

## VEGOIL

April 10, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Oil Futures Settle Down
- NCDEX April Contract Soy Oil Prices Surge Higher On GMO Issue

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX April Contract

Technical Analysis for April Contract:

1. The MACD is moving upwards in positive after bullish crossover to its signal line, which indicates medium term bullish sentiments.
2. % K line is moving upwards sharply and reached in oversold region after bullish crossover to % D line, which indicates bullish trends.

3. Prices closed far above 9 days and 18 days EMA, which indicates bullish sentiments.

**Market Advice:** Go long with cautions with cautions. Buy near 386.40 targets near 389.20 and put stop loss at 384.90.

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

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX April '06	383.90	380.70	389.70	391.40

#### 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

May Soybeans settled down 6.25 cents at \$5.5775/bushel, 5.25 cent off the high and 0.75 cent up from the low. November Soybeans settled down 4.25 cent at \$5.8875/bushel, which was 1.75 cent up from the low and 4 cent off the high. May Soybean meal settled down \$1.6 at \$171.1/ton that was \$0.6 up from the low and \$0.9 off the high. May Soybean Oil closed down 0.13 cent at 22.54 cent/pound, 0.09 cent off the high and 0.09 cent up from the low. On the previous day soybean gained support from other markets but weakness in those markets leads to losing strength in soybean. Last week's USDA prospective plantings report still have a bearish impact on the prices and helped to maintain its downtrend despite over sold market condition. For Monday's USDA Supply/Demand report, traders are expecting increase in ending stocks for the 2005/2006 seasons in the range of 570 to 575 million bushel level, up from last month's forecast of a record high 565 million bushels.

#### CBOT Soy oil futures as 07.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.67	22.55	22.63	22.45	22.54	-0.13
Jul '06	23.09	22.98	23.04	22.87	22.96	-0.13
Aug'06	23.25	23.15	23.20	23.05	23.13	-0.12
Sep'06	23.42	23.33	23.40	23.25	23.34	-0.08
Oct '06	23.65	23.53	23.56	23.43	23.56	-0.09
Dec'06	24.00	23.90	23.90	23.75	23.87	-0.13
Jan'07	24.18	23.95	24.08	23.95	24.05	-0.13

CBOT remains closed on Saturday and Sunday.

#### BMD Remains Closed on Saturday and Sunday

#### BMD: CPO Futures (07.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1379	1380	1385	1380	1385	+6	85
May 06	1400	1404	1410	1402	1407	+7	2001
Jun 06	1413	1418	1424	1416	1422	+9	2870
Jul 06	1424	1427	1433	1425	1431	+7	867
Aug 06	1431	1430	1437	1430	1436	+5	99

BMD remains closed on Saturday and Sunday.

#### Palm Oil

Today palm oil prices on spot markets moved up mildly amid positive sentiments in most markets. Palm oil prices followed the soy oil prices. Both are traditional rivals of each other. Improvement in Vayda Bazaar brought positive impact on spot market prices. Palm oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	8.04.06	7.04.06	Change
Kandla CPO (5 % FFA)	355	351	+4
Kandla RBD Palmolein	380	372	+8
Mumbai RBD Palmolein	377	376	+1
Chennai RBD Palmolein	387	384	+3
Kakinada RBD Palmolein	374	372	+2
Hyderabad RBD Palmolein	408	400	+8

#### Refined Soy oil

Today soybean oil prices on domestic spot markets surged higher amid positive sentiments. NCDEX and NBOT April contract refined soy oil price surged higher as compared to previous closing price. Government of India announced that there is need to declaration for GM oil and non-GM oil on import. Refined soy oil prices quoted at Rs 375 and 378 per 10 kg in Kota and Jaipur mandi respectively, it is higher as compared to yesterday. Total arrivals of soybeans were remains about 45000-50000 in major markets. Prices are expected to improve in near term due to restriction of soy oil import through GM (Genetically Modified) soy oil.

CIF soy (April Shipment) at Kandla was quoted at \$ 497 per tonne, down \$ 2/ton as compared to previous trading.

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

Centres	8.04.06	7.04.06	Change
Mumbai (Soy Ref oil)+VAT	373	367	+6
Indore (Soy Ref oil)	368	363	+5
Indore (Solvent Ex. Oil)+VAT	336	335	+1
Kota (Soy Ref. Oil)	375	368	+7
Jaipur (Soy Ref. Oil)	378	372	+6
Hyderabad (Soy Ref)	392	384	+8
Chennai	385	376	+9
Rajkot (Soy Ref)+Tax	373	368	+5

#### Rape/Mustard oil

Mustard oil prices on domestic spot markets went up due to mounting prices of other edible oils in most of markets. Prices of all edible oil surged owing to improvement in Vayda Bazaar after declaration of Govt of India for GMO status on imported oil. Today arrivals were about 3000-4000 bags in Kota, 6000-7000 in Jaipur mandi. Total arrivals in Rajasthan were about 2.50 to 3.00 lakh. Mustard oil prices are expected to move range bound with positive sentiments in near terms.

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

Centres	8.04.06	7.04.06	Change
Mumbai (Rape Expeller Oil)	373	372	+1
Kota (Rape Expeller Oil)+VAT	355	345	+10
Jaipur (Rape Expeller Oil)+VAT	358	348	+10
Delhi (Rape Expeller Oil)	372	368	+4
Neewai (Kachchi Ghani Rape Oil)	361	355	+6

### Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets moved up in most markets. Groundnut oil priced climbed behind soy oil prices and future prices of soy oil surged higher on NCDEX brought positive impact on its prices. Arrivals in Gujarat were remain about 30000-35000 bags. Groundnut seeds were quoted Rs347 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments due to lower supply and higher prices of soy oil.

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

Centres	8.04.06	7.04.06	Change
Mumbai	462	458	+4
Rajkot	468	462	+6
Andhra Region	480	470	+10
Chennai	450	445	+5

### Sunflower Refine Oil

Sunflower oil prices on physical markets showed positive sentiments in the market. Prices improved due to improvement in Vayda Bazaar and higher prices of other edible oil on physical market on the issue of GMO import. CIF prices for sunflowers (April Shipment) at Kandla port remain quoted to \$ 605 per tonnes, up \$6/ton as compared to Thursday. Sunflower oil prices are expected to move range bound with positive sentiments due to harvesting pressure.

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

Markets	8.04.06	7.04.06	Change
Mumbai +Vat	425	422	+3
Chennai	440	437	+3
Hyderabad	435	430	+5

### Cotton Refine Oil

Today cotton oil prices on spot markets increased amid positive sentiments in most of markets. Lower supply of cottonseeds and dashing prices of other edible oil brought positive impact on its prices. Cotton oil prices are expected to move range bound with positive sentiments in near term.

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

Markets	8.04.06	7.04.06	Change
Mumbai	383	380	+3
Hyderabad	386	382	+4
Rajkot	382	376	+6

#### NBOT Soy oil futures as on 8.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	382.70	382.50	387.60	382.50	386.40	+3.70	7080
May'06	390.00	390.50	397.50	386.00	396.00	+6.00	35580

### NCDEX Soy Oil Futures Surge Higher on GMO Issue

NCDEX April soy oil contract prices settled up on Saturday. Government of India is announced for GMO status on imported edible oil to restrict soy oil import in the interest of local mustard seed/ oil and mustard growers. Soy oil futures prices settled up Rs 4.80 at Rs 388.30/10 Kg, Rs 0.45 off the high and Rs 5.25 up from the low. The prices moved in a range of Rs 383.05 to Rs 388.75. Soy oil prices are expected to move range bound with positive sentiments in near term.

#### NCDEX Soy oil futures as on 8.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	383.50	383.05	388.75	383.05	388.30	10370	13620
May'06	390.40	391.05	398.20	390.65	396.00	28510	22150

### Forex Rates

(As on 08.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.63
European Union	Euro	53.97
Japan	100 Yen	37.72
United Kingdom	Pound Sterling	77.75

### PORT-WATCH (Latest):

#### Edible Oil

'Emirates Swan' has berthed at Kolkata Port and continues to deliver 8,000 MT of CPO. Forbes Gokak agents is handling the vessel. Kolkata Port is receiving 18,500 MT of SBO from the vessel 'Fair Luna'. Seaport agents is handling the vessel. The port is expecting 'Khadijah' to discharge 5,000 MT of CPO.

JN Port is receiving 9,000 MT of CPO from the vessel 'Global Venus'. The port is expecting 'Process' from Brazil to discharge 12,000 MT of SBO. Interocean agents will be handling the vessel.

Chennai Port is expecting 'Vernal Grace' from Malaysia to deliver 3,500 MT of palm oil. The vessel will be handled by James Mackintosh agents.

'Rising One' is expected at Cochin Port from Kandla Port to deliver 3,200 MT of SBO. Interocean agents will be handling the vessel.

New Mangalore Port is receiving 6,000 MT of CPO from the vessel 'Isokaze'. The vessel is being handled by Interocean agents.

'Montano Casino' is expected at Mundra Port to discharge 11,000 MT of SBO. Interocean agents will be handling the vessel.

Tuticorin Port is expecting 'Global Saturn' to deliver 7,000 MT of palm oil. The vessel will be handled by St.John agents.

Delivery of 11,000 MT of CPO is expected at Kakkiada Port from the vessel 'Pacific Sound'. The port is expecting 'Vernal Grace' to deliver 4,000 MT of CPO.

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Emirates Swan	8000	CPO	Arrived
	Fair Luna	18500	SBO	Arrived
	Khadijah	5000	CPO	Arrived
JN Port	Global Venus	9000	CPO	Arrived
	Process	12000	SBO	Arrived
Chennai	Vernal Grace	3500	Palm Oil	Expected
Kakinada	Pacific Sound	11000	CPO	Expected
Cochin	Rising One	3200	SBO	Expected
New Mangalore	Isokaze	6000	CPO	Arrived
Mundra	Montano Casino	11000	SBO	Arrived
Tuticorin	Global Saturn	7000	Palm Oil	Expected

hail/squall **at a few places** over Arunachal Pradesh, Assam & Meghalaya and at **isolated** places over the rest region.

**SOUTH INDIA:** Weather will be mainly dry over the region except **isolated** rain/ thundershowers over south Tamil Nadu and Kerala. Temperatures likely to increase by 2-3° C over the region.

**WEST INDIA:** Weather will be mainly dry over the region except **isolated** rain/thundershowers are likely over north Rajasthan on 9<sup>th</sup> & 10<sup>th</sup>.

**CENTRAL INDIA:** Weather will be mainly dry over the region. The day temperatures in this region are likely to increase further by 1-2° C with heat wave spreading over other parts of central India.

### WARNING

Heavy rainfall/snowfall at isolated places over Western Himalayan region.

Outlook for subsequent two days based on NCMRWF and other numerical weather products:

Rainfall/snowfall activity is likely to decrease over the Western Himalayas.

**Source: IMD, GOI.**

### LATEST WEATHER WATCH

#### Forecast valid for next 5 days

**NORTH-WEST INDIA:** Scattered to fairly wide spread rain/snow over Jammu & Kashmir and Himachal Pradesh. Isolated rain/snow also likely over Uttaranchal from 9<sup>th</sup>. Rain/thundershowers **at a few places** over Punjab and Haryana including Delhi on 9<sup>th</sup> & 10<sup>th</sup>. Mainly dry weather over the rest region. Decrease in temperature over plains of northwest India from 10<sup>th</sup>.

**EAST INDIA:** Rain/thundershowers accompanied with **isolated** hail/squall are likely **at a few places** over West Bengal & Sikkim and **isolated** over Bihar and coastal Orissa. Mainly dry weather is likely over rest region.

**NORTHEAST INDIA:** Rain/thundershowers with **isolated**

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