

## VEGOIL

April 15, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Down on Speculative Selling
- BMD CPO Futures Settle Down Marginally After Choppy Trading Day
- NCDEX May Contract Soy Oil Futures Settled Higher

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD continue to move upwards in positive zone, which indicates medium term bullish sentiments.
2. % K line has turned flatly down from steep down in neutral region below % D line, which indicates slightly bullish market sentiments.
3. Prices closed above 9 days EMA (397.50) and 18 days (392.73), which indicates slightly bullish trends.
4. Candlestick pattern shows bullish sentiments.

**Market Advice:** Market surged higher on rumours about delay shipment of soy oil import from South America. Market is expected to decline after firm opening. Go short with cautions. Sell near 407.30, targets near 403.40 and put stop loss at 409.30.

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

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	401.70	395.30	410.10	411.80

#### 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 Soy Oil Futures Settle Down

May Soybeans settled up 2.50 cent at \$5.63/bushel, 2 cent off the high and 3.75 cent up from the low. November Soybeans settled up 2.25 cent at \$5.9625/bushel, which was 4.25 cent up from the low and 1 cent off the high. May Soymeal settled up \$1.5 at \$173.4/ton that was \$1.3 up from the low and \$0.1 off the high. May Soybean Oil closed down 0.08 cent at 22.56 cent/pound, 0.23 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. Market would also get strength from the export sales data released on Thursday. Weekly US export sales for soybeans came well within the range on the higher side at 2.105 million metric tonnes as compared to trade expectations between 1.9-2.35 million tonnes. Meal sales remain at 85,300 metric tonnes as compared to trade expectations between 50,000-100,000. Oil sales were reduced to just 700 metric tonnes as compared to trade expectations between 20,000-30,000. For Monday's NOPA monthly crush report traders are expecting for March crush near 140.8 million bushels from 130 million in February.

#### CBOT Soy oil futures as 13.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.64	22.7	22.79	22.56	22.56	-0.08
Jul '06	23.06	23.08	23.22	22.99	22.99	-0.07
Aug'06	23.25	23.25	23.41	23.19	23.19	-0.06
Sep'06	23.45	23.5	23.6	23.39	23.39	-0.06

CBOT remains closed on Saturday and Sunday.

#### BMD CPO Futures Settle Down After Choppy Trading Day

Crude palm oil futures at Bursa Malaysia Derivatives settled lower marginally on Friday after a choppy trading day. Benchmark June CPO contract settled off MYR 1 at MYR1,451 a metric ton. Overnight weak closing of soy oil futures at CBOT had slightly bearish impact. Hopes for good demand for export during April 1-15 helped underpinning sentiments in the market. Participants are expecting fresh leads from export data to be released by SGS and Intertek Agri Services cargo surveyor on Monday. Otherwise, markets had no fresh fundamental news to proceed either way. Traders are expecting export during April 1-15 to come in the range of 600,000 to 620,000 tons, up against 515,000 tons during March 1-15. An industry conference in Dubai in the coming week is also expected to provide some fresh leads.

#### BMD: CPO Futures (14.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1400	1390	1390	1385	1385	-15	15
May 06	1436	1434	1444	1429	1431	-5	1246
Jun 06	1452	1451	1464	1447	1451	-1	3614
Jul 06	1463	1462	1475	1458	1462	-1	1351
Aug 06	1466	1465	1477	1464	1465	-1	267

BMD remains closed on Saturday and Sunday.

### Palm Oil

Today palm oil prices on spot markets were steady to weak sentiments in most markets. BMD CPO futures settled down marginally after choppy trading day. Weak settlement of soy futures on CBOT brought negative impact on palm oil prices. Palm oil prices are expected to move range bound in near term.

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

Centres	14.04.06	13.04.06	Change
Kandla CPO (5 % FFA)	362	362	0
Kandla RBD Palmolein +VAT	378	379	-1
Mumbai RBD Palmolein +VAT	379	380	-1
Chennai RBD Palmolein +VAT	Closed	392	-
Kakinada RBD Palmolein +VAT	375	375	0
Hyderabad RBD Palmolein +VAT	395	395	0

#### Refined Soy oil

Today soybean oil prices on domestic spot markets showed mixed sentiments. However, NCDEX May refined soy oil contract surged higher sharply as compared to previous closing prices on rumour about delay of soy import. Refined soy oil prices quoted at Rs 385 and 388+VAT per 10 kg in Kota and Jaipur mandi respectively, up Rs 5 per 10 kg as compared to previous day. Arrivals of soybeans were about 50,000 in major markets. Prices are expected to move range bound in near terms.

CIF soy (April Shipment) at Kandla was quoted at \$ 496 per tonne, down \$1/ton as compared to Thursday.

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

Centres	14.04.06	13.04.06	Change
Mumbai (Soy Ref oil)+VAT	380	380	0
Indore (Soy Ref oil)+VAT	378	381	-3
Indore (Solvent Ex. Oil)+VAT	352	354	-2
Kota (Soy Ref. Oil)+VAT	385	380	+5
Jaipur (Soy Ref. Oil)+VAT	388	383	+5
Hyderabad (Soy Ref)+VAT	385	385	0
Chennai+VAT	Closed	387	-
Rajkot +VAT	375	374	+1
Delhi	410	410	0

#### Rape/Mustard oil

Mustard oil prices on domestic spot markets range bound with positive sentiments in most markets. Today's arrivals were about 6000-7000 bags in Neewai mandi, 8000 bags in Kota and 20000 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 1500-1540 in Kota and 1635-40 in Jaipur mandi, it is improved slightly due to strong Vayda bazaar. 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	14.04.06	13.04.06	Change
Mumbai (Rape Expeller Oil)	378	380	-2
Kota (Rape Expeller Oil)+VAT	363	357	+6
Jaipur (Rape Expeller Oil)+VAT	365	360	+5
Delhi (Rape Expeller Oil)	380	378	+2
Neewai (Kachchi Ghani Rape Oil)	369	369	0

**Groundnut Refine Oil**

Today groundnut oil prices on domestic spot markets were range bound with weak sentiments amid lower demands at retail ends. Today's arrivals of groundnut seeds were about 40,000 bags (bags=35 kg). Groundnut seeds were quoted Rs350 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	14.04.06	13.04.06	Change
Mumbai +VAT	475	477	-2
Rajkot +VAT	468	467	+1
Andhra Region +VAT	478	480	-2
Chennai +VAT	Closed	460	-
Delhi	485	485	0

**Sunflower Refine Oil**

Sunflower oil prices on physical markets were remain steady to positive sentiments in the markets. CIF prices for sunflowers (April Shipment) at Kandla port quoted to \$ 610 per tonnes, down Rs \$5/ton from \$615/ton from Thursday. 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	14.04.06	13.04.06	Change
Mumbai +Vat	433	433	0
Chennai	Closed	450	-
Hyderabad	445	440	+5

**Cotton Refine Oil**

Today cotton oil prices on spot markets showed lackluster in most of the markets. There were no fresh fundamentals to increase or decrease its prices. Cotton oil prices are expected to move range bound in near term.

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

Markets	14.04.06	13.04.06	Change
Mumbai +VAT	388	390	-2
Hyderabad +VAT	390	390	0
Rajkot + VAT	383	383	0
Delhi	379	378	+1

**NBOT Soy oil futures as on 14.04.2006 (Rs/10 kg)**

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	392.40	0.00	396.40	0.00	396.40	+4.00	0
May'06	398.00	398.50	405.50	398.40	405.50	+7.50	53730

**NCDEX Soy Oil Futures Surges Higher**

NCDEX May soy oil contract prices settled up sharply on Friday on account of strong rumours amid delay in shipments of soy oil import from South America. Soy oil futures prices settled sharply up Rs 9.50 at Rs 408.10/10 Kg, Rs 0.60 off the high and Rs 9.30 up from the low. The prices were in a range of Rs 398.80 to Rs 408.70. Soy oil prices are expected to move range bound with weak sentiments.

**NCDEX Soy oil futures as on 14.04.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	393.60	394.45	402.50	394.00	401.80	4570	8300
May'06	398.60	399.10	408.70	398.80	408.10	48500	30130
June'06	403.00	404.00	413.55	404.00	413.00	11210	11400

**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.

**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

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