AGRIWATCH

# Veg. Oil Daily Fundamental Report

July 21, 2011

## Domestic Fundamentals:

Steady to firm sentiment witnessed in domestic edible oil market on Wednesday as a result of sluggish trading activities. Traders expecting there could be steady price trend in short term for edible oils. Better buying support against limited selling at current prices scenario supported slightly to the domestic market edible oil prices. Higher acreage reported under soybean and good rainfall in growing areas bringing hopes among the crushers that soybean availability for crushing is higher in current year. Meanwhile domestic markets continued to remain firm in tandem with world oil market and good demand for edible oil likely to cap the down side movement in soy oil prices even though higher acreage under soybean.

Palm oil prices gained Rs. 5 per 10kg in tandem with rising prices at Malaysian palm oil futures.

## International Market Fundamentals:

Fall in international prices for palm oil forcing Indonesia, the world's largest palm oil producer to cut its crude palm oil export tax to 15 percent in August down from 20 percent in July. Trade sources expecting that the tax to be capped at 15 percent next month because the average price of CPO was $1,090 in the first 20 days of July.

Malaysian palm oil futures rose by 30 points on Wednesday to MYR 3155 per tonnes as a result of expectations of higher export demand lifted sentiment. As per Intertek Testing Services, exports of Malaysian palm oil products for July 1-20 rose 5.4 percent to 1,021,729 tonnes from 969,804 tonnes shipped during June 1-20.

US soy oil futures remained bearish as declines in soybeans weighing on soy oil. Soy oil prices dropped by 0.25 points to 57.57 cents/pound as a result of ample supplies of soy oil amid prevailing sluggish export demand weighed on prices.

## Outlook:

Domestic edible oil price trend will remain range bound to firm and likely catch up in demand to remain supportive in short to medium term. Reduced global oilseed production factor may keep the global edible oil prices in higher side for the medium term.

**NCDEX Soy Refined Oil**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Jul-11 | -0.70 | 661.85 | 673.00 | 661.85 | 662.40 |
| Aug-11 | -2.75 | 664.25 | 665.30 | 660.30 | 662.70 |
| Sep-11 | -3.40 | 658.50 | 659.60 | 653.60 | 656.00 |
| Oct-11 | -2.25 | 647.90 | 647.90 | 643.50 | 646.00 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Jul-11 | 7570 | -6410 | 11850 | -7250 |
| Aug-11 | 159720 | -50630 | 171400 | -13200 |
| Sep-11 | 49010 | 5200 | 85580 | 2540 |
| Oct-11 | 6340 | -9620 | 25980 | -280 |

| Spread | Jul-11 | Aug-11 | Sep-11 | Oct-11 |
|---|---|---|---|---|
| Spot | -27.4 | -27.7 | -21 | -11 |
| Jul-11 | | 0.3 | -6.4 | -16.4 |
| Aug-11 | | | -6.7 | -16.7 |
| Sep-11 | | | | -10 |

**MCX CPO:**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Jul-11 | +1.50 | 483.50 | 484.40 | 481.00 | 483.70 |
| Aug-11 | +2.30 | 482.30 | 484.10 | 479.00 | 483.90 |
| Sep-11 | +2.30 | 482.00 | 484.40 | 480.60 | 484.00 |
| Oct-11 | +4.40 | 481.50 | 483.60 | 480.00 | 483.60 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Jul-11 | 1465 | 617 | 2136 | -318 |
| Aug-11 | 2974 | 1054 | 9663 | 413 |
| Sep-11 | 1309 | 182 | 6434 | 465 |
| Oct-11 | 99 | -14 | 198 | 41 |

| Spread | Jul-11 | Aug-11 | Sep-11 | Oct-11 |
|---|---|---|---|---|
| Spot | 0.30 | 0.10 | 0.00 | 0.40 |
| Jul-11 | | 0.20 | 0.30 | -0.10 |
| Aug-11 | | | 0.10 | -0.30 |
| Sep-11 | | | | -0.40 |

**CBOT Soy Oil Futures (as on 19/07/2011):**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Aug-11 | -0.23 | 57.04 | 57.89 | 56.61 | 56.69 |
| Sep-11 | -0.25 | 57.29 | 58.10 | 56.78 | 56.88 |
| Oct-11 | -0.24 | 57.53 | 58.29 | 57.01 | 57.10 |
| Dec-11 | -0.25 | 57.99 | 58.83 | 57.46 | 57.57 |
| Jan-12 | -0.25 | 58.15 | 58.98 | 57.74 | 57.83 |

**BMD CPO Futures (as on 20/07/2011):**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Aug-11 | +32 | 3102 | 3157 | 3102 | 3157 |
| Sep-11 | +30 | 3089 | 3158 | 3089 | 3155 |
| Oct-11 | +46 | 3084 | 3153 | 3084 | 3153 |
| Nov-11 | +43 | 3080 | 3154 | 3080 | 3151 |

## CBOT Soy oil and Malaysian CPO Futures Price Outlook:

| | |
|---|---|
| CBOT Soy Oil Futures (August' 11 Month Contract) | Short term falling prices likely to sustain and range bound with firm bias movement may witness in short term. Prices likely to get support at 57.00 level and 57.42 may continue to act as resistance at higher side. |
| Malaysian CPO Futures (Sept 11 Month Contract) | Trend is likely to remain range bound with firm bias by taking support at 3091 level and it may touch the 3195 resistance level on higher side. Prices likely to remain in the range of 3100-3195 for short term. |

## Edible Oil Prices at Key Market as on July 20, 2011

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---|---|---|---|---|
| | | 20-07-2011 | 19-07-2011 | |
| Refined Soybean Oil | Mumbai +VAT | 640 | 635 | +5 |
| | Delhi (Loose) | 670 | 665 | +5 |
| | Indore (Loose) | 635 | 632 | +3 |
| | Kota(Loose) | 640 | 637 | +3 |
| | Hyderabad+ VAT | 700 | 700 | Unch |
| | Jaipur (Loose) | 645 | 645 | Unch |
| | Rajkot (Loose) | 630 | 625 | +5 |
| | Akola (Loose) | 681 | 679 | +2 |
| | Amrawati (Loose) | 681 | 679 | +2 |
| | Haldiya Port (Loose) | 631 | 634 | -3 |
| | Jalna | 673 | 673 | Unch |
| | Kakinada | 645 | 645 | Unch |
| | Nagpur | 683 | 686 | -3 |
| | Soy Degum Kandla/Mundra+VAT | 610 | 608 | +2 |
| | Soy Degum Mumbai+VAT | 610 | 605 | +5 |
| | | | | |
| Palm Oil | Kandla CPO (5%FFA) | 484 | 480 | +4 |
| | Kandla RBD Palmolein +VAT | 537 | 532 | +5 |
| | Chennai RBD Palmolein (Loose) | 540 | 535 | +5 |
| | Kakinada RBD Palmolein (Loose) | 536 | 531 | +5 |
| | Mumbai RBD Pamolein+ VAT | 545 | 538 | +7 |

| | | | | |
|---|---|---|---|---|
| | Hyd. RBD Palmolein VAT | 580 | 580 | Unch |
| | Delhi RBD Palmolein (Loose) | 575 | 575 | Unch |
| | | | | |
| Refined Sunflower Oil | Hyderabad Exp +VAT | 750 | 750 | Unch |
| | Bellary (Exp. Oil)+VAT | 634 | 631 | +3 |
| | Chellakere (Exp. Oil)+VAT | 661 | 656 | +5 |
| | Erode (Exp. Oil)+VAT | 695 | 698 | -3 |
| | Latur (Exp. Oil)+VAT | 666 | 661 | +5 |
| | Kandla/Mundra | 655 | 655 | Unch |
| | Mumbai + VAT | 700 | 695 | +5 |
| | Chennai (Loose) | 725 | 710 | +15 |
| | | | | |
| Groundnut Oil | Hyderabad +VAT | 950 | 950 | Unch |
| | Chennai (Loose) | 890 | 890 | Unch |
| | Delhi (Loose) | 995 | 995 | Unch |
| | Gondal+VAT | 980 | 980 | Unch |
| | Jamnagar +VAT | 980 | 980 | Unch |
| | Narsarropeth+VAT | 871 | 871 | Unch |
| | Prodattour+VAT | 871 | 891 | -20 |
| | Mumbai + VAT | 960 | 960 | Unch |
| | Rajkot (Loose) | 980 | 970 | +10 |
| | | | | |
| Rapeseed Oil | Alwar (Expeller Oil)(Loose) | 633 | 636 | -3 |
| | Sri Ganga Nagar(Exp Oil-Loose) | 618 | 630 | -12 |
| | Delhi (Exp. Oil) (Loose) | 655 | 652 | +3 |
| | Jaipur (Expeller Oil) (Loose) | 625 | 625 | Unch |
| | Kota (Expeller Oil) (Loose) | 625 | 620 | +5 |
| | Mumbai (Exp. Oil) +VAT | 663 | 655 | +8 |
| | Kolkatta | - | - | - |
| | Hapur+VAT | 670 | 665 | +5 |
| | Agra (Kacchi Ghani Oil) +VAT | 670 | - | - |
| | | | | |
| Refined Cottonseed Oil | Mumbai +VAT | 658 | 652 | +6 |
| | Hyderabad (Loose) | 650 | 650 | Unch |
| | Rajkot (Loose) | 612 | 607 | +5 |
| | Delhi (Loose) | 658 | 648 | +10 |
| Sesame Oil | Delhi | 635 | 640 | -5 |
| | Mumbai | 775 | 730 | +45 |
| Rice Bran Oil (40%) | Delhi | 530 | 530 | Unch |
| | Punjab | 505 | 505 | Unch |
| Rice Bran Oil (70%) | Delhi | 420 | 415 | +5 |

| | | | | |
|---|---|---|---|---|
| **Malaysia Palmolein USD/MT** | FOB (Oct) | 1165 | 1145 | +20 |
| | CNF (Oct) - India | 1195 | 1175 | +20 |
| **Indonesia/Malaysia CPO USD/MT** | FOB (Oct) | 1050 | 1037 | +13 |
| | CNF (Oct) - India | 1080 | 1067 | +13 |
| | | | | |
| **Argentina FOB ($/MT)** | | **19-0-2011** | **18-07-2011** | **Change** |
| Crude Soybean Oil Ship(Sep) | | 1250 | 1255 | -5 |
| Refined Soy Oil (Bulk) Ship(Sep) | | 1293 | 1299 | -6 |
| Sunflower Oil Ship(Sep) | | 1270 | - | - |
| Cottonseed Oil Ship(Sep) | | 1230 | 1235 | -5 |
| Refine Linseed Oil(Bulk) Ship(Sep) | | 1270 | 1275 | -5 |

### Indian Vessel Line up for Edible Oils

| VESSEL | PORT | QUANTITY (MT.) | EDIBLE OIL | ETA | ACTIVITY |
|---|---|---|---|---|---|
| Mississippi star | Tuticorin | 10,499 | Palm Oil | 1/7/2011 | Discharge |
| SICHEM MELBOURNE | Tuticorin | 9500 | Palm Oil | 18/7/2011 | Discharge |
| PALMA PRIMA | Tuticorin | 8300 | Palm Oil | 16/7/2011 | Discharge |
| M.T. MALPENSA | Kandla | 7000 | CPO | 24/7/2011 | Discharge |
| MT.CF ZACHARY | Kandla | 6959 | CPO | 20/7/2011 | Discharge |
| M.T.PITALOKA | Kandla | 13000 | CPO | 21/7/2011 | Discharge |
| M.T. MALPENSA | Kandla | 7000 | CPO | 24/7/2011 | Discharge |
| M.T. Argent bloom | Kandla | 24018 | CPO | 2/7/2011 | Discharge |
| M.T. Argent aster | Kandla | 5000 | CPO | 2/7/2011 | Discharge |
| M.T.Horizan Ammonia | Kandla | 16000 | CPO | 1/7/2011 | Discharge |
| M.T. Au leo | Kandla | 6250 | CPO | 8/7/2011 | Discharge |
| M.T. Golden Dynasty | Kandla | 13500 | CPO | 10/7/2011 | Discharge |
| M.T.CHEMBULK SINGAPORE | Kandla | 19000 | Palm Oil | 24/7/2011 | Discharge |
| M.T. Chemroad Fuji | Kandla | 20000 | Palm Oil | 4/7/2011 | Discharge |
| M.T. Dl Diamond | Kandla | 7500 | Palm Oil | 4/7/2011 | Discharge |
| M.T. Horizon | Kandla | 12750 | CPO | 8/7/2011 | Discharge |
| M.T. Crystal dream | Kandla | 10000 | CPO | 12/7/2011 | Discharge |
| M.T. Stx hero | Kandla | 14000 | CPO | 13/7/2011 | Discharge |
| M.T. ROYAL CRYSTAL 7 | Kandla | 9000 | CPO | 17/7/2011 | Discharge |
| M.T. Chemroad vega | Kandla | 5000 | Palm Oil | 7/7/2011 | Discharge |
| M.T. Sunrise hamanasu | Kandla | 9000 | Palm Oil | 13/7/2011 | Discharge |
| M.T. Atlantic gemini | Kandla | 11500 | CDSBO | 13/7/2011 | Discharge |
| Titan peace | Chennai | 5000 | Palm Oil | 9/7/2011 | Load |
| Titan Vision | Chennai | 3750 | Palm Oil | 20/7/2011 | Discharge |
| YUE YOU | Chennai | 6700 | Palm Oil | 9/7/2011 | Discharge |
| Feng hai | Chennai | 6000 | Palm Oil | 117/2011 | Discharge |
| FENGA HAI 22 | Chennai | 7500 | Palm Oil | 16/7/2011 | Discharge |

| | | | | | |
|---|---|---|---|---|---|
| Sun Bridge | Chennai | 9500 | Palm Oil | 7/7/2011 | Discharge |
| Au aries | Chennai | 8110 | Palm Oil | 11/7/2011 | Discharge |
| World Bridge | Chennai | 8100 | CPO | 16/7/2011 | Discharge |
| Bunga Melati | Chennai | 15000 | CSFO | 15/7/2011 | Discharge |
| Titan Vision | Chennai | 3750 | Palm Oil | 9/7/2011 | Discharge |
| SICHEM ANELINE | Kolkata | 5500 | CPO | 15/7/2011 | Discharge |
| DOLPHINA | Kolkata | 7000 | CPO | 15/7/2011 | Discharge |
| FENG HAI 21 | Kolkata | 7500 | CPO | 19/7/2011 | Discharge |
| Star Asia | Kolkata | 6000 | CPO | 4/7/2011 | Discharge |
| Doris | Kolkata | 7040 | CPO | 4/7/2011 | Discharge |
| Java Palm | Kolkata | 9801 | CPO | 1/7/2011 | Discharge |
| MT YANGTZE STAR | Mundra | 268717 | CPO | 20/7/2011 | Discharge |
| MT BUNGA ANGELICA | Mundra | 7999.29 | CPO | 23/7/2011 | Discharge |
| M.T.THERESA GEMINI | Mundra | 6999.62 | CPO | 18/7/2011 | Discharge |
| MT Atlantic Gemini | Mundra | 12740 | CSBO | 6/7/2011 | Discharge |
| MT Dalian Glory | Mundra | 282206 | CPO | 8/7/2011 | Discharge |
| Stena Concert | Haldia | 15000 | CDSBO | 10/7/2011 | Discharge |
| GLOBAL SEA | Haldia | 4724 | Palm Oil | 16/7/2011 | Discharge |
| SP AMSTERDAM | Haldia | 7999 | Palm Oil | 14/7/2011 | Discharge |
| FENG HAI 21 | Haldia | 1500 | Palm Oil | 16/7/2011 | Discharge |
| SINAR BUSAN | Haldia | 7500 | Palm Oil | 21/7/2011 | Discharge |
| ANGEL NO.2 | Haldia | 7500 | Palm Oil | 20/7/2011 | Discharge |
| TORM GERTRUD | Haldia | 16500 | CDSBO | 20/7/2011 | Discharge |
| Prita Dewi | Haldia | 10600 | CDSBO | 6/7/2011 | Discharge |
| Blue Green Tigre | Haldia | 7200 | CPO | 8/7/2011 | Discharge |
| Sichem Aneline | Haldia | 7800 | CPO | 2/7/2011 | Discharge |
| SICHEM PADUA | Haldia | 7800 | CPO | 9/7/2011 | Discharge |
| Fair Pigasos | Haldia | 9500 | CPO | 2/7/2011 | Discharge |
| Angel No.2 | Haldia | 7299 | CPO | 5/7/2011 | Discharge |
| Eastern Glory | Krishnapatnam | 6500 | CPO | 15/7/2011 | Discharge |
| SUMATRA PALM | Krishnapatnam | 5750 | CPO | 14/7/2011 | Discharge |
| BUNGA MELATI | Krishnapatnam | 6998.49 | CPO | 18/7/2011 | Discharge |
| WORLD BRIDGE | Krishnapatnam | 9500 | CPO | 31/7/2011 | Discharge |
| GOLDEN BRILLIANCE | Manglore | 4500 | CPO | 15/7/2011 | Discharge |
| ASIA ADVENTURER | Manglore | 6000 | CPO | 23/7/2011 | Discharge |
| C.F.Zachary | Manglore | 9500 | CPO | 10/7/2011 | Load |
| CHEMROUTE SUN | Manglore | 8500 | CPO | 14/7/2011 | Load |
| HAPPY VENTURE | Mormugao | 11000 | CPO | 20/7/2011 | Discharge |
| **Edible Oil Shipments for July 2011** | | **1,118,859** | | | |
| **Edible Oil Imports (Oil year 2010-11 till date)** | | **6,282,881** | | | |