

## VEGOIL

April 14, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Down on Speculative Selling
- BMD CPO Futures Settle Down on Short Covering
- NCDEX May Contract Soy Oil Futures Ends Lower

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD is moving upwards in positive zone, which indicates medium term bullish sentiments.
2. % K line is moving downwards in normal region after bearish crossover to % D line, which indicates bearish sentiments.
3. Prices closed above 9 days EMA (394.85) and 18 days (390.93), which indicates slightly bullish trends.
4. Candlestick formed likely hammer pattern, which is hinting bullish sentiments.

**Market Advice:** Market is expected to improve following weak opening. Go long with cautions. Buy near 397.80 targets near 400.30 and put stop loss at 396.40.

#### Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	396.30	394.20	400.90	403.60

#### Abbreviations:

MA - Moving Average

MACD - Moving Average Convergence Divergence

% K-Line & % D-Line - Faster & Slower Lines of Stochastic Oscillators



## MARKET HIGHLIGHTS & FUNDAMENTAL ANALYSIS

### International:

#### CBOT Soy Oil Futures Settle Down on Speculative selling

May Soybeans settled down 2 cents at \$5.605/bushel, 5 cents off the high and 2 cents up from the low. November Soybeans settled down 1.50 cents at \$5.94, which was 2.50 cent up from the low and 3.75 cent off the high. May Soymeal settled up \$0.7 at \$171.9/ton that was \$1.6 up from the low and \$1.0 off the high. May Soybean Oil closed down 0.32 cent at 22.64 cent/pound, 0.35 cent off the high and 0.01 cent up from the low. Appropriate weather condition for increased corn planting acreage, thereby reducing the corresponding soybean area leads to the early bounce in the market. But weak buying support on later part results into decline of prices. Soy meal gain on the expense of soy oil as more and more traders are shifted towards meal from the oil. Slow export news also added to its bearish tone. For the weekly export sales report, released before the opening, traders are expecting soybean sales near 1.9-2.35 million tonnes as compared to 3.68 million tonnes last week. New crop sales are expected to be at 1.75 million tonnes.

#### CBOT Soy oil futures as 12.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.96	22.99	23.02	22.63	22.64	-0.32
Jul '06	23.38	23.36	23.4	23.05	23.06	-0.32
Aug'06	23.55	23.55	23.35	23.25	23.25	-0.3
Sep'06	23.73	23.73	23.78	23.45	23.45	-0.28

CBOT remains closed on Saturday and Sunday.

#### BMD CPO Futures Settle Down on Short Covering

Crude palm oil futures at Bursa Malaysia Derivatives settled lower on Thursday in sympathy with overnight weak closing of soy oil futures on CBOT. Prices were down after sharp rise in recent days on speculative selling. Benchmark June CPO contract settled off MYR8 at 1,452 a metric ton. Futures moved in the range of MYR1,449 and MYR1,459/ton. Volume declined to 6642 lot from 3716 lots Wednesday amid slow trading activity. Market would be closed on Friday for Good Friday. Cargo surveyors SGS (Malaysia) Bhd. and Intertek Agri Services are due to issue estimates for Malaysian palm oil exports in the April 1-15 period on Monday. Traders are expecting fresh leads from these data. Palm production is scheduled to rise as lean period is over. So, sustained export is required to help checking rise in stock. An industry conference in Dubai in the coming week is also expected to provide some fresh leads. The annual Global oil International conference will be held April 22-23 and will feature presentations from influential analysts.

#### BMD: CPO Futures (13.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1417	1415	1418	1394	1396	-21	54
May 06	1442	1442	1442	1434	1436	-6	560
Jun 06	1460	1456	1459	1449	1452	-8	1867
Jul 06	1469	1465	1469	1460	1463	-6	988
Aug 06	1473	1462	1466	1462	1466	-7	97

BMD remains closed on Saturday and Sunday.

### Palm Oil

Today palm oil prices on spot markets were range bound with positive sentiments in most markets. BMD CPO futures settled down, following weak settlement of soy futures on CBOT. Palm oil prices are dampened with soy oils prices because both are traditional rivals of each other. Palm oil prices are expected to move range bound in near term.

#### Palm oil - Spot Market Price (Rs. Per 10 kg)

Centres	13.04.06	12.04.06	Change
Kandla CPO (5 % FFA)	362	364	-2
Kandla RBD Palmolein +VAT	379	381	-2
Mumbai RBD Palmolein+VAT	380	381	-1
Chennai RBD Palmolein +VAT	392	392	0
Kakinada RBD Palmolein+VAT	375	376	-1
Hyderabad RBD Palmolein+VAT	395	392	+3

### Refined Soy oil

Today soybean oil prices on domestic spot markets moved down slightly in most markets amid lower demands at retail ends. NCDEX May refined soy oil contract ends down as compared to previous closing prices on short covering. Refined soy oil prices quoted at Rs 380 and 383+VAT per 10 kg in Kota and Jaipur mandi respectively, it is declined slightly as compared to previous day. Arrivals of soybeans were about 50,000-55,000 in major markets. Prices are expected to move range bound with weak sentiments in near terms.

CIF soy (April Shipment) at Kandla was quoted at \$ 497 per tonne, down \$5/ton as compared to Wednesday.

#### Soybean oil - Spot Market Price (Rs. Per 10 kg)

Centres	13.04.06	12.04.06	Change
Mumbai (Soy Ref oil)+VAT	380	380	0
Indore (Soy Ref oil)+VAT	381	384	-3
Indore (Solvent Ex. Oil)+VAT	354	356	-2
Kota (Soy Ref. Oil)+VAT	380	383	-3
Jaipur (Soy Ref. Oil)+VAT	383	385	-2
Hyderabad (Soy Ref)+VAT	385	386	-1
Chennai+VAT	387	386	-1
Delhi	410	408	-2

### Rape/Mustard oil

Mustard oil prices on domestic spot markets showed mixed sentiments in the markets. Today's arrivals were about 5000-6000 bags in Neewai mandi, 5000 bags in Kota and 15000 bags in Jaipur mandi. Arrivals in Rajasthan were about 3 lakh bags in Rajasthan and 75000-80000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1500-1520 in Kota and 1620-25 in Jaipur mandi. Mustard oil prices are expected to move range bound with weak sentiments in near terms due to harvesting pressure.

**Mustard Oil: Spot Market Price (Rs. Per 10 kg)**

Centres	13.04.06	12.04.06	Change
Mumbai (Rape Expeller Oil)	380	380	0
Kota (Rape Expeller Oil)+VAT	357	360	-3
Jaipur (Rape Expeller Oil)+VAT	360	360	0
Delhi (Rape Expeller Oil)	378	381	-3
Neewai (Kachchi Ghani Rape Oil)	369	368	+1

**Groundnut Refine Oil**

Today groundnut oil prices on domestic spot markets were steady in most markets amid weak sentiments. There were nothing fresh fundamental to boost up its prices. Trading activity subdued on physical markets in Rajkot owing to festivals (Hanuman Jaynti). Groundnut seeds were quoted Rs348 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments in near term due to dearth supply.

**Groundnut Oil Spot Market Price (Rs. Per 10 kg)**

Centres	13.04.06	12.04.06	Change
Mumbai +VAT	477	477	0
Rajkot +VAT	467	470	-3
Andhra Region+VAT	480	480	0
Chennai +VAT	460	460	0

**Sunflower Refine Oil**

Sunflower oil prices on physical markets were steady to positive sentiments in the markets. CIF prices for sunflowers (April Shipment) at Kandla port quoted to \$ 615 per tonnes, up Rs \$2/ton from \$613/ton from Wednesday. Sunflower oil prices are expected to move range bound with positive sentiments due to increasing demands at retail ends.

**Sunflower Refine Oil: Spot Market prices (Rs/10 Kg)**

Markets	13.04.06	12.04.06	Change
Mumbai +Vat	433	430	+3
Chennai	450	450	0
Hyderabad	440	440	0

**Cotton Refine Oil**

Today cotton oil prices on spot markets were steady to weak sentiments in markets amid weak market sentiments. Cotton oil prices followed soy oil prices. Cotton oil prices are expected to move range bound in near term.

**Cotton Refine Oil: Spot Market prices (Rs/10 Kg)**

Markets	13.04.06	12.04.06	Change
Mumbai +VAT	390	392	-2
Hyderabad +VAT	390	390	0
Delhi	380	380	0

**NBOT Soy oil futures as on 13.04.2006 (Rs/10 kg)**

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	395.10	0.00	0.00	0.00	392.40	-2.70	0
May'06	400.10	398.20	398.60	396.00	397.90	-2.20	39300

**NCDEX Soy Oil Futures Ends Down on Speculative Selling**

NCDEX May soy oil contract prices settled down on Thursday on speculative selling and short covering after rising very sharply on GM issue. Soy oil futures prices settled slightly down Rs 0.90 at Rs 398.50/10 Kg, Rs 0.35 off the high and Rs 3.00 up from the low. The prices were in a range of Rs 395.50 to Rs 398.85. Soy oil prices are expected to improve slightly in near term.

**NCDEX Soy oil futures as on 13.04.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	394.50	394.80	394.90	391.50	394.25	2860	10170
May'06	399.40	398.00	398.85	395.50	398.50	17900	25680
June'06	403.65	402.40	404.35	399.40	403.00	3010	10090

**PORT-WATCH (Latest):****Edible Oil**

Mumbai Port is receiving 7,650 MT of palm oil from the vessel 'Olympic'. Forbes Gokak agents is handling the vessel.

'Rising One' has berthed at Cochin Port from Kandla Port and continues to deliver 3,200 MT of SBO. Interocean agents is handling the vessel.

'Emirates Swan' has berthed at Kolkata Port and continues to deliver 8,000 MT of CPO. Forbes Gokak agents is handling the vessel. The port is expecting 'Khadijah' to discharge 5,000 MT of CPO.

Delivery of 6,200 MT of CPO is expected at Kandla Port from the vessel 'Olympic'. The cargo was loaded from Indonesia. Forbes Gokak agents will be handling the vessel. The port is expecting 'Jo Selje' to deliver 12,750 MT of SBO. The vessel will be handled by Interocean agents.

'Nora' is expected at Mundra Port and to discharge SBO. Interocean agents will be handling the vessel.

Delivery of 11,000 MT of CPO is expected at Kakkiada Port from the vessel 'Pacific Sound'.

Chennai Port is expecting 'Countess' to deliver 2,700 MT of palm oil. The vessel will be handled by Seaport agents.

**Current Vessels Positions**

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Emirates Swan	8000	CPO	Arrived
	Khadijah	5000	CPO	Arrived
JN Port	Process	12000	SBO	Arrived
Mumbai	Olympic	7650	Palm Oil	Arrived
Chennai	Countess	2700	Palm Oil	Expected
Kakinada	Pacific Sound	11000	CPO	Expected
Kandla	Rising One	3200	SBO	Arrived
	Olympic	6200	CPO	Expected
	Jo Selje	12750	SBO	Expected

**Forex Rates** (As on 13.04.2006)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.30
European Union	Euro	54.88
Japan	100 Yen	38.27
United Kingdom	Pound Sterling	78.45

**Weather Forecast**

- Mainly dry weather over the regions.

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