



#### Veg Oil Summary

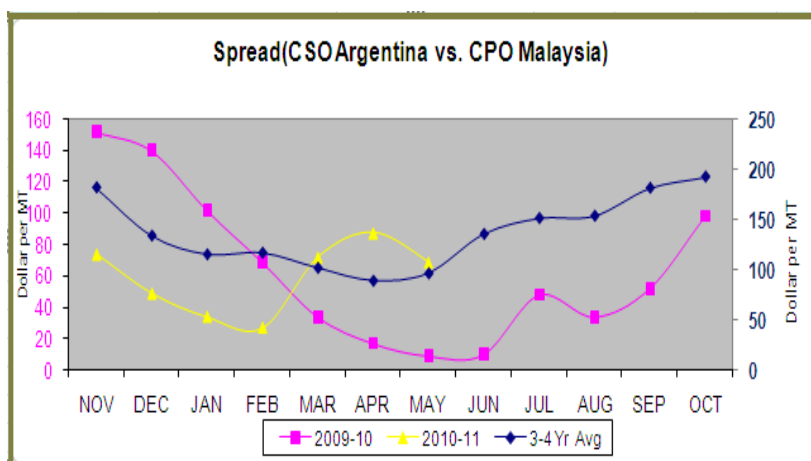
- ❖ Vegetable oil price may continue to remain range bound with weak bias. Sluggish demand and likely pick up in imports in the upcoming months may act as pessimistic drivers. Internationally, ongoing harvest pace in Brazil and Argentina which is nearing completion is likely weigh on the sentiment. Cancellation of soy oil cargoes by China and lower soy import revisions by it remain pessimistic global cues. Weakness in crude oil price adds to the weakness.

Soy oil price traded weak in the spot market. Continued weakness in CBOT Soy oil, led by lowering crude oil price dampens the 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 further, add to the pessimism.

- In a recent development: Average price spread between CSO Argentina and CPO Malaysia in May 2011 has narrowed down to \$68.67 per MT Average (1-5 May 2011) as compared to \$ 87.61 per MT in April. The same indicate, attractiveness of soy oil has improved. While the spread was much lower at \$4.34 per MT same time last year (1-5 May 2010), indicating that palm oil remain a more attractive bet this year.

- 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 as depicted by the comparison.

- FOB Rates In Argentina, Brazil and US ease off in the recent days



which lead to improvement in import parity from all the destinations as depicted by the import spread, which is calculated at negative \$(38.88) per MT, \$ (43.27) Per MT and \$ (8.13) per MT respectively.

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

- India, purchase more palm oil to cover demand as port stocks run low, although a decline in competing soy oil prices may prompt a shift in orders. Imported vegetable oil stocks at various ports stand at 415,000 tonnes at end-April, lower than the usual 650,000 tonnes, and this has spurred more imports even though the rapeseed crushing season is underway as put by Southeast Asian and Indian traders.
- 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 6th), this spread has further reduced to negative \$(6.2) per MT. The same depicts import parity and remains favorable for CPO Imports while the import spread hovered at \$ 14.29 per MT in May, same period.
- Groundnut oil price traded lower in the spot market. According to market sources, while demand continue to be sluggish, supply witness an improvement in the recent days, which lead to the current drift in the price. Crushing parity also improves as cost comes down which lead to breakeven, by mills as compared to disparity of -850 per MT a fortnight back. While the price is likely to remain range bound right now, Going forward, demand is likely to catch up at a price level of Rs. 790 per 10 Kg, which may act supportive for the price.

### NCDEX RSBO (Refined Soybean Oil)

#### Technical Analysis:

- ✓ Soy oil price trend remain weak. Bears keep the charge.
- ✓ Candlestick formation indicates weakness with added indecision near minor support.
- ✓ 600-615 becomes the current 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
<b>SELL BELOW</b>	610	606	603	615
Support & Resistance				
S2	S1	PCP	R1	R2
598	604	607.50	610	615



### CPO (Crude Palm Oil)

#### Technical Analysis:

- ✓ CPO price remain range bound with weak bias. Scenario has barely shifted.
- ✓ 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
<b>SELL BELOW</b>	514	511	508	518
Support & Resistance				
S2	S1	PCP	R1	R2
505	508	510.70	515	518



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

NCDEX Spread	May	June	July	August
May	-	4.3	7.5	11.6
June	-4.3	-	3.2	7.3
July	-7.5	-3.2	-	4.1

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	BERTH DATE	ETC	ACTIVITY
<b>May Edible Oil Shipment</b>							
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. Constancy	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
<b>Edible Oil Shipments for May 2011</b>		<b>172,837</b>					
<b>Edible Oil Imports (Oil year 2010-11 till date)</b>		<b>3,572,405</b>					

### Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		<b>06-05-11</b>	<b>05-05-11</b>	
<b>Refined Soybean Oil</b>	<b>Mumbai +VAT</b>	595	600	<b>-5</b>

## OIL COMPLEX-VEGETABLE OIL

May 07 2011

	Delhi (Loose)	610	615	-5
	Indore (Loose)	577	581	-4
	Kota(Loose)	600	603	-3
	Hyderabad+VAT	650	650	-
	Jaipur(Loose)	610	610	-
	Rajkot(Loose)	585	590	-5
	Akola(Loose)	633	636	-3
	Amrawati(Loose)	633	636	-3
	Haldiya Port(Loose)	602	603	-1
	Jalna	631	636	-5
	Kakinada	616	616	-
	Nagpur	636	641	-5
	SoyDegumKandla/Mundra+VAT	570	580	-10
	Soy Degum Mumbai+VAT	570	578	-8
Palm Oil				
	Kandla CPO (5%FFA)	516	521	-5
	Kandla RBD Palmolein +VAT	542	550	-8
	Chennai RBD Palmolein (Loose)	560	565	-5
	Kakinada RBD Palmolein (Loose)	555	555	-
	Mumbai RBD Pamolein+ VAT	570	575	-5
	Hyd. RBD Palmolein VAT	590	590	-
	Delhi RBD Palmolein (Loose)	590	595	-5
Refined Sunflower Oil				
	Hyderabad Exp +VAT	705	705	-
	Bellary (Exp. Oil)+VAT	621	624	-3
	Chellakere (Exp. Oil)+VAT	624	627	-3
	Erode (Exp. Oil)+VAT	680	680	-
	Latur (Exp. Oil)+VAT	-	621	-
	Kandla/Mundra	620	625	-5
	Mumbai + VAT	665	670	-5
	Chennai (Loose)	670	667	+3
Groundnut Oil				

	Hyderabad +VAT	870	870	-
	Chennai (Loose)	840	840	-
	Delhi (Loose)	850	855	-5
	Gondal+VAT	820	830	-10
	Jamnagar +VAT	820	830	-10
	Narsarropeth+VAT	801	801	-
	Prodattour+VAT	846	851	-5
	Mumbai + VAT	835	840	-5
	Rajkot (Loose)	815	825	-10
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	569	566	-7
	Sri Ganga Nagar(Exp Oil-Loose)	546	551	-5
	Delhi (Exp. Oil) (Loose)	570	570	-
	Jaipur (Expeller Oil) (Loose)	557	562	-5
	Kota (Expeller Oil) (Loose)	547	552	-5
	Mumbai (Exp. Oil) +VAT	585	590	-5
	Kolkata	-	629	-
	Hapur	-	580	-
	Kacchi Ghani Oil	590	595	-5
Refined Cottonseed Oil				
	Mumbai +VAT	593	595	-2
	Hyderabad (Loose)	600	600	-
	Rajkot (Loose)	593	600	-7
	Delhi (Loose)	580	580	-
Malaysia Palmolein USD/MT				
	FOB (Oct)	1185	1200	-15
	CNF (Oct) - India	1212	1227	-15
Indonesia/Malaysia CPO USD/MT				
	FOB (Oct)	1110	1125	-15
	CNF (Oct) - India	1137	1152	-15
Argentina FOB (\$/MT)				
		05-05-2011	04-05-2011	Change

### OIL COMPLEX-VEGETABLE OIL

May 07 2011

Soybean Oil Ship(Sep)	Feb/Mar	1160	1196	-36
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1200	1237	-37
Sunflower Oil Ship(Sep)	Feb/Mar	1280	-	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1140	1176	-36
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1180	1216	-36

\*Indicates all paid price

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