



Veg Oil Summary

- ❖ Vegetable oil price may remain range bound. Pick up in domestic demand and decline in Vegoil imports remain supportive factors.
- ❖ On the international front, likely pick up in China's demand for soybean and oil in the immediate months. Lower stock projections in US, both for soybean and Soy oil along with higher Imports projections for China's soybean and soy oil imports, will remain optimistic factors that will remain supportive of the price.

Soy oil price traded higher in the spot market. Recovery in CBOT Soy oil price on locating support from crude oil, acted as a positive cue. While increase in China's soy oil purchase from Argentina may leave a negative impact on US Soy oil price, however estimated/projected decline in the soy oil ending stocks in US due to catching up domestic use, continue to indicate more support for price.

- On the domestic front, catching up demand and lowering Vegoil imports, remain supportive factors. India's vegetable oil imports in April fell 12.5% from a year earlier to 475,123 metric tons due to higher local oilseeds output, increased crushing and higher edible oil prices as put by the Solvent Extractors' Association of India. Total edible oil imports in the November-April period decreased 15% to 3.5 million tons.
- Edible Oil shipments in May 2011 until 12 reach at 350667 MT, out of which CDSBO Shipments reach at 43750 MT, Palm oil reach at 232727 MT, Crude sunflower oil shipments reach at 38040 MT, other edible oils quantity hover at 20650 MT.
- Soy oil Imports remain viable from Argentina and Brazil despite little recovery in FOB Rates, as depicted by negative import spread of (\$16.55) per MT. While Landed cost from US remain surge higher on the back of recovery in FOB Rates, leading to disparity, depicted by spread of \$ 19.28 per MT.
- On the International front: US Soy oil ending stocks witness a decline of 26.32% in 2010-11 to 1.12 million tonnes, as caused by lower production and higher domestic use.
- Going forward in 2011-12 ending stocks are projected to decline by 18.75% to 0.91 million tonnes on projected decline in production and less carry over stocks in 2011-2012. Soy oil exports are projected to decline by 51.33% to 0.73 million tonnes in 2011-12 as compared to 2010-11.
- Palm oil traded mix in the spot market. Malaysian palm oil

Soy oil Landed cost calculation as on (12/05/2011)	Argentina	Brazil	US
FOB USD per ton (May Contract)	1184.33	1184.1	1222.7
CIF USD per ton	1249.33	1245.94	1284.92
Total landed cost INR per ton	57055.38	56902.23	58667.3
Total landed cost USD per ton	1268.18	1264.78	1304.01
Domestic Market price INR per ton in Kandla (Soy degum)	57800	57800	57800
USD per ton	1284.73	1284.73	1284.73
Spread(Landed cost vs. domestic cost)	-16.55	-19.95	19.28

extended gains to its highest level in 10 days, as positive demand expectations boosted prices.

- India, CPO Malaysia FOB Rates have improved in May 2011, until 12 to \$1130 as compared to the rates witnessed in the start of the month, the same lead to widening of import spread: The average spread (landed cost vs. domestic cost) reach at \$ 1.4 per MT (Average 1-12) leading to disparity, however the spread hovered at \$ 11.26 per MT same time year. Going forward the spread might widen a bit more towards the average spread (3 yrs) of \$ 20 per MT. The same indicate palm imports may bear a lowering impact in May but the same remains subject to further shaping of parity.
- Mustard Oil price continue to trade higher in the spot market. Optimism in the price is led by increased demand from retailers/Stockists as they continue to stock the oil at current levels also. Oil is being dispatched to places like Bengal, Bihar, UP, Rajasthan. Going forward, market sources in Jaipur convey that the current demand is not going to last for long, and may persist for hardly ten days more. Mustard oil production is likely to rise by 15.52% to 25.5 lakh tonnes in 2010-11 as compared to 22 lakh tonnes in 2009-10.

NCDEX RSBO (Refined Soybean Oil)

Technical Analysis:

- ✓ Soy oil price remain in a triangle range. Resistance lay ahead. Bias may remain positive.
- ✓ Candlestick formation indicates, bulls gathering strength.
- ✓ 625-635 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 bulls.

Trade Recommendation—RSBO NCDEX (June)

Call	Entry	T1	T2	SL
BUY ABOVE	626	630	635	622
Support & Resistance				
S2	S1	PCP	R1	R2
626	629	633.70	635	640



CPO (Crude Palm Oil)

Technical Analysis:

- ✓ CPO price remain range bound.
- ✓ 515 remains the nearest reliable support on the lower side.
- ✓ While 524 on the higher side becomes an important resistance level.
- ✓ 515-524 becomes the current trading range; drift in either direction will take the price further in the respective same.

Trade Recommendation – CPO MCX (June)

Call	Entry	T1	T2	SL
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
512	517	520.30	524	527



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

NCDEX Spread	May	June	July	August
May	-	6	9.5	12.5
June	-6	-	3.5	6.5
July	-9.5	-3.5	-	3



OIL COMPLEX-VEGETABLE OIL

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VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	BERTH DATE	ETC	ACTIVITY
May Edible Oil Shipment							
Mt. Prosperity	Kandla	8,531	CPO	2/5/2011	2/5/2001	4/5/2011	Discharge
Mt.Anggarini	Kandla	13,995	CPO	13/5/2011			Discharge
Mt.Constance	Kandla	10540	CPO	3/5/2011			Discharge
Prisco Elizaveta	Haldia	13250	CDSBO	12/5/2011			Discharge
Wappen Von Stuttgart	Haldia	5,999	CPO	3/5/2011			Discharge
Fadl-E-Rabbi	Haldia	3,998	CPO	3/5/2011	6/5/2011	9/5/2011	Discharge
Titan Vision	Haldia	7,500	CPO	9/5/2011			Discharge
Lucky Mineral	Haldia	7,299	CPO	10/5/2011			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	14/5/2011			Discharge
Angel No. 2	Haldia	7,299	CPO	13/5/2011			Discharge
Mt. Prosperity	Kandla	8,531	CPO	2/5/2011			Discharge
M.T.Horizon	Kandla	18,000	CPO	20/5/2011			Discharge
Mt.Puitaloka	Kandla	18,000	CPO	20/5/2012			Discharge
M.T.Alangova	Kandla	14,500	CPO	20/5/2013			Discharge
M.T.Anggarini	Kandla	13,995	CPO	13/5/2011			Discharge
Mt.Ginga Caracal	Kandla	8,500	CPO	18/5/2011			Discharge
Mt.Stx Infinity	Kandla	13,500	CPO	15/5/2011			Discharge
Mt.Sc Ningbo	Kandla	12,000	CPO	12/5/2011			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 Valencia	Chennai	10,000	CSFO	15/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	18/5/2011			Discharge
Golden Brilliance	Chennai	9,300	CPO	15/5/2011			Discharge
Wisdom	Chennai	7,840	CSFO	15/5/2011			Discharge
Samho Emerald	Chennai	5,100	CSFO	14/5/2011			Discharge
Samho Emerald	Chennai	5,100	CSFO	14/5/2011			Discharge
Sky Dream	Chennai	3,000	CPO	11/5/2011			Discharge
Sun Bridge	Chennai	2,000	CPO	18/5/2011			Discharge
Samho Valencia	Chennai	10,000	CSFO	15/5/2011			Discharge

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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
jin Hai Wan	Kakinada	8,000	Edible Oil	15/5/2011			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
Global Neptune	Mangalore	12,000	CPO	12/5/2011			Load
Liquid Plaiza	Mangalore	7,500	Sunflower Oil	3/5/2011			Discharge
Edible Oil Shipments for May 2011		350,667					
Edible Oil Imports (Oil year 2010-11 till date)		3,750,235					

Edible Oil Prices at Key Markets

Commodity	Centre	Prices(Per 10 Kg)		Change
		13-05-11	12-05-11	
Refined Soybean Oil	Mumbai +VAT	602	600	+2
	Delhi (Loose)	628	628	-
	Indore (Loose)	595	593	+2
	Kota(Loose)	610	608	+2
	Hyderabad+VAT	650	650	-
	Jaipur(Loose)	620	618	+2
	Rajkot(Loose)	598	595	+3
	Akola(Loose)	639	646	-7
	Amrawati(Loose)	639	646	-7
	Halldiya Port(Loose)	606	606	-
	Jalna	639	639	-
	Kakinada	616	613	+3
	Nagpur	641	639	+3
	SoyDegumKandla/Mundra+VAT	578	578	-
	Soy Degum Mumbai+VAT	578	578	-
Palm Oil				
	Kandla CPO (5%FFA)	524	522	+2
	Kandla RBD Palmolein +VAT	552	552	-

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	Chennai RBD Palmolein (Loose)	570	570	-
	Kakinada RBD Palmolein (Loose)	562	562	-
	Mumbai RBD Pamolein+ VAT	570	572	-2
	Hyd. RBD Palmolein VAT	598	600	-2
	Delhi RBD Palmolein (Loose)	605	600	+5
Refined Sunflower Oil				
	Hyderabad Exp +VAT	705	705	-
	Bellary (Exp. Oil)+VAT	626	624	+2
	Chellakere (Exp. Oil)+VAT	629	626	+3
	Erode (Exp. Oil)+VAT	678	678	-
	Latur (Exp. Oil)+VAT	636	636	-
	Kandla/Mundra	625	622	+3
	Mumbai + VAT	670	670	-
	Chennai (Loose)	670	670	-
Groundnut Oil				
	Hyderabad +VAT	865	880	-15
	Chennai (Loose)	840	840	-
	Delhi (Loose)	870	850	+20
	Gondal+VAT	830	825	+5
	Jamnagar +VAT	830	825	+5
	Narsarropeth+VAT	-	-	-
	Prodattour+VAT	826	826	-
	Mumbai + VAT	835	830	+5
	Rajkot (Loose)	830	825	+5
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	873	569	+4
	Sri Ganga Nagar(Exp Oil-Loose)	566	566	-
	Delhi (Exp. Oil) (Loose)	600	595	+5
	Jaipur (Expeller Oil) (Loose)	577	575	+2
	Kota (Expeller Oil) (Loose)	570	568	+2
	Mumbai (Exp. Oil) +VAT	602	600	+2
	Kolkata	-	-	-

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	Hapur+VAT	610	605	+5
	Agra (Kacchi Ghani Oil) +VAT	610	610	-
Refined Cottonseed Oil				
	Mumbai +VAT	605	600	+5
	Hyderabad (Loose)	600	605	-5
	Rajkot (Loose)	610	605	+5
	Delhi (Loose)	598	592	+6
Malaysia Palmolein USD/MT				
	FOB (Oct)	1200	1210	-10
	CNF (Oct) - India	1227	1237	-10
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1130	1130	-
	CNF (Oct) - India	1157	1157	-
Argentina FOB (\$/MT)		12-05-2011	11-05-2011	Change
Soybean Oil Ship(Sep)	Feb/Mar	1191	1181	+10
Refined Soy Oil (Bulk) Ship(Sep)	Feb/Mar	1233	1222	+11
Sunflower Oil Ship(Sep)	Feb/Mar	-	1275	-
Cottonseed Oil Ship(Sep)	Feb/Mar	1171	1161	+10
Refine Linseed Oil(Bulk) Ship(Sep)	Feb/Mar	1211	1201	+10

*Indicates all paid price

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