

VEGOIL

April 27, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Up
- BMD CPO Futures Ends Lower on Higher Expected Production
- NCDEX May Contract Soy Oil Futures Settle Down

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD has just turned downwards and crossed its signal line from above, which indicates bearish market sentiments.
2. % K line is moving southwards in neutral zone after bearish crossover to % D line, which indicates bearish market sentiments.
3. Prices closed just above 9 and EMA (408.99) and far above 18 days EMA (404.10), which indicates mildly bullish market.

4. Candlestick pattern showing bearish market sentiments.

Market Advice: Market is expected to move range bound with weak sentiments. Sell near 412.30, target near 407.90 put stop loss at 414.65

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	406.50	404.70	416.40	418.90

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 Up

July Soybeans settled up 5 cent at \$5.9325/bushel, 0.75 cent off the high and 8.50 cent up from the low. November Soybeans settled up 4.50 cent at \$6.1375/bushel, which was 8.50 cent up from the low and 0.75 cent off the high. July Soybean Oil settled up \$0.2 at \$174.4/ton that was \$1.9 up from the low and \$0.4 off the high. July Soybean Oil closed up 0.3 cent at 25.26 cent/pound, 0.09 cent off the high and 0.5 cent up from the low. Initially the market remain weak but news from Canada on reduced acreage of canola planting combined with the fact of getting strength from gold and energy market helped to support the prices up. Statistics showed that the projected Canadian canola planting intentions at 11.6 million acres, which is much below from last year at 14.5% and well below trade expectations at near 12.8 million acres. December oil performed well and provided support to the other contracts. Speculators are expected to go for short covering.

CBOT Soy oil futures as 25.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.50	24.47	24.89	24.33	24.78	+0.28
Jul '06	24.96	24.95	25.35	24.75	25.26	+0.30
Aug'06	25.12	25.00	25.47	24.98	25.44	+0.32
Sep'06	25.30	25.30	25.65	25.25	25.62	+0.32

CBOT remains closed on Saturday and Sunday.

BMD CPO Futures Settle Down

Crude palm oil futures at Bursa Malaysia Derivatives settled down on Wednesday amid talk of strong April production. The benchmark July CPO contract settled at MYR1,473 a metric ton, down MYR9 from Tuesday after moving between MYR1,471 and MYR1,489/ton. CPO futures were higher in mid-day on account of stronger soyoil futures overnight on CBOT. However, prices fall later on with anticipation of April higher production and decline in crude oil prices. There was lack of fresh bullish news in the markets. Participants booked profit from recent gains, Market had gone up in last couple of week on account of biodiesel demands and better export figure..

BMD: CPO Futures (26.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1449	1449	1449	1436	1438	-11	220
Jun 06	1467	1465	1474	1457	1458	-9	704
July 06	1482	1485	1489	1471	1473	-9	4336
Aug 06	1487	1492	1495	1478	1480	-7	799
Sep 06	1492	1495	1497	1481	1482	-10	244

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets witnessed steady to weak sentiments in most markets. Palm oil prices dampened with soy oil prices. Higher production of palm oil in Malaysia is expected for the month of April and decline in crude oil brought negative impact on its prices. Palm oil prices are expected to move range bound in near term.

FOB prices of CPO (May) were quoted at \$ 395.00 per tonne and RBD Palmolein at \$ 425 per tonne.

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

Centres	26.04.06	25.04.06	Change
Kandla CPO (5 % FFA)	369	370	-1
Kandla RBD Palmolein +VAT	384	384	0
Mumbai RBD Palmolein +VAT	388	389	-1
Chennai RBD Palmolein +VAT	400	400	0
Kakinada RBD Palmolein +VAT	380	381	-1
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	425	425	0

Refined Soy Oil

Soybean oil prices on domestic spot markets witnessed steady to weak sentiments in most markets on Wednesday amid lower demands at retail ends on such higher prices. NCDEX May refined soy oil contract settled down as compared to previous closing. Arrivals of soybeans were about 48,000-50,000 bags (bag=85 Kg) in major markets. Arrivals were about 1000 bags in Kota only. CIF soy (April Shipment) at Kandla quoted at \$530 a metric ton. Harvesting of mustard seeds is on peak in Rajasthan. Prices are expected to move range bound with weak sentiments in near terms due to weak future market and lower demands at retail ends.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 370 per 10 kg. CIF Prices for soy at Kandla were quoted at \$ 530 per tonne.

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

Centres	26.04.06	25.04.06	Change
Mumbai (Soy Ref oil)+VAT	394	394	0
Indore (Soy Ref oil)+VAT	386	388	-2
Indore (Solvent Ex. Oil)+VAT	360	363	-3
Kota (Soy Ref. Oil)+VAT	385	385	0
Jaipur (Soy Ref. Oil)+VAT	388	388	0
Hyderabad (Soy Ref)+VAT	388	385	+3
Chennai +VAT	395	395	0
Rajkot +VAT	380	380	0

Rape/Mustard Oil

Mustard oil prices on domestic spot markets witnessed lack lustre in the markets. Weak soy futures on NCDEX brought negative impact on spot markets. Today's arrivals were about 5000 bags in Neewai mandi, Arrivals in Rajasthan were about 3.5-3.75 lakh bags in Rajasthan and 80,000-90,000 bags in Madhya Pradesh. Arrivals were about 5 to 5.50 lakh bags in India. Mustard seeds prices were quoted 1640-55 per quintal in Jaipur mandi. Mustard oil prices are expected to move range bound in near term.

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

Centres	26.04.06	25.04.06	Change
Mumbai (Rape Expeller Oil)	385	386	-1
Kota (Rape Expeller Oil)+VAT	366	365	+1
Jaipur (Rape Expeller Oil)+VAT	371	370	+1
Delhi (Rape Expeller Oil)	391	391	0
Neewai (Kachchi Ghani Rape Oil)	375	375	0

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets range bound with weak sentiments in most markets amid lower demands at retail ends. Today's arrivals of groundnut seeds were remained about 30,000 bags (bags=35 kg) in Gujarat. Arrivals in Chennai market were about 6000-7000 bags (bags=80kg) Groundnut seeds were quoted Rs350 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with weak sentiments in near term due to lower demands at retail ends and weak future markets.

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

Centres	26.04.06	25.04.06	Change
Mumbai +VAT	474	477	-3
Rajkot +VAT	466	468	-2
Andhra Region +VAT	480	480	0
Chennai +VAT	445	450	-5
Delhi	510	510	0

Sunflower Refine Oil

Sunflower oil prices on physical markets has displayed steady to positive sentiments in the markets. CIF prices for sunflowers (April Shipment) at Kandla port were quoted \$640 a ton on Wednesday, it is down by \$18 per town as compared to Tuesday. Sunflower oil prices are expected to move range bound in near term.

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

Markets	26.04.06	25.04.06	Change
Mumbai +Vat	440	440	0
Chennai	448	448	0
Hyderabad	438	435	+3

Cotton Refine Oil

Today cotton oil prices on spot markets revealed steady amid weak sentiments in most markets. There was nothing fresh fundamental news to push up its prices. Weak soy futures market on NCDEX brought weak sentiments in all edible oil markets. Cotton oil prices are expected to move range bound with weak sentiments in near term.

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

Markets	26.04.06	25.04.06	Change
Mumbai +VAT	399	403	-4
Hyderabad +VAT	390	390	0
Rajkot + VAT	388	388	0
Delhi	405	405	0

NBOT Soy oil futures as on 26.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	411.90	412.00	413.50	408.30	409.40	-2.50	41700
Jun'06	419.60	420.00	420.00	416.80	417.70	-1.90	2320

NCDEX Soy Oil Futures Settle Ends after Choppy Trading

NCDEX (May'06): Refined soy oil contract prices settled down on Wednesday on short covering as market had gone up very sharply on Saturday last week. Soy oil prices are down owing to spread of soy oil and meal. Soy oil Soy oil futures prices settled down Rs 3.95 at Rs 409.50/10 Kg, Rs 5.50 off the high and Rs 8.50 up from the low. The prices moved in a wide range of Rs 401.00-415.00. Soy oil prices are expected to move range bound with positive sentiments in near term on increasing biodiesel demands.

NCDEX Soy oil futures as on 26.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	413.45	414.50	415.00	401.00	409.50	22260	17160
June'06	420.60	421.35	422.85	416.50	418.00	13440	23760
July '06	425.40	428.40	428.40	422.05	424.10	990	2420

Forex Rates**(As on 26.04.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.03
European Union	Euro	55.92
Japan	100 Yen	39.13
United Kingdom	Pound Sterling	80.40

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

'Bow Fighter' from Brazil has berthed at Kandla Port and continues to discharge 13,000 MT of SBO. The vessel is 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.

'Cheras' has berthed at Chennai Port and is continuing to deliver 4,000 MT of palm oil. Seaport agents is handling the vessel.

'Thressa II' has berthed at Kakkina Port and continues to discharge 6,000 MT of CPO. 'Ace I' is expected at Kakkina 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.

Delivery of 10,004 MT of palm oil is expected at Mumbai Port from the vessel 'Golden Dream'. 'Isokaze' is expected at the port to deliver 9,500 MT of CPO. Interocean agents is handling these vessels.

Tuticorin Port is expecting 'Spring Glory' to discharge 7,000 MT of palm oil. St.John agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Cheras	4000	Palm Oil	Arrived
Kakinada	Ace 1	6000	CPO	Expected
	Thressa II	6000	CPO	Arrived
	Spring Wind	4000	CPO	Expected
	Chelesa	21000	SBO	Expected
Kandla	New Merry Ocean	6000	CPO	Expected
	Bow Fighter	13000	SBO	Arrived
Tuticorin	Spring Glory	7000	Palm Oil	Expected
Mumbai	Golden Dream	10004	Palm Oil	Expected
	Isokaze	9500	CPO	Expected

Weather Forecast

Chief Features

The cyclonic storm "Mala" over southeast Bay of Bengal lies centred today at 1130 hours IST near Lat 11.0 °N, Long 89.0°E about 400 Km westsouth-west of Port Blair. The system is likely to intensify further and may ultimately move towards Arakan coast during next 72 hours. Under its influence, fairly widespread rain/thundershowers with isolated heavy to very heavy falls and squally weather are likely over and off Andaman & Nicobar Islands during next 2 days.

Heat wave conditions have set in over parts of North Rajasthan, Haryana, Punjab and Jammu division of Jammu & Kashmir.

With the expected increase in day temperatures the heat wave conditions are likely to extend into more parts of northwest India and some parts of central India during next 2 days and into parts of east India and Andhra Pradesh subsequently.

Source: IMD

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