



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 and weigh on the sentiment. Weakness in crude oil price trend remains a pessimistic cue.

Palm oil traded higher in the spot market. Gains, gathered by Malaysian Palm remain supportive, however choppiness remain part as mixed data pertaining to may exports caused the same while lower than expected rise in monthly palm oil stocks lent support.

- Malaysia's April palm oil stocks rose 3.5 percent to 1,670,762 tonnes from a revised 1,614,466 tonnes in March as put by Malaysian Palm Oil Board. April's rise missed market expectations that the stocks likely rose nine percent to 1.76 million tonnes.

Palm Oil(Malaysia)(Tonnes)	Apr-11	Mar-11	% Change
Output	1530009	1416440	8.02
Stocks	1670762	1614466	3.49
Exports	1331742	1235261	7.81
Imports	59900	132029	-54.63

- Palm output in Malaysia rose by 8.02% to 1530009 tons in April 2011 as compared to 1416440 tons in March 2011, whereas exports surged higher by 7.81% to 1331742 tons in April 2011 as depicted by the MPOB Data.
- Average price spread between CSO Argentina and CPO Malaysia in May 2011 has narrow down further to \$59.1 per MT Average (1-9 May 2011) as compared to \$87.61 per MT in April. The same remain attributed to the fall in Soy oil FOB Argentina rates at a faster rate than FOB Malaysia for CPO. The same indicate, attractiveness of soy oil continue to improve. While the spread was much lower at \$10.54 per MT same time last year (1-9 May 2010), indicating that palm oil remain a more attractive bet this year.

Soy oil price traded broadly higher in the spot market. Recovery in CBOT Soy oil remains a supportive driver. Recovery in crude oil lent temporary support. Going forward, USDA could lower their export projection in the supply/demand report, which may push up ending stocks and help ease tightness concerns.

- 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 by 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.
- CSO Import parity has improved remarkably in May 2011 until date on the back of drift in FOB Argentina rate. Import Spread in May hover at \$(40.92) per MT (Average 1-9). Spread hovered at \$ 3.09 per MT in April 2011, which remains narrower from the spread that existed in March 2011 but still depicted disparity. This combined with higher differential with Palm oil in April might still have a restrictive impact on the CSO Imports in April as compared to Palm oil but May onwards CSO Imports may catch up all the more.

	Mar 2011(Actual Imports)	April 2011 Shipments	% Change
Total Edible Oil	412088	547248	32.80
Palm Oil	253727	375026	47.81
Soy Oil(CDSBO)	81131	71250	-12.18

- While CDSBO Imports may witness a drop of about 12% in April 2011, Palm Oil imports may remain higher, witnessing a surge of 47.81% in April 2011 on MOM Basis.
- As per the market sources in Indore, demand for soy oil continue to remain weak while demand for rape oil (refined) remain higher. Sluggish demand and likely improvement in Vegoil Imports may keep on suppressing the sentiment, which confide in lesser soy supply and lower crushing.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price remain become range bound. Bears maintain charge; bounce back from supports remain a case
- ✓ Candlestick formation indicates mild indecision near support.
- ✓ 605-622 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 favor bears.

Trade Recommendation-RSBO NCDEX (May)

Call	Entry	T1	T2	SL
SELL BELOW	619	616	613	624
Support & Resistance				
S2	S1	PCP	R1	R2
604	608	615	619	622



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain range bound.
- ✓ 512 remains the nearest reliable support on the lower side.
- ✓ While 520 on the higher side becomes an important resistance level.
- ✓ 508-520 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
BUY ABOVE	514	517	519	510
Support & Resistance				
S2	S1	PCP	R1	R2
508	512	518.50	521	524



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

NCDEX Spread	May	June	July	August
May	-	4.35	9	12
June	-4.35	-	4.65	7.65
July	-9	-4.65	-	3

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	BERTH DATE	ETC	ACTIVITY
May Edible Oil Shipment							
Samho Valencia	Chennai	10,000	CSFO	15/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	12/5/2011			Discharge
Samho Emerald	Chennai	5,100	CSFO	14/5/2011			Discharge
Mt. Prosperity	Kandla	8,531	CPO	2/5/2011	2/5/2001	4/5/2011	Discharge
Mt.Anggarini	Kandla	13,995	CPO	10/5/2011			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	-	2/5/2011	6/5/2011	Discharge
Nord Strait	Haldia	14,500	CDSBO	-	-	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	8/5/2011			Discharge
Sky Dream	Chennai	3,000	CPO	11/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	9/5/2011			Discharge
Samho Valencia	Chennai	10,000	CSFO	8/5/2011			Discharge
Au Aries	Kolkata	4,000	CPO	6/5/2011	6/5/2011	8/5/2011	Discharge
Asia Adventurer	Kolkata	5,200	CPO	4/5/2011	5/5/2011	6/5/2011	Discharge
Titan Glory	Kakinada	3,200	Edible Oil	11/5/2011			Discharge
Palma Prima	Kakinada	4,500	Edible Oil	7/5/2011	8/5/2011	9/5/2011	Discharge
Au Aries	Kakinada	4,000	Edible Oil	2/5/2011			Discharge
Fair Faethon	Krishnapatnam	6,000	CPO	12/5/2011			Discharge
Liquid Plaiza	Mangalore	7,500	Sunflower Oil	3/5/2011			Discharge
Edible Oil Shipments for May 2011		207,532					
Edible Oil Imports (Oil year 2010-11 till date)		3,607,100					

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		10-05-11	09-05-11	
Refined Soybean Oil	Mumbai +VAT	592	590	+2
	Delhi (Loose)	622	620	+2
	Indore (Loose)	587	590	-3
	Kota(Loose)	602	597	+5
	Hyderabad+VAT	650	655	-5
	Jaipur(Loose)	614	610	+4
	Rajkot(Loose)	695	590	+5
	Akola(Loose)	636	634	+2
	Amrawati(Loose)	636	634	+2
	Haldiya Port(Loose)	602	601	+1
	Jalna	638	633	+4
	Kakinada	616	611	+5
	Nagpur	636	632	+4
	SoyDegumKandla/Mundra+VAT	575	570	+5
	Soy Degum Mumbai+VAT	575	570	+5
Palm Oil				
	Kandla CPO (5%FFA)	521	517	+4
	Kandla RBD Palmolein +VAT	548	542	+6
	Chennai RBD Palmolein (Loose)	570	560	+10
	Kakinada RBD Palmolein (Loose)	555	550	+5
	Mumbai RBD Pamolein+ VAT	562	564	-2
	Hyd. RBD Palmolein VAT	592	592	-
	Delhi RBD Palmolein (Loose)	600	595	+5
Refined Sunflower Oil				
	Hyderabad Exp +VAT	700	705	-5
	Bellary (Exp. Oil)+VAT	621	621	-
	Chellakere (Exp. Oil)+VAT	624	623	+1
	Erode (Exp. Oil)+VAT	677	675	+2
	Latur (Exp. Oil)+VAT	636	636	-

OIL COMPLEX-VEGETABLE OIL

May 11 2011

	Kandla/Mundra	620	620	-
	Mumbai + VAT	665	665	-
	Chennai (Loose)	670	670	-
Groundnut Oil				
	Hyderabad +VAT	865	870	-5
	Chennai (Loose)	840	840	-
	Delhi (Loose)	850	860	-10
	Gondal+VAT	820	820	-
	Jamnagar +VAT	820	820	-
	Narsarropeth+VAT	811	816	-5
	Prodattour+VAT	836	836	-
	Mumbai + VAT	830	830	-
	Rajkot (Loose)	820	820	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	562	566	-4
	Sri Ganga Nagar(Exp Oil-Loose)	551	546	+5
	Delhi (Exp. Oil) (Loose)	580	566	+14
	Jaipur (Expeller Oil) (Loose)	562	557	+5
	Kota (Expeller Oil) (Loose)	555	550	+5
	Mumbai (Exp. Oil) +VAT	588	578	+10
	Kolkata	-	-	-
	Hapur	590	585	+5
	Agra (Kacchi Ghani Oil) +VAT	605	590	+15
Refined Cottonseed Oil				
	Mumbai +VAT	592	590	+2
	Hyderabad (Loose)	600	600	-
	Rajkot (Loose)	600	595	+5
	Delhi (Loose)	585	582	+3
Malaysia Palmolein USD/MT				
	FOB (Oct)	1210	1195	+15
	CNF (Oct) - India	1237	1223	+14

OIL COMPLEX-VEGETABLE OIL

May 11 2011

Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1130	1115	+15
	CNF (Oct) - India	1157	1143	+14
Argentina FOB (\$/MT)		09-05-2011	06-05-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1179	1158	+21
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1220	1198	+22
Sunflower Oil Ship(Sep)	Feb/Mar	1280	1275	+5
Cottonseed Oil Ship(Sep)	Feb/Mar	1159	1138	+21
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1199	1178	+21

*Indicates all paid price

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