

22 July 2009



## SOY OIL – Bull Spread Strategy

The current difference between August and September contract is 1 and we are expecting this difference will widen to 5. Hence, the spread position can be initiated as follows

Lots	Initiation Difference	Target Difference	SL Difference	Profit	Loss
1	1	5	-2.5	4000	-3500
2	0	5	-2.5	5000	-2500
<b>Pay Off</b>				<b>9000</b>	<b>-6000</b>

### Spread Chart



The difference between August & September contract NCDEX soy oil made a high of 6.40 and a low of -2.30 levels. We are expecting this difference will widen towards 5. Hence, we are recommending selling August and buying September. The medium term trend is bullish; hence, we expect the far month contract to trade higher compared to the near month.

#### Disclaimer

The report contains the opinions of the author that are not to be construed as investment advice. The author, directors and other employees of Karvy, and its affiliates, cannot be held responsible for the accuracy of the information presented herein or for the results of the positions taken based on the opinions expressed above. The above-mentioned opinions are based on the information which is believed to be accurate and no assurance can be given for the accuracy of this information. There is risk of loss in trading in derivatives. The author, directors and other employees of Karvy and its affiliates cannot be held responsible for any losses in trading.

Commodity derivatives trading involve substantial risk. The valuation of the underlying may fluctuate, and as a result, clients may lose their entire original investment. In no event should the content of this research report be construed as an express or an implied promise, guarantee or implication by, or from, Karvy Comtrade that you will profit or that losses can, or will be, limited in any manner whatsoever. Past results are no indication of future performance. The information provided in this report is intended solely for informative purposes and is obtained from sources believed to be reliable. Information is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future conditions are attempted.

We do not offer any sort of portfolio advisory, portfolio management, or investment advisory services. The reports are only for information purposes and not to be construed as investment advice.

For a detailed disclaimer please go to following URLs:

<http://www.karvycomtrade.com/disclaimer.asp>

<http://www.karvycomtrade.com/riskDisclaimer.asp>