# Veg. Oil Daily Fundamental Report

July 25, 2011

## Domestic Fundamentals:

Domestic edible oil prices featured steady to firm tone on renewed buying ahead of Muslim holy month, *Ramadan*, coupled with seasonal demand. However, rising palm oil stocks at major producers like Indonesia and Malaysia may pressure domestic vegoil market Meanwhile, margin for domestic sunflower crushing seems favorable for crushers but the imported sunflower is available at market in cheaper rate compared to domestically crushed sunflower oil.

## International Market Fundamentals:

Argentina's 2010-11 soy production is seen totaling 48.80 million tonnes, down from a previous estimate of 49.6 million tonnes as a result of severe dryness. Argentine farmers finished the 2010/11 harvest last week and the government forecast means production slipped by 7.4 percent from last year's record high. Argentina is the world's No. 1 soymeal and soy oil exporter, as well as its third-biggest soybean supplier which may add further bullish support to soy oil prices as US adding support to prices on uncertainty about weather.

Malaysian palm oil futures bounced on Friday by 10 points to MYR 3141 per tonnes (Sept, 2011 contract) as a result firmer overseas markets and fresh talk of a dip in production lifted sentiment.

US Soy oil down by 0.32 points to 57.38 cents/pound as traders bought soymeal versus soy oil on spreads. Crushers were keener in soy meal export as it drew higher-than-expected export sales rather than soy oil.

## 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 |
|---|---|---|---|---|---|
| Aug -11 | +2.55 | 665.00 | 667.90 | 662.55 | 666.80 |
| Sep -11 | +3.75 | 660.00 | 663.00 | 657.00 | 662.60 |
| Oct -11 | +3.20 | 650.20 | 653.70 | 647.10 | 652.20 |
| Nov-11 | +3.30 | 645.70 | 649.50 | 642.80 | 648.40 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Aug -11 | 130550 | -39600 | 158210 | -1050 |
| Sep -11 | 49740 | -34100 | 101770 | 5430 |
| Oct -11 | 10650 | -5030 | 33130 | 2320 |
| Nov-11 | 3270 | -3060 | 10860 | 1560 |

| Spread | Jul-11 | Aug-11 | Sep-11 | Oct-11 |
|---|---|---|---|---|
| Spot | -28.8 | -24.6 | -14.2 | -10.4 |
| Aug-11 | | -4.2 | -14.6 | -18.4 |
| Sep-11 | | | -10.4 | -14.2 |
| Oct-11 | | | | -3.8 |

### MCX CPO:

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Jul-11 | +1.50 | 484.00 | 486.40 | 481.90 | 484.80 |
| Aug-11 | +2.40 | 484.40 | 487.30 | 482.50 | 486.00 |
| Sep-11 | +3.00 | 484.50 | 487.30 | 482.80 | 486.50 |
| Oct-11 | +2.60 | 484.90 | 487.00 | 483.00 | 485.70 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Jul-11 | 1692 | 454 | 2072 | 363 |
| Aug-11 | 1680 | -1747 | 9491 | -251 |
| Sep-11 | 733 | -858 | 6972 | 120 |
| Oct-11 | 225 | -184 | 516 | 134 |

| Spread | Jul-11 | Aug-11 | Sep-11 | Oct-11 |
|---|---|---|---|---|
| Spot | 2.20 | 1.00 | 0.50 | 1.30 |
| Jul-11 | | 1.20 | 1.70 | 0.90 |
| Aug-11 | | | 0.50 | -0.30 |
| Sep-11 | | | | -0.80 |

**CBOT Soy Oil Futures (as on):**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Aug-11 | | | | | |
| Sep-11 | | | | | |
| Oct-11 | | | | | |
| Dec-11 | | | | | |
| Jan-12 | | | | | |

**BMD CPO Futures (as on):**

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Aug-11 | | | | | |
| Sep-11 | | | | | |
| Oct-11 | | | | | |
| Nov-11 | | | | | |

## 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 56.50 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 after taking support at 3124 level and it may touch the 3195 resistance level on higher side. Prices likely to remain in the range of 3100-3195 for short to medium term, till it breaches the level of 3200 on higher side. |

## Edible Oil Prices at Key Market as on July 23, 2011

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---|---|---|---|---|
| | | 23-07-2011 | 22-07-2011 | |
| Refined Soybean Oil | Mumbai +VAT | 645 | 645 | unch |
| | Delhi (Loose) | 675 | 672 | +3 |
| | Indore (Loose) | 638 | 638 | unch |
| | Kota(Loose) | 645 | 643 | +2 |
| | Hyderabad+ VAT | 720 | 720 | unch |
| | Jaipur (Loose) | 660 | 655 | -5 |
| | Rajkot (Loose) | 645 | 645 | unch |
| | Akola (Loose) | 688 | 688 | unch |
| | Amrawati (Loose) | 688 | 688 | unch |
| | Haldiya Port (Loose) | 638 | 633 | +5 |
| | Jalna | 678 | 679 | -1 |
| | Kakinada | 665 | 665 | unch |
| | Nagpur | 689 | 689 | unch |
| | Soy Degum Kandla/Mundra+VAT | 610 | 610 | unch |
| | Soy Degum Mumbai+VAT | 610 | 610 | unch |
| | | | | |
| Palm Oil | Kandla CPO (5%FFA) | 487 | 487 | unch |
| | Kandla RBD Palmolein +VAT | 540 | 540 | unch |
| | Chennai RBD Palmolein (Loose) | 550 | 545 | +5 |
| | Kakinada RBD Palmolein (Loose) | 539 | 539 | unch |
| | Mumbai RBD Pamolein+ VAT | 558 | 555 | +3 |
| | Hyd. RBD Palmolein VAT | 580 | 570 | +2 |

| | | | | |
|---|---|---|---|---|
| | Delhi RBD Palmolein (Loose) | 580 | 580 | unch |
| | | | | |
| **Refined Sunflower Oil** | Hyderabad Exp +VAT | 760 | 760 | unch |
| | Bellary (Exp. Oil)+VAT | 641 | 641 | unch |
| | Chellakere (Exp. Oil)+VAT | 661 | 661 | unch |
| | Erode (Exp. Oil)+VAT | 715 | 715 | unch |
| | Latur (Exp. Oil)+VAT | 671 | 666 | +5 |
| | Kandla/Mundra | 660 | 660 | unch |
| | Mumbai + VAT | 705 | 705 | unch |
| | Chennai (Loose) | 725 | 725 | unch |
| | | | | |
| **Groundnut Oil** | Hyderabad +VAT | 990 | 980 | +10 |
| | Chennai (Loose) | 890 | 890 | unch |
| | Delhi (Loose) | 1005 | 1000 | +5 |
| | Gondal+VAT | 900 | 985 | +5 |
| | Jamnagar +VAT | 990 | 985 | +5 |
| | Narsarropeth+VAT | 861 | 861 | unch |
| | Prodattour+VAT | 871 | 871 | unch |
| | Mumbai + VAT | 970 | 970 | unch |
| | Rajkot (Loose) | 990 | 990 | unch |
| | | | | |
| **Rapeseed Oil** | Alwar (Expeller Oil)(Loose) | 636 | 634 | +2 |
| | Sri Ganga Nagar(Exp Oil-Loose) | 625 | 622 | +3 |
| | Delhi (Exp. Oil) (Loose) | 658 | 660 | -2 |
| | Jaipur (Expeller Oil) (Loose) | 640 | 635 | +5 |
| | Kota (Expeller Oil) (Loose) | 630 | 626 | +4 |
| | Mumbai (Exp. Oil) +VAT | 662 | 660 | +2 |
| | Kolkatta | - | - | - |
| | Hapur+VAT | 671 | 670 | +1 |
| | Agra (Kacchi Ghani Oil) +VAT | 677 | 675 | +2 |
| | | | | |
| **Refined Cottonseed Oil** | Mumbai +VAT | 664 | 660 | +4 |
| | Hyderabad (Loose) | 670 | 670 | unch |
| | Rajkot (Loose) | 615 | - | |
| | Delhi (Loose) | 665 | 665 | unch |
| **Sesame Oil** | Delhi | 645 | 645 | unch |
| | Mumbai | 775 | 775 | unch |
| **Rice Bran Oil (40%)** | Delhi | 545 | 545 | unch |
| | Punjab | 550 | 550 | unch |
| **Rice Bran Oil (70%)** | Delhi | 415 | 415 | unch |

| | | | | |
|---|---|---|---|---|
| **Malaysia Palmolein USD/MT** | FOB (Oct) | 1173 | 1170 | +3 |
| | CNF (Oct) - India | 1203 | 1200 | +3 |
| **Indonesia/Malaysia CPO USD/MT** | FOB (Oct) | 1070 | 1065 | +5 |
| | CNF (Oct) - India | 1100 | 1095 | +5 |

| Argentina FOB ($/MT) | 22-07-2011 | 21-07-2011 | Change |
|---|---|---|---|
| Crude Soybean Oil Ship(Sep) | 1257 | 1254 | +3 |
| Refined Soy Oil (Bulk) Ship(Sep) | 1301 | 1297 | +4 |
| Sunflower Oil Ship(Sep) | - | 1260 | |
| Cottonseed Oil Ship(Sep) | 1237 | 1234 | +3 |
| Refine Linseed Oil(Bulk) Ship(Sep) | 1277 | 1274 | +3 |

### 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 | 24/7/2011 | 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.GINGA BOBCAT | Kandla | 6000 | Palm Oil | 29/7/2011 | 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 | 22/7/2011 | 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 |
| SUMATRA PALM | Kolkata | 10000 | CPO | 23/7/2011 | Discharge |
| FLORES PALM | Kolkata | 9650 | CPO | 23/7/2011 | 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 | 22/7/2011 | Discharge |
| MT BUNGA ANGELICA | Mundra | 7999.29 | CPO | 24/7/2011 | 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 | 22/7/2011 | 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 | 27/7/2011 | Discharge |
| **Edible Oil Shipments for July 2011** | | **1,115,509** | | | |
| **Edible Oil Imports (Oil year 2010-11 till date)** | | **6,279,531** | | | |

## Disclaimer