AGRIWATCH

Veg. Oil Daily Fundamental Report

August 25, 2011

Domestic Fundamentals:

Steady tone extended to second consecutive day in domestic edible oil market as a result of lack of worthwhile moving factors. Lack of buying from retailers on falling international market edible oil prices adding bearish tone to domestic market trade. Traders remained inactive on lackluster demand scenario amid falling international market prices. Indonesia, second largest producer of palm products likely attract palm importers based on competitive prices over the Malaysian palm products. Any further fall in Malaysian palm prices likely give an opportunity to go for higher imports to meet the higher demand during upcoming festival season.

Neared Muslim holy festival Ramadan ending ceremony (30^{th} August) likely keep higher purchases from consumer's side till the month end. Major festivals in the month of September and October likely keep the edible oil prices in firm tone. Source reveals that in current week prices likely remains uptrend on higher demand for upcoming festivities.

International Market Fundamentals:

Top palm oil producer Indonesia changed its export tax structure that could make shipments cheaper than those from rival Malaysia. Therefore, Malaysian palm futures dropped by 42 points to MYR 2994 MT in today's trading session.

Revision of tax structure likely give importers an opportunity to go for imports from Indonesia rather than importing from Malaysia based on competitive price. As per SGS, Malaysian palm oil products exports during Aug. 1-25 rose by 5.5 percent to 1,365,693 MT compared to 1,294,428 MT shipped during July 1-25.

CBOT soy oil futures prices were continued with marginal rise by 0.13 points to 56.33 cents per pound on worries regarding yield of soybean which is getting hurt by dry weather.

Outlook:

Tight supply condition at domestic market amid inline festivities likely to add support to the edible oil prices in short to medium term. USDA's down projection of global oilseed output amid weather concern in US likely put the upward pressure on edible oils for the medium term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Sep -11	-4.15	660.50	662.90	655.00	657.65
Oct -11	-6.80	648.95	650.95	641.00	642.50
Nov-11	-9.70	637.50	638.70	626.50	627.50
Dec-11	-9.85	639.40	640.00	627.40	628.05

Contract	Volume	Change	OI	Change
Sep -11	69020	3380	120950	-3770
Oct -11	63960	18830	118400	-6300
Nov-11	14440	6560	33570	4930
Dec-11	6400	2920	17680	2750

Spread	Sep-11	Oct-11	Nov-11	Dec-11
Spot	-22.65	-7.50	7.50	6.95
Sep -11		-15.15	-30.15	-29.60
Oct -11			-15.00	-14.45
Nov-11				0.55

* Indore spot market prices taken for spread calculation

MCX CPO:

Contract	+/-	Open	High	Low	Close
Aug-11	-5.30	496.40	496.40	489.60	490.10
Sep-11	-8.10	491.50	492.50	481.60	483.00
Oct-11	-8.10	488.80	490.30	478.60	481.30
Nov-11	-6.90	488.10	488.80	478.00	480.80

Contract	Volume	Change	OI	Change
Aug-11	798	240	2168	-490
Sep-11	3117	2149	5260	208
Oct-11	2776	1942	6841	76
Nov-11	86	-266	737	8

Spread	Aug-11	Sep-11	Oct-11	Nov-11
Spot	5.90	13.00	14.70	15.20
Aug-11		-7.10	-8.80	-9.30
Sep-11			-1.70	-2.20
Oct-11				-0.50

* CPO (5%) Kandla spot market prices taken for spread calculation

CBOT Soy Oil Futures: (as on 24/08/2011)
(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
Sep-11	+0.16	55.70	56.09	55.55	55.78
Oct-11	+0.13	55.95	56.27	55.78	55.95
Dec-11	+0.12	56.28	56.68	56.13	56.33
Jan-12	+0.14	56.54	56.88	56.37	56.57
Mar-12	+0.11	56.72	57.06	56.64	56.76

BMD CPO Futures: (as on 25/08/2011)
(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
Sep-11	-22	3119	3130	3099	3108.00
Oct-11	-40	3049	3079	3016	3030.00
Nov-11	-42	3024	3043	2978	2994.00
Dec-11	-42	3019	3030	2967	2980.00

CBOT Soy oil and Malaysian CPO Futures Market Price Outlook:

CBOT Soy Oil Futures (Dec' 11 Month Contract)	After three consecutive days range bound movement, bearish movement found in soy oil futures. 56 levels is immediate support for the prices breaching the level lead to fall up to 55.50 levels in short term. 56.50 seems resistance on higher side. Breaching the level of 56.50 on higher side likely keep the uptrend for medium term. 55.60- 56.50 likely to be the trading ranges.
Malaysian CPO Futures (Nov' 11 Month Contract)	Malaysian palm oil futures remained in the range of 2980-3051 range with weak bias. 2980 level seems support and any breach downside likely fall up to 2965 levels. For medium term, breaching the level of 3100 on upper side likely keep the bull run.

Edible Oil Prices at Key Market as on Aug 25, 2011

Commodity	Centre	Prices(Per 10 Kg)		Change
		25-08-2011	24-08-2011	
Refined Soybean Oil	Mumbai +VAT	640	640	Unch
	Delhi (Loose)	670	670	Unch
	Indore (Loose)	635	635	Unch
	Kota(Loose)	640	645	-5
	Hyderabad+ VAT	715	715	Unch
	Jaipur (Loose)	655	655	Unch
	Rajkot (Loose)	630	-	
	Akola (Loose)	678	678	Unch
	Amrawati (Loose)	678	678	Unch
	Haldiya Port (Loose)	646	646	Unch
	Jalna	678	679	-1
	Kakinada	660	660	Unch
	Nagpur	676	676	Unch
	Soy Degum Kandla/Mundra+VAT	612	612	Unch
	Soy Degum Mumbai+VAT	612	610	+2
Palm Oil	Kandla CPO (5%FFA)	496	498	-2
	Kandla RBD Palmolein +VAT	545	545	Unch
	Chennai RBD Palmolein (Loose)	570	570	Unch
	Kakinada RBD Palmolein (Loose)	561	561	Unch

	Mumbai RBD Pamolein+ VAT	558	560	-2
	Hyd. RBD Palmolein VAT	615	615	Unch
	Delhi RBD Palmolein (Loose)	585	585	Unch
Refined Sunflower Oil	Hyderabad Exp +VAT	760	760	Unch
	Bellary (Exp. Oil)+VAT	641	641	Unch
	Chellakere (Exp. Oil)+VAT	669	666	+3
	Erode (Exp. Oil)+VAT	713	713	Unch
	Latur (Exp. Oil)+VAT	661	661	Unch
	Kandla/Mundra	658	660	-2
	Mumbai + VAT	658	660	-2
	Chennai (Loose)	740	735	+5
Groundnut Oil	Hyderabad +VAT	1000	1000	Unch
	Chennai (Loose)	880	880	Unch
	Delhi (Loose)	995	995	Unch
	Gondal+VAT	1000	-	-
	Jamnagar +VAT	1000	-	-
	Narsarropeth+VAT	821	816	+5
	Prodattour+VAT	891	891	Unch
	Mumbai + VAT	970	970	Unch
	Rajkot (Loose)	990	-	
Rapeseed Oil	Alwar (Expeller Oil)(Loose)	639	639	Unch
	Sri Ganga Nagar(Exp Oil-Loose)	630	628	+2
	Delhi (Exp. Oil) (Loose)	662	662	Unch
	Jaipur (Expeller Oil) (Loose)	635	635	Unch
	Kota (Expeller Oil) (Loose)	620	625	-5
	Mumbai (Exp. Oil) +VAT	663	665	-2
	Kolkatta	-	-	-
	Hapur+VAT	672	675	-3
	Agra (Kacchi Ghani Oil) +VAT	675	675	Unch
Refined Cottonseed Oil	Mumbai +VAT	655	655	Unch
	Hyderabad (Loose)	690	690	Unch
	Rajkot (Loose)	665	-	-
	Delhi (Loose)	645	645	Unch
Sesame Oil	Delhi	638	638	Unch
	Mumbai	775	775	Unch
Rice Bran Oil (40%)	Delhi	555	555	Unch
	Punjab	550	550	Unch

Rice Bran Oil (70%)	Delhi	430	430	Unch
Malaysia Palmolein USD/MT	FOB (Oct)	1165	1173	-8
	CNF (Oct) - India	1200	1208	-8
Indonesia/Malaysia CPO USD/MT	FOB (Oct)	1065	1070	-5
	CNF (Oct) - India	1100	1105	-5
Argentina FOB ($/MT)		**24-08-2011**	**23-08-2011**	**Change**
Crude Soybean Oil Ship(Sep)		1254	1250	+4
Refined Soy Oil (Bulk) Ship(Sep)		1298	1293	+5
Sunflower Oil Ship(Sep)		-	1230	-
Cottonseed Oil Ship(Sep)		-	1230	-
Refine Linseed Oil(Bulk) Ship(Sep)		-	1270	-

Indian Vessel Line up for Edible Oils (August)

VESSEL	PORT	QUANTITY (MT.)	EDIBLE OIL	ETA	ACTIVITY
M.T. GINGA FALCON	Kandla	5350	CPO	6/8/2011	Discharge
M.T. MALPENSA	Kandla	7000	CPO	1/8/2011	Discharge
M.T.ROYAL EMERALD	Kandla	12000	CPO	16/8/2011	Discharge
M.T. BUNGA ASTER	Kandla	12000	CPO	6/8/2011	Discharge
M.T.FENG HAI 11	Kandla	12000	CPO	18/8/2011	Discharge
M.T.ROYAL JASPER	Kandla	12000	CPO	16/8/2011	Discharge
M.T.GOLDEN BLESSING	Kandla	13515	CPO	13/8/2011	Discharge
M.T. CHAMPION STAR	Kandla	10500	CDSBO	17/8/2011	Discharge
M.T. SEMUA PERKASA	Kandla	7500	PALM PRODUCTS	21/8/2011	Discharge
M.T.SC DALIAN	Kandla	3500	Palm Oil	17/8/2011	Discharge
M.T.SKY DREAM	Kandla	15000	Palm Oil	5/8/2011	Discharge
M.T. CHEMROAD SEA	Kandla	12000	Palm Oil	10/8/2011	Discharge
M.T.HORIZON	Kandla	30000	Palm Oil	4/8/2011	Discharge
M.T.SKY DREAM	Kandla	15000	Palm Oil	4/8/2011	Discharge
M.T.PILTENE	Kandla	12000	CDSBO	17/8/2011	Discharge
M.T.BUNGA ALLIUM	Kandla	11500	RBD PALMOLEIN	22/8/2011	Discharge
SC NINGBO	Manglore	7200	RBD PALMOLEIN	5/8/2011	Discharge
ASIA ADVENTURER	Manglore	6000	CPO	15/8/2011	Discharge
C.M MAYA	Manglore	8250	CPO	14/8/2011	Discharge
SEMUHA PERDENA	Manglore	12000	CPO	14/8/2011	Discharge
FENG HAI- II	Manglore	6500	CPO	15/8/2011	Discharge
SOUTHERN HAWK	Manglore	9000	CPO	1/8/2011	Discharge
OZAY 6	Krishnapatnam	2800	CSFO	9/8/2011	Discharge
MT.ARMADA GEMA	Krishnapatnam	8300	CPO	1/8/2011	Discharge
MT.GLOBAL VIKA	Krishnapatnam	5750	CPO	15/8/2011	Discharge

WORLD BRIDGE	Krishnapatnam	9500	CPO	14/8/2011	Discharge
MT. PALMA PRIMA	Krishnapatnam	8300	CPO	3/8/2011	Discharge
SICHEM PANDORA	Chennai	4000	CPO	1/8/2011	Discharge
PALCHEM 1	Chennai	8500	CSFO	17/8/2011	Discharge
NORLAKE	Chennai	15000	CSFO	3/8/2011	Discharge
CAPE BANK	Chennai	7875	CSFO	3/8/2011	Discharge
Cf ZACHARY	Chennai	7000	Palm Oil	15/8/2011	Discharge
UBT OCEAN	Chennai	8500	Palm Oil	17/8/2011	Discharge
GOLDEN BRILLIANCE	Chennai	9500	Palm Oil	9/8/2011	Discharge
FENG HAI 22	Chennai	7500	Palm Oil	20/8/2011	Discharge
SICHEM PANDORA	Chennai	5750	Palm Oil	20/8/2011	Discharge
HAPPY VENTURE	Mormugao	11000	CPO	2/8/2011	Discharge
GLOBAL VIKA	Tuticorin	7241	Palm Oil	12/8/2011	Discharge
YUE YOU 902	Tuticorin	6000	Palm Oil	4/8/2011	Discharge
FENG HAI 15	Tuticorin	3000	Palm Oil	7/8/2011	Discharge
TITAN VISION	Haldia	7504	CDSBO	17/8/2011	Discharge
AINAZI	Haldia	15000	CDSBO	3/8/2011	Discharge
ANGEL NO 2	Haldia	7300	CPO	17/8/2011	Discharge
SP AMSTERDAM	Haldia	8000	CPO	9/8/2011	Discharge
AU ARIES	Haldia	7999	CPO	6/8/2011	Discharge
LIQUID SUCCESS	Kolkata	7500	CPO	10/8/2011	Discharge
DORIS	Kolkata	9000	CPO	9/8/2011	Discharge
FAIR PIGASOS	Kolkata	4500	CPO	10/8/2011	Discharge
Edible Oil Shipments for Aug 2011		**442,134**			
Edible Oil Imports (Oil year 2010-11 till date)		**6,068,039**			