

June 17, 2011

Domestic Fundamentals:

Soy oil Price depicted mixed trend in the spot market. Weakness in Malaysian Palm dampened the spirits one more time, whereas mild recovery in CBOT Soy oil price could only contain the loss on the day. Higher Vegoil Imports remain a contemporary negative driver and the same is likely to remain a continuous case, going forward in June. While market sources convey, development is yet to be seen at the demand front. Higher Vegoil Import data weighed on the scenario, the same remain in line with our projections. Edible oil imports in May increased 18% to 635,937 tons from 539,169 tons, YOY, but total imports during the first seven months of the marketing year fell 11% to 4.1 million tons. The trade body's data showed crude palm oil imports jumped 48% to 467,062 tons, while purchases of refined, bleached and deodorized palm olein rose 14% to 64,237 tons. Imports of soy oil nearly halved to 60,600 tons from 110,150 tons and sunflower oil fell to 40,040 tons from 53,761 tons. Brokers interpret weakness in international markets as the major reason for fall in soy oil price until now and they anticipate price to stabilize near current levels, going forward.

International Market Fundamentals:

Malaysian palm oil price extend decline as traders cut back on worries that stocks could grow beyond two million tonnes this month. Although orders for the palm oil have grown in response to higher output in Malaysia and a widening discount to competing soy oil, stocks are expected to rise above a 16-month high of 1.92 million tonnes hit in May. If in the next few months Malaysian stocks rise above the record 2.3 million tonnes last seen in November 2008, palm oil prices could extend its 14 percent loss notched so far this year.

Outlook:

Domestic edible oil price trend remain weekly skewed, likely catch up in demand later this month and start of next month is likely to render support to the prices at lower levels. Continuous improvements in Vegoil Import, is likely to remain one of the price controlling factor in the short term.

NCDEX Soy Ref

Contract	+/-	Open	High	Low	Close
Jun-11	-5.3	636	638.5	631.9	634.7
Jul-11	-8.95	641	641	632.35	633.35
Aug-11	-9.05	640	640	633.75	634.5
Sep-11	-	638.15	639.2	632.5	632.5

Contract	Volume	Change	OI	Change
Jun-11	23350	1530	28450	-19990
Jul-11	84740	-38830	134290	-1640
Aug-11	50730	28790	92390	26190
Sep-11	5010	2300	28370	2100

Spread	Jun-11	Jul-11	Aug-11	Sep-11
Spot	-27.7	-26.35	-27.5	-25.5
Jun-11	-	-1.35	-0.2	-2.2
Jul-11	1.35	-	1.15	-0.85
Aug-11	0.2	-1.15	-	-2

MCX CPO:

Contract	+/-	Open	High	Low	Close
Jun-11	-8	497.4	497.5	492.7	494
Jul-11	-7.6	500	500	494	495.3
Aug-11	-7.4	498	498.2	493.8	495.5
Sep-11	-	490.5	492.8	490.5	492.8

Contract	Volume	Change	OI	Change
Jun-11	966	-331	2581	-147
Jul-11	1911	-130	4151	95
Aug-11	1765	789	3532	728
Sep-11	-	-	-	-

Spread	Jun-11	Jul-11	Aug-11	Sep-11
Spot	2	0.7	0.5	3.2
Jun-11	-	1.3	1.5	-1.2
Jul-11	-1.3	-	0.2	-2.5
Aug-11	-1.5	-0.2	-	-2.7

June 17, 2011

CBOT Soy Oil Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	-	-	-	-	-
Aug-11	-	-	-	-	-
Sep-11	-	-	-	-	-
Oct-11	-	-	-	-	-
Dec-11	-	-	-	-	-

BMD CPO Futures:

Contract	+/-	Open	High	Low	Close
Jul-11	-66	3279	3283	3281	3218
Aug-11	-68	3255	3267	3200	3200
Sep-11	-77	3250	3265	3193	3193
Oct-11	-74	3240	3266	3197	3198

Prices will be updated tomorrow morning.

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	ACTIVITY
M.T Au Leo	Kandla	11,500	CPO	1/6/2011	Discharge
M.T Chemitec	Kandla	7,749	CPO	2/6/2011	Discharge
M.T. Golden Covenant	Kandla	14,000	Palm Oil	4/6/2011	Discharge
M.T. Heng Xing	Kandla	10,000	Palm Oil	2/6/2011	Discharge
My Antartic	Mangalore	12,000	CPO	3/6/2011	Discharge
Sun Bridge	Chennai	2,000	CPO	1/6/2011	Discharge
Golden Brilliance	Chennai	9,300	CPO	4/6/2011	Discharge
Cf Zachary	Chennai	6,200	CPO	2/6/2011	Discharge
World Bridge	Chennai	3,500	CPO	5/6/2011	Discharge
Jin Hai Tong	Chennai	8,150	Palm Oil	3/6/2011	Discharge
Yong Tong I	Kakinada	9,500	Edible Oil	4/6/2011	Discharge
Samho Valencia	Chennai	10,000	CSFO	6/6/2011	Discharge
Samho Emerald	Chennai	5,100	CSFO	6/6/2011	Discharge
Hannibal 2	Krishnapatnam	4,000	CPO	9/6/2011	Discharge
Fair Artemis	Haldia	8,499	CPO	1/6/2011	Discharge
Edible Oil Shipments for June 2011		121,498			
Edible Oil Imports (Oil year 2010-11 till date)		4,277,379			

June 17, 2011

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		16-06-11	15-06-11	
Refined Soybean Oil	Mumbai +VAT	620	624	-4
	Delhi (Loose)	640	640	-
	Indore (Loose)	607	610	-3
	Kota(Loose)	620	625	-5
	Hyderabad+VAT	685	680	+5
	Jaipur(Loose)	625	630	-5
	Rajkot(Loose)	625	630	-5
	Akola(Loose)	653	656	-3
	Amrawati(Loose)	653	656	-3
	Haldiya Port(Loose)	631	631	-
	Jalna	659	661	-2
	Kakinada	640	641	-1
	Nagpur	656	659	-3
	SoyDegumKandla/Mundra+VAT	600	603	-3
	Soy Degum Mumbai+VAT	598	598	-
Palm Oil				
	Kandla CPO (5%FFA)	496	505	-9
	Kandla RBD Palmolein +VAT	545	550	-5
	Chennai RBD Palmolein (Loose)	560	565	-5



June 17, 2011

	Kakinada RBD Palmolein (Loose)	545	550	-5
	Mumbai RBD Pamolein+ VAT	550	560	-10
	Hyd. RBD Palmolein VAT	588	585	+3
	Delhi RBD Palmolein (Loose)	585	585	-
Refined Sunflower Oil				
	Hyderabad Exp +VAT	740	740	-
	Bellary (Exp. Oil)+VAT	631	631	-
	Chellakere (Exp. Oil)+VAT	656	661	-5
	Erode (Exp. Oil)+VAT	705	707	-2
	Latur (Exp. Oil)+VAT	656	661	-5
	Kandla/Mundra	635	640	-5
	Mumbai + VAT	680	680	-
	Chennai (Loose)	695	695	-
Groundnut Oil				
	Hyderabad +VAT	900	900	-
	Chennai (Loose)	870	870	-
	Delhi (Loose)	950	950	-
	Gondal+VAT	955	950	+5
	Jamnagar +VAT	960	950	+10
	Narsarropeth+VAT	901	901	-



June 17, 2011

	Prodattour+VAT	901	901	-
	Mumbai + VAT	940	940	-
	Rajkot (Loose)	950	950	-
Rapeseed Oil				
	Alwar (Expeller Oil)(Loose)	598	599	-1
	Sri Ganga Nagar(Exp Oil-Loose)	596	596	-
	Delhi (Exp. Oil) (Loose)	620	622	-2
	Jaipur (Expeller Oil) (Loose)	601	606	-5
	Kota (Expeller Oil) (Loose)	597	596	+1
	Mumbai (Exp. Oil) +VAT	632	632	-
	Kolkata		-	-
	Hapur+VAT	628	630	-2
	Agra (Kacchi Ghani Oil) +VAT	6400	6375	+25
Refined Cottonseed Oil				
	Mumbai +VAT	635	625	+3
	Hyderabad (Loose)	630	635	-5
	Rajkot (Loose)	650	655	-5
	Delhi (Loose)	625	627	-2
Malaysia Palmolein USD/MT				



June 17, 2011

	FOB (July)	1155	1163	-8
	CNF (July) - India	1183	1190	-7
Indonesia/Malaysia CPO USD/MT	FOB (June)	1085	1090	-5
	CNF (June) - India	1113	1118	-5
Argentina FOB (\$/MT)		15-06-2011	14-06-2011	Change
Soybean Oil Ship(Sep)		1245	1240	+5
Refined Soy Oil (Bulk) Ship(Sep)		-	1283	-
Sunflower Oil Ship(Sep)		-	1318	-
Cottonseed Oil Ship(Sep)		-	1220	-
Refine Linseed Oil(Bulk) Ship(Sep)		1265	1260	+5

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.