



Veg Oil Summary

- ❖ Vegetable oil price may continue to remain range bound. Lower Veg oil Imports remain supportive until now. Going forward sluggish demand and likely pick up in imports in the upcoming months may act as pessimistic drivers.
- ❖ Internationally, ongoing harvest pace in Brazil and Argentina which is nearing completion is likely weigh on the sentiment. Cancellation of soy oil cargoes by China and lower soy import revisions by it remain pessimistic global cues. Range bound trend of crude oil continue to create skepticism.

Soy oil price depicted mixed sentiment in the spot market. Weakness in global market capped the upside in the prices that could have originated due to sharp decline in soy arrivals ahead of Akshaya tritya, Oil availability remain persistently affected as the seeds are being kept for sowing and crushing activity reduces.

- **Edible Oil Shipments in May 2011 until 4 reach at 172837 MT.** Out of the same CSFO quantity reach at 37700 MT, Palm shipments hover at 78437 MT, CDSBO at 43750 MT, other edible oil quantity remain at 12950 MT. Total Edible Oil imports in oil year 2010-11 until May 11 likely remain at 3572405 MT.
 - **Total Edible oil Imports may witness a jump of 32.80% in April 2011 as compared to March.** Palm oil imports are likely higher by 43.08% in April at 363026 MT whereas soy oil imports may face a drop of about 26.97 in April 2010.
- | | Actual Imports in March 2011 | Shipments in April 2011 | % Change |
|-------------------------|------------------------------|-------------------------|----------|
| Total Edible Oil | 412,088 | 547,248 | 32.80 |
| Palm Oil | 253,727 | 363,026 | 43.08 |
| Soy Oil(CDSBO) | 81,131 | 59,250 | -26.97 |
- Soy oil imports remain viable from Argentina, and Brazil as depicted by negative spread(landed cost vs. domestic cost) of \$ 15.46 per MT and \$16.36 per MT respectively, calculated as on 3rd May, whereas imports from US gets unviable as spread widens due to rise in FOB Rates.
 - **Average price spread between CSO Argentina and CPO Malaysia reach at \$87.61 per MT in April 2011** which remains higher than the last year's level of \$ 18.57 per MT until same time previous year. The spread hovered at \$72 per MT in March 2011. The same implicate that CPO Imports may improve both vis a vis last year April and previous month March 2011.
 - Going forward in May 2011 the price spread between CSO and CPO has narrowed down to \$68.67 per MT Average(1-5 May) as compared to \$ 4.34 per MT same time last year. The same indicate while soy oil was more attractive until this time last year, this year CPO remains comparatively more attractive to import.
 - **Domestic sentiment:** Sluggish demand and higher availability continue to be the draggers on the domestic front. Going forward Soy oil Imports may find a boost in the upcoming month on improvement in Import parity which may add to the pessimism.

Palm oil traded mix in the spot market. Malaysian Palm ended lower on the day continue to derive negative impact from likely improvement in MOM Production and stocks despite, alongside improvement in exports.

- Malaysian palm oil stocks likely rose nine percent to 1.76 million tonnes, marking the highest level since October but moderating the growth pace from March, a median survey by Reuters, of five plantations, depicted. Also A favorable mix of heavy rains and sunshine probably boosted Malaysian palm oil output by 8.8 percent to 1.54 million tonnes in April. An alike likely rise in the output.
- **India, CPO Average Spread (Landed cost vs. domestic cost) has reduced to negative \$(0.2) per MT in April 2011, which is lower than the last year's level of \$16 per MT.** Going forward in May (until date), this spread has further reduced to negative \$(11.9) per MT. The same remains favorable for CPO Imports.
- CPO, FOB rates (Malaysia), which witnessed a rise in after 20th April 2011 have again started easing, which lead to the improvement in import parity.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price trend inhibit weakness. Minor support lay ahead, bears have an upper hand.
- ✓ Candlestick formation indicate weakness.
- ✓ 600-625 becomes the trading band for the price. Drift in either direction will take the price further in the respective same.
- ✓ Positioning of RSI in the daily chart also backs the above mentioned sentiment.

Trade Recommendation-RSBO NCDEX (May)

Call	Entry	T1	T2	SL
SELL BELOW	611	608	604	615
Support & Resistance				
S2	S1	PCP	R1	R2
604	608	612.20	615	622



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain range bound with weak bias.
- ✓ 508 remains the nearest reliable support on the lower side.
- ✓ While 516 on the higher side becomes an important resistance level.
- ✓ 508-516 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
SELL BELOW	514	511	508	518
Support & Resistance				
S2	S1	PCP	R1	R2
505	508	512	518	524



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

NCDEX Spread	May	June	July	August
May	-	6.75	12.25	16.1
June	-6.75	-	5.5	9.35
July	-12.25	-5.5	-	3.85

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	BERTH DATE	ETC	ACTIVITY
MAY Edible Oil Shipment							
Samho Valencia	Chennai	10,000	CSFO	4/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	9/5/2011			Discharge
Samho Emerald	Chennai	5,100	CSFO	3/5/2011			Discharge
Mt. Prosperity	Kandla	8,531	CPO	2/5/2011	2/5/2001	4/5/2011	Discharge
Mt. Constance	Kandla	10540	CPO	3/5/2011			Discharge
Prisco Elizaveta	Haldia	13250	CDSBO	5/5/2011			Discharge
Wappen Von Stuttgart	Haldia	5,999	CPO	3/5/2011			Discharge
Fadl-E-Rabbi	Haldia	3,998	CPO	3/5/2011			Discharge
Lucky Mineral	Haldia	7,299	CPO	5/5/2011			Load
Grazia	Haldia	16,000	CDSBO	29/4/2011	2/5/2011	5/5/2011	Discharge
Nord Strait	Haldia	14,500	CDSBO	26/4/2011	27/4/2011	2/5/2011	Discharge
Sun Bridge	Haldia	6,500	CPO	9/5/2011			Discharge
Angel No. 2	Haldia	7,299	CPO	7/5/2011			Discharge
Mt. Prosperity	Kanda	8,531	CPO	2/5/2011			Discharge
Mt. Constance	Kandla	10,540	CPO	3/5/2011			Discharge
Au Aries	Kandla	4,000	Edible Oil	2/5/2011			Discharge
Samho Emerald	Kandla	4,950	Edible Oil	3/5/2011			Discharge
Samho Emerald	Chennai	5,100	CSFO	3/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	9/5/2011			Discharge
Samho Valencia	Chennai	10,000	CSFO	8/5/2011			Discharge
Asia Adventurer	Kolkata	5,200	CPO	4/5/2011	5/5/2011	6/5/2011	Discharge
Au Aries	Kakinada	4,000	Edible Oil	2/5/2011			Discharge
Liquid Plaiza	Mangalore	7,500	Sunflower Oil	3/5/2011			Discharge
Edible Oil Shipments for May 2011		172,837					
Edible Oil Imports (Oil year 2010-11 till date)		3,572,405					

Commodity	Centre	Prices(Per 10 Kg)		Change
		05-05-11	04-05-11	
Refined Soybean Oil	Mumbai +VAT	600	600	-
	Delhi (Loose)	615	615	-

OIL COMPLEX-VEGETABLE OIL

May 06 2011

	Indore (Loose)	581	582	-1
	Kota(Loose)	603	600	+3
	Hyderabad+VAT	650	640	+10
	Jaipur(Loose)	610	-	-
	Rajkot(Loose)	590	590	-
	Akola(Loose)	636	636	-
	Amrawati(Loose)	636	636	-
	Haldiya Port(Loose)	603	601	+2
	Jalna	636	634	+2
	Kakinada	616	616	-
	Nagpur	641	641	-
	SoyDegumKandla/Mundra+VAT	580	582	-2
	Soy Degum Mumbai+VAT	578	580	-2
Palm Oil				
	Kandla CPO (5%FFA)	521	520	+1
	Kandla RBD Palmolein +VAT	550	540	+10
	Chennai RBD Palmolein (Loose)	565	560	+5
	Kakinada RBD Palmolein (Loose)	555	550	+5
	Mumbai RBD Pamolein+ VAT	575	578	-3
	Hyd. RBD Palmolein VAT	590	585	+5
	Delhi RBD Palmolein (Loose)	595	595	-
Refined Sunflower Oil				
	Hyderabad Exp +VAT	705	705	-
	Bellary (Exp. Oil)+VAT	624	624	-
	Chellakere (Exp. Oil)+VAT	627	626	+1
	Erode (Exp. Oil)+VAT	680	680	-
	Latur (Exp. Oil)+VAT	621	626	-5
	Kandla/Mundra	625	625	-
	Mumbai + VAT	670	675	-5
	Chennai (Loose)	667	670	-3
Groundnut Oil				
	Hyderabad +VAT	870	850	+20

OIL COMPLEX-VEGETABLE OIL

May 06 2011

	Chennai (Loose)	840	840	-
	Delhi (Loose)	855	855	-
	Gondal+VAT	830	830	-
	Jamnagar +VAT	830	835	-5
	Narsarropeth+VAT	801	811	-10
	Prodattour+VAT	851	851	-
	Mumbai + VAT	840	840	-
	Rajkot (Loose)	825	835	-10
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	566	566	-
	Sri Ganga Nagar(Exp Oil-Loose)	551	547	+4
	Delhi (Exp. Oil) (Loose)	570	570	-
	Jaipur (Expeller Oil) (Loose)	562	560	+2
	Kota (Expeller Oil) (Loose)	552	550	+2
	Mumbai (Exp. Oil) +VAT	590	590	-
	Kolkata	-	624	-
	Hapur	580	580	-
	Kacchi Ghani Oil	595	587	+8
Refined Cottonseed Oil				
	Mumbai +VAT	595	595	-
	Hyderabad (Loose)	600	590	+10
	Rajkot (Loose)	600	600	-
	Delhi (Loose)	580	580	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1200	1190	+10
	CNF (Oct) - India	1227	1218	+9
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1125	1120	+5
	CNF (Oct) - India	1152	1148	+4
Argentina FOB (\$/MT)		4-05-2011	3-05-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1196	1207	-11



OIL COMPLEX-VEGETABLE OIL

May 06 2011

Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1237	1249	-12
Sunflower Oil Ship(Sep)	Feb/Mar	-	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1176	1187	-11
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1216	1227	-11

*Indicates all paid price

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