recovery in Malaysian Palm.**

- Following subdued imports in January-March 2011, Chinese palm oil imports are likely to pick up noticeably in April, reaching at least 550,000 tonnes, as put by oil world. This would be up from only 152,931 tonnes imported by China in March while China's Ministry of Commerce has forecast that 305,688 tonnes of palm oil will be imported in April.

- **Exports of Malaysian palm oil products for April 1-20 fell 15 percent to 612,342 tonnes from 719,302 tonnes shipped during March 1-20 as put by cargo surveyor Intertek Testing Services.** The decline remains in line with mentioned expectation. Exports to China and India declined in the above period as compared to March 1-20, while the same to European Union increased.

- **MPOB Likely Production:** Production in Malaysia is projected to witness a rise of (8.83-10) percent in from March to April which although indicates surge in production but the rate of rise may remain lower than the previous month.

- **Average price spread between CSO Argentina and CPO Malaysia widens further to \$89.29 per tonne until 20th April 2011** which remains higher than the last year's level of \$23.32 per MT until same time previous year. The same implicate that CPO Imports may improve in the month of April on MOM and YOY basis.

CDSBO Landed cost calculation as on (19/04/2011)	Argentina	Brazil	US
FOB USD per ton (May Contract)	1205.71	1213.2	1246.26
CIF USD per ton	1270.71	1275.33	1308.72
Total landed cost INR per ton	57370.72	57577.87	59072.67
Total landed cost USD per ton	1289.81	1294.47	1328.07
Domestic Market price INR per ton in Kandla (Soy degum)	57000	57000	57000
USD per ton	1281.47	1281.47	1281.47
Spread(Landed cost vs. Domestic cost)	8.34	13	46.6

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- **Groundnut oil price remain steady to higher in the spot market.** Price at Rajkot remains unchanged at Rs 800 per 10 kg. Lower availability is likely to support the price trend as crush disparity lead to the same. Weak oil demand also caps the upside, although. In Gujarat cottonseed is being preferred for crushing.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ **Soy oil price trend remain range bound. Resistances situated ahead.**
- ✓ Candle stick formation suggestion indecision pertains near resistance. Rest of the scenario remains same.
- ✓ 610-625 remains the current trading band for the price. Drift in either direction will take the price further in the respective same.
- ✓ Low risk traders may wait, short covering may continue but resistances are capable of action.

Trade Recommendation-RSBO NCDEX (May)

Call	Entry	T1	T2	SL
BUY ABOVE	618	622	625	614
Support & Resistance				
S2	S1	PCP	R1	R2
617	619	623.10	626	630



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ **CPO price remain weakly skewed. Bounce back happens, continuity remains skeptical.**
- ✓ 500 becomes the nearest reliable support on the lower side.
- ✓ While 516 on the higher side remains an important resistance level.
- ✓ 500-516 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
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
504	507	510	513	516



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

NCDEX Spread	May	June	July	August
May	-	7.9	12.2	15.6
June	-7.9	-	4.3	7.7
July	-12.2	-4.3	-	3.4



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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
Sichem Aneline	Haldia	7,500	CPO	18/4/2011			Discharge
Theresa Aries	Haldia	5,993	CPO	18/4/2011			Discharge
World Bridge	Haldia	5,001	CPO	17/4/2011			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.Olympic	Kandla	15,000	Palm Oil	18/4/2011			Discharge
M.T.Liquid Success	Kandla	7,500	CPO	16/4/2011			Discharge
Mt Horizon	Kandla	23,312	CPO	12/4/2011	17/4/2011	20/4/2011	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
Golden Brilliance	Chennai	2,300	Palm Oil	24/4/2011			Discharge
Elisabeth Schulte	Chennai	6,100	CSFO	21/4/2011			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
Shusha	Krishnapatnam	3,000	CPO	20/4/2011			Discharge
Grazia	Krishnapatnam	7,000	CPO	14/4/2011	18/4/2011	19/4/2011	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
Eastern Glory	Kolkata	6,250	CPO	16/4/2011			Discharge
Feng Hai-15	Kolkata	6,501	CPO	11/4/2011			Discharge

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Mt Fair Pig Asos	Paradip	5,000	Palm Oil	18/4/2011			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		270,918					
Edible Oil Imports (Oil year 2010-11 till date)		3,123,238					

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		20-04-11	19-04-11	
Refined Soybean Oil	Mumbai +VAT	595	590	+5
	Delhi (Loose)	615	610	+5
	Indore (Loose)	584	577	+7
	Kota(Loose)	567	580	-13
	Hyderabad+VAT	640	640	-
	Jaipur(Loose)	570	583	-13
	Rajkot(Loose)	585	585	-
	Akola(Loose)	636	626	+10
	Amrawati(Loose)	636	626	+10
	Haladiya Port(Loose)	596	596	-
	Jalna	629	622	+7
	Kakinada	611	606	+5
	Nagpur	641	631	+10
	SoyDegumKandla/Mundra+VAT	575	570	+5
	Soy Degum Mumbai+VAT	575	570	+5
Palm Oil				
	Kandla CPO (5%FFA)	512	507	+5
	Kandla RBD Palmolein +VAT	542	540	+2
	Chennai RBD Palmolein (Loose)	550	550	-
	Kakinada RBD Palmolein (Loose)	540	540	-
	Mumbai RBD Pamolein+ VAT	554	551	+3
	Hyd. RBD Palmolein VAT	580	575	+5
	Delhi RBD Palmolein (Loose)	580	575	+5

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Refined Sunflower Oil				
	Hyderabad Exp +VAT	700	700	-
	Bellary (Exp. Oil)+VAT	-	621	-
	Chellakere (Exp. Oil)+VAT	-	623	-
	Erode (Exp. Oil)+VAT	670	670	-
	Latur (Exp. Oil)+VAT	621	621	-
	Kandla/Mundra	625	620	+5
	Mumbai + VAT	558	652	+6
	Chennai (Loose)	665	660	+5
Groundnut Oil				
	Hyderabad +VAT	850	850	-
	Chennai (Loose)	810	810	-
	Delhi (Loose)	825	825	-
	Gondal+VAT	805	800	+5
	Jamnagar +VAT	805	800	+5
	Narsarropeth+VAT	811	811	-
	Prodattour+VAT	821	841	-20
	Mumbai + VAT	810	810	-
	Rajkot (Loose)	800	800	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	538	542	-4
	Sri Ganga Nagar(Exp Oil-Loose)	528	528	-
	Delhi (Exp. Oil) (Loose)	555	550	+5
	Jaipur (Expeller Oil) (Loose)	542	538	+4
	Kota (Expeller Oil) (Loose)	540	538	+2
	Mumbai (Exp. Oil) +VAT	568	562	+6
	Kolkata	-	624	-
	Hapur	565	564	+1
	Kacchi Ghani Oil	565	570	-5
Refined Cottonseed Oil				
	Mumbai +VAT	585	585	-
	Hyderabad (Loose)	590	585	+5



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	Rajkot (Loose)	592	585	+7
	Delhi (Loose)	570	565	+5
Malaysia Palmolein USD/MT				
	FOB (Oct)	1160	1155	+5
	CNF (Oct) - India	1187	1182	+5
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1097	1090	+7
	CNF (Oct) - India	1125	1117	+8
Argentina FOB (\$/MT)		19-04-2011	18-04-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1210	1204	+6
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1252	1246	+6
Sunflower Oil Ship(Sep)	Feb/Mar	-	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1190	1184	+6
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1230	1224	+6

*Indicates all paid price

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