

## VEGOIL

April 25, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Up Sharply on Crude oil Rise
- NCDEX May Contract Soy Oil Futures Settle Higher

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD is moving northwards after crossing its signal line, which indicates medium term bullish market sentiments.
2. % K line is moving upwards in neutral zone after bullish crossover to % D line, which indicates bullish market sentiments.
3. Prices closed far above 9 and 18 days EMA (407.83) and (402.34), which indicates bullish market.
4. Candlestick pattern shows bullish market trends.

All technical indicators show bullish sentiments.

**Market Advice:** Market is expected to decline following firm opening. Sell near 417.90, target near 411.90 put stop loss at 420.20

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

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	409.80	406.80	419.20	421.80

#### 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 Remain Closed on Saturday and Sunday

#### CBOT Soy oil futures as 21.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.14	24	24.72	23.95	24.61	+0.47
Jul '06	24.52	24.45	25.14	24.36	25.06	+0.54
Aug'06	24.72	24.72	25.28	24.58	25.2	+0.48
Sep'06	24.89	24.8	25.47	24.78	25.43	+0.54

CBOT remains closed on Saturday and Sunday.

#### BMD CPO Future settles Higher on Crude Oil Rise

Crude palm oil futures at Bursa Malaysia Derivatives settled sharply higher on Monday on account of recent rally in the soybean and crude oil markets. The benchmark July CPO contract ended at MYR1,494 a metric ton, up MYR23 from Friday. There was nothing any bullish fundamentals in the market to such boost up its prices. Prices surged higher only due to rise in crude oil and soy oil. High-energy prices are favorable for edible oils like palm oil, as it makes biodiesel more attractive as an alternative fuel source. Participants are waiting for Tuesday's export figure of April 1-25. Expectations of strong palm oil export figures also added positive tone to the CPO futures market. Market speculation was mostly for exports of around 950,000 to 980,000 tons, though there was some talk exports may even touch 1 million tons.

#### BMD: CPO Futures (24.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1432	1439	1460	1439	1456	+24	1103
May 06	1456	1464	1484	1463	1479	+23	2337
Jun 06	1471	1478	1500	1478	1494	+23	6676
Jul 06	1479	1488	1506	1487	1500	+21	1379
Aug 06	1486	1494	1508	1494	1508	+22	371

BMD remains closed on Saturday and Sunday.

#### Palm Oil

Today palm oil prices on spot markets remain firm up amid positive sentiments in most markets. Palm oil prices climbed behind soy oil and crude oil prices. Palm oil prices are expected to move range bound with positive sentiments in near term on account of increasing demands of biodiesel from palm oil due to increasing prices of crude oil.

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

Centres	24.04.06	22.04.06	Change
Kandla CPO (5 % FFA)	370	367	+3
Kandla RBD Palmolein +VAT	384	382	+4
Mumbai RBD Palmolein +VAT	388	383	+5
Chennai RBD Palmolein +VAT	400	398	+2
Kakinada RBD Palmolein +VAT	380	375	+5
Hyderabad RBD Palmolein +VAT	400	395	+5

#### Refined Soy Oil

Soybean oil prices on domestic spot markets moved up amid positive market sentiments on Monday. NCDEX May refined soy oil contract settled up slightly as compared to previous closing prices. Arrivals of soybeans were about 50,000 bags (bag=85 Kg) in major markets. Prices are moving in up direction on anticipation of higher demands of biodiesel from soy oil in USA. CIF soy (April Shipment) at Kandla quoted at \$530 a ton on Monday (up \$ 6/ton). Prices were quoted Rs391 in Mumbai and Rs 389 per 10 kg (excluding VAT) in Indore markets. Prices are expected to move range bound with positive sentiments in near terms on depleting stock and increasing demands of biodiesel.

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

Centres	24.04.06	22.04.06	Change
Mumbai (Soy Ref oil)+VAT	391	386	+5
Indore (Soy Ref oil)+VAT	389	386	+3
Indore (Solvent Ex. Oil)+VAT	363	359	+4
Kota (Soy Ref. Oil)+VAT	388	385	+3
Jaipur (Soy Ref. Oil)+VAT	390	388	+2
Hyderabad (Soy Ref)+VAT	388	383	+5
Chennai +VAT	395	391	+4
Rajkot +VAT	381	380	+1

#### Rape/Mustard Oil

Mustard oil prices on domestic spot markets surged amid positive sentiments in the markets. Mustard oil prices ride on the back of soy oil prices. Today's arrivals were about 5000-6000 bags in Neewai mandi, Arrivals in Rajasthan were about 3.25-3.5 lakh bags in Rajasthan and 90,000-1,00,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1500-1530 in Kota and 1650-60 in Jaipur mandi. Mustard oil prices are expected to move range bound with positive sentiments in near term due to higher prices of other edible oil.

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

Centres	24.04.06	22.04.06	Change
Mumbai (Rape Expeller Oil)	385	382	+3
Kota (Rape Expeller Oil)+VAT	365	361	+4
Jaipur (Rape Expeller Oil)+VAT	370	366	+4
Delhi (Rape Expeller Oil)	391	388	+3
Neewai (Kachchi Ghani Rape Oil)	372	364	+8

#### Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets showed positive sentiments in most markets. Higher prices of other edible oil and positive futures market provided support to the market. Today's arrivals of groundnut seeds were about 30,000 bags (bags=35 kg) in Gujarat. Arrivals in Chennai market were about 7000 bags (bags=80kg) Groundnut seeds were quoted Rs346 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	24.04.06	22.04.06	Change
Mumbai +VAT	476	475	+1
Rajkot +VAT	470	465	+5
Andhra Region +VAT	480	472	+8
Chennai +VAT	450	445	+5
Delhi	510	510	0

### Sunflower Refine Oil

Sunflower oil prices on physical markets improved in most markets. CIF prices for sunflowers (April Shipment) at Kandla port were remain quoted \$658 a ton on Monday. Sunflower oil prices are expected to move range bound in near term.

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

Markets	24.04.06	22.04.06	Change
Mumbai +Vat	435	432	+3
Chennai	450	445	+5
Hyderabad	440	440	0

### Cotton Refine Oil

Today cotton oil prices on spot markets moved up amid positive sentiments in most markets. Cotton oil prices followed soy oil prices. Cotton oil prices are expected to move range bound with positive sentiments in near term due to depleting stock of cottonseeds.

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

Markets	24.04.06	22.04.06	Change
Mumbai +VAT	398	394	+4
Hyderabad +VAT	390	386	+6
Rajkot + VAT	390	390	0
Delhi	400	397	+3

### NBOT Soy oil futures as on 24.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	412.10	418.30	418.30	415.20	415.60	+3.50	71910
Jun'06	417.80	423.50	424.50	423.50	422.60	+4.80	2540

### NCDEX Soy Oil Futures Settle Mildly Up

NCDEX (May'06): Refined soy oil contract prices settled up on Monday amid positive sentiments on increasing demands of biodiesel from soybean oil. Gain in soy oil futures on e-CBOT brought positive impact on NCDEX. Soy oil futures prices settled up Rs 2.25 at Rs 416.60/10 Kg, Rs 3.40 off the high and Rs 1.00 up from the low. The prices moved in a range of Rs 415.60-1420.00. Soy oil prices are expected to move range bound with positive sentiments in near term.

### NCDEX Soy oil futures as on 24.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	414.35	415.60	420.00	415.60	416.60	20290	21230
June'06	420.60	423.10	425.30	422.75	422.25	12550	22340
July '06	425.50	426.10	432.80	426.10	428.05	570	1920

### PORT-WATCH (Latest):

#### Edible Oil

Kandla Port is receiving 12,750 MT of SBO from the vessel 'Jo Selje'. The cargo was loaded from Argentina. 'Bow Fighter' from Brazil Has berthed at the port and continues to discharge 13,000 MT of SBO. These vessels are being handled by Interocean agents. The port is expecting 'New Merry Ocean' from Indonesia to discharge 6,000 MT of CPO. Atlantic gents will be handling the vessel.

Delivery of 3,000 MT of CPO is continuing at Chennai Port from the vessel 'L Star'. Seaworld agents is handling the vessel. 'Cheras' is expected at the port to deliver 4,000 MT of palm oil. Seaport agents will be handling the vessel.

Delivery of 20,000 MT of SBO is completed at Mundra Port from the vessel 'Bow Fighter'. The cargo was loaded from Brazil. Interocean agents is handling the vessel. Mundra Port is expecting 'New Merry Ocean' from Indonesia to deliver 10,850 MT of CPO. Taurus agents will be handling the vessel.

'Thressa II' has berthed at Kakinada Port and continues to discharge 6,000 MT of CPO. 'Ace I' is expected at Kakinada Port to deliver 6,000 MT of CPO. The port is expecting 'Spring Wind' and 'Chelesa' to deliver 4,000 MT of CPO and 21,000 MT of SBO respectively.

Kolkata Port is receiving 6,000 MT of CPO from the vessel 'MMM Jackson'. The vessel is being handled by Seaport agents.

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	L Star	3000	CPO	Arrived
	Cheras	4000	Palm Oil	Expected
Kakinada	Ace 1	6000	CPO	Expected
	Thressa II	6000	CPO	Expected
	Spring Wind	4000	CPO	Expected
	Chelesa	21000	SBO	Expected
Kandla	Jo Selje	12750	SBO	Arrived
	Bow Fighter	13000	SBO	Arrived
	New Merry Ocean	6000	CPO	Expected
Mundra	Bow Fighter	20000	SBO	Arrived
	New Merry Ocean	10850	SBO	Expected
Kolkata	MMM Jackson'	6000	CPO	Arrived

## Weather Forecast

### Chief Features

A low pressure area has formed over southeast Bay of Bengal and adjoining south Andaman Sea. The system is likely to concentrate into a depression. Under its influence, fairly widespread rain/thundershowers with isolated heavy to very heavy falls are likely over Andaman & Nicobar Islands during next 2-3 days. However, there is no immediate threat to any of the coastal areas of the country.

Mainly dry weather conditions continued to prevail over the country except fairly widespread rain/thundershowers over the Bay islands and scattered over Arunachal Pradesh and Assam & Meghalaya. Isolated duststorm/thunderstorm have also occurred over plains of northwest India. This scenario is likely to continue for next 2-3 days.

Day temperatures are above 40°C over parts of Rajasthan, Madhya Pradesh, Chhattisgarh and Maharashtra which are 1-2°C above normal.

The day temperatures are likely to increase over northwest & central India and interior Maharashtra. Heat wave conditions may set in over parts of Rajasthan during next 3-4 days.

### Outlook for subsequent two days based on NCMRWF

Day temperatures likely to increase over most parts of the country.

Source: IMD

### Forex Rates

(As on 24.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.06
European Union	Euro	55.70
Japan	100 Yen	38.99
United Kingdom	Pound Sterling	80.50

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