

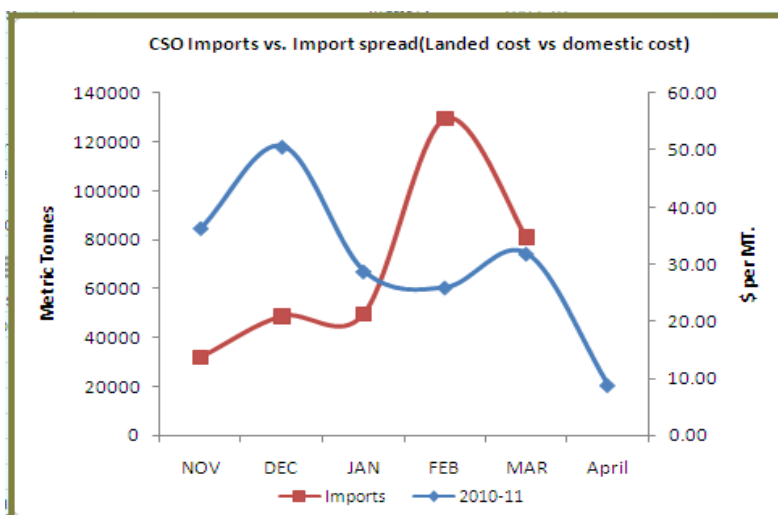


Veg Oil Summary

- ❖ 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 continue to trade mix in the spot market. Improving demand in some regions like Indore support but it hasn't recovered noticeably amidst preference for other oils. Market sources in Maharashtra convey only hand to mouth purchase is being carried. Optimistic cues from CBOT Soy oil also added to the optimism.

- CSO Imports have declined in the month of March as average spread (landed cost vs. domestic cost) remain high at \$31 per MT in the same month, depicting import disparity.
- **Going forward in April the spread narrows down and currently hovers at \$ 8.70 per MT(Average 1-20 April)**, but the same is not enough to bring parity, while same month last year parity existed as spread hovered at negative \$ 6.16 per MT. As per the established relation, spread above \$ 30 per MT affects the imports adversely.
- **Soy oil supply and demand scenario:** Soy oil Availability is estimated at 1.4 million tonnes in 2010-11 higher by 10.2% from 1.27 million tonnes estimated in 2009-10.
- Soy oil imports may remain lower upto 30% at 1.12 million tonnes in oil year 2010-11 as compared to 1.6 million tonnes in 2009-10. While higher domestic availability and lower imports are likely to have offsetting impact on the supplies, market sources suggest that consumption of soy oil may drift lower as substitution with other lower priced oils remains a case.
- **Soy oil Imports remain 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.



- **Palm oil price traded higher in the spot market. Malaysian Palm had a choppy walk on the day. Likely improvement in China and India's demand remain supportive factors along with surging crude, likely cut in Indonesia's export tax and improving palm production in Malaysia remain pessimistic drivers.** Indonesia will cut its palm oil export tax for May to 17.5 percent from 22.5 percent as put by government official
- **India's Palm Import Parity has improved in the latest week, while the spread once again recoups back to positive territory:** to \$2.6 per MT as on 21 st April 2011, the same hovered at \$ (12) per MT until yesterday. Recovery in FOB Malaysia rate from \$ 1097 to \$ 1112 in the two days led to the same.
- **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.
- **Sunflower oil price traded mix in the spot market.** While demand from niche, southern markets prevails, higher imports add to the supplies, thus making for the shortfall in availability. Sunflower Imports remain viable as spread (landed cost vs. domestic cost) over at \$(1.08) per tonne. **Cotton seed oil price recovers in spot market** followed by recovery in palm oil. While institutional demand prevails for the prior, lower priced palm offset the same.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend continue to remain ranged. Resistances act, supports remain dependable as well.
- ✓ 610-625 remains the current trading band for the price. Drift in either direction will take the price further in the respective same.
- ✓ Positioning of RSI still favor bears.
- ✓ Price may slip once again but supports are likely to act.

Trade Recommendation—RSBO NCDEX (May)

Call	Entry	T1	T2	SL
BUY ABOVE	616	619	623	612
Support & Resistance				
S2	S1	PCP	R1	R2
614	617	620.50	623	626



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain weakly skewed. Bounce back happens, continuity remains skeptical. Scenario has barely shifted.
- ✓ Candlestick formation indicates indecision in the market.
- ✓ 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	509.80	513	516



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

NCDEX Spread	May	June	July	August
May	-	8.2	14	18.6
June	-8.2	-	5.8	10.4
July	-14	-5.8	-	4.6



OIL COMPLEX-VEGETABLE OIL

April 23 2011

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
Mt Fair Pig Asos	Paradip	5,000	Palm Oil	18/4/2011			Discharge

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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
		21-04-11	20-04-11	
Refined Soybean Oil	Mumbai +VAT	594	595	-1
	Delhi (Loose)	615	615	-
	Indore (Loose)	583	584	-1
	Kota(Loose)	568	567	+1
	Hyderabad+VAT	650	640	+10
	Jaipur(Loose)	571	570	+1
	Rajkot(Loose)	585	585	-
	Akola(Loose)	638	636	+2
	Amrawati(Loose)	638	636	+2
	Haldiya Port(Loose)	596	596	-
	Jalna	631	629	+2
	Kakinada	611	611	-
	Nagpur	643	641	+2
	SoyDegumKandla/Mundra+VAT	575	575	-
	Soy Degum Mumbai+VAT	575	575	-
Palm Oil				
	Kandla CPO (5%FFA)	514	512	+2
	Kandla RBD Palmolein +VAT	544	542	+2
	Chennai RBD Palmolein (Loose)	555	550	+5
	Kakinada RBD Palmolein (Loose)	550	540	+10
	Mumbai RBD Pamolein+ VAT	558	554	+4
	Hyd. RBD Palmolein VAT	590	580	+10
	Delhi RBD Palmolein (Loose)	580	580	-
Refined Sunflower Oil				



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	Hyderabad Exp +VAT	710	700	+10
	Bellary (Exp. Oil)+VAT	-	-	-
	Chellakere (Exp. Oil)+VAT	-	-	-
	Erode (Exp. Oil)+VAT	667	670	-3
	Latur (Exp. Oil)+VAT	626	621	+5
	Kandla/Mundra	625	625	-
	Mumbai + VAT	660	658	+2
	Chennai (Loose)	660	665	-5
Groundnut Oil				
	Hyderabad +VAT	860	850	+10
	Chennai (Loose)	810	810	-
	Delhi (Loose)	825	825	-
	Gondal+VAT	810	805	+5
	Jamnagar +VAT	810	805	+5
	Narsarropeth+VAT	811	811	-
	Prodattour+VAT	801	821	-20
	Mumbai + VAT	820	810	+10
	Rajkot (Loose)	800	800	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	538	538	-
	Sri Ganga Nagar(Exp Oil-Loose)	529	528	+1
	Delhi (Exp. Oil) (Loose)	555	555	-
	Jaipur (Expeller Oil) (Loose)	543	542	+1
	Kota (Expeller Oil) (Loose)	540	540	-
	Mumbai (Exp. Oil) +VAT	574	568	+6
	Kolkata	-	624	-
	Hapur	565	565	-
	Kacchi Ghani Oil	565	565	-
Refined Cottonseed Oil				
	Mumbai +VAT	588	585	+3
	Hyderabad (Loose)	600	590	+10
	Rajkot (Loose)	592	592	-



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	Delhi (Loose)	570	570	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1175	1160	+15
	CNF (Oct) - India	1202	1187	+15
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1112	1097	+15
	CNF (Oct) - India	1140	1125	+15
Argentina FOB (\$/MT)		20-04-2011	19-04-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1220	1210	+10
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1263	1252	+11
Sunflower Oil Ship(Sep)	Feb/Mar	1290	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1200	1190	+10
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1240	1230	+10

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*Indicates all paid price

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