

May 11, 2006

VEGOIL DAILY

PALM OIL

International Markets Highlights

BMD CPO Futures Settle Down After Choppy Trading

Crude palm oil futures on the Bursa Malaysia Derivatives settled bit lower on Wednesday after a choppy trading day as pressures from a strengthening ringgit. MYR rose to a fresh eight-year high Monday, with the dollar at MYR3.58. The benchmark July CPO contract ended at the day's low of MYR1,446 a metric ton, down MYR4 from Tuesday. Cargo surveyor Intertek Agri Services estimated May 1-10 palm oil exports at 353,216 tons, down 12% on month. Another surveyor SGS (Malaysia) Bhd. estimated exports at 348,719 tons, down 7% on month.

BMD: CPO Futures (10.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1421	1420	1423	1418	1419	-2	579
Jun 06	1433	1434	1439	1432	1433	0	1127
July 06	1450	1447	1454	1446	1446	-4	2564
Aug 06	1459	1457	1464	1457	1457	-2	825
Sep 06	1467	1464	1467	1463	1465	-2	55

Domestic Spot Market Highlights

Palm Oil

Today's palm oil prices on spot market showed steady to positive sentiments in most markets. Palm oil prices followed soy oil prices. Both are traditional rival of each other. Palm oil prices are expected to move range bound with positive sentiments in near term.

FOB prices of CPO (May) were quoted at \$ 392.50 per tonne and RBD Palmolein at \$ 420.00 per tonne.

Palm oil - Spot Market Price

(Rs. Per 10 kg]

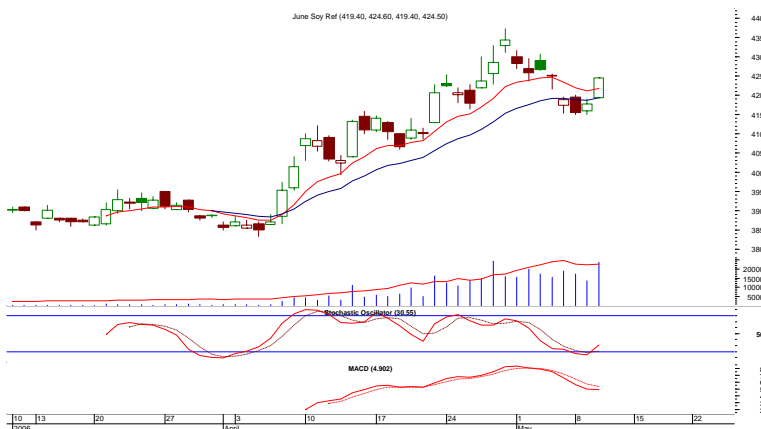
Centres	10.05.06	09.05.06	Change
Kandla CPO (5 % FFA)	363	363	0
Kandla RBD Palmolein +VAT	382	380	+2
Mumbai RBD Palmolein +VAT	390	390	0
Chennai RBD Palmolein +VAT	404	400	+4
Kakinada RBD Palmolein +VAT	380	377	+3
Hyderabad RBD Palmolein +VAT	402	400	+2
Delhi RDB Palmolein	428	428	0

SOY OIL

Technical Analysis

Perspective: Very Short Term NCDEX June Contract

The MACD has just turned flat, hinting slightly bullish trends. Stochastic has turned upward from oversold region and reached in neutral region, which indicates bullish market sentiments. Higher volume and open interest shows bullish trend. Candlestick formed Marubozu pattern, which indicates that bulls were dominant in the market from beginning to end of the session.



TRADE RECOMENDATIONS

Contract	Call	Entry	Target	SL	S1	S2	PCP	R 1	R 2
NCDEX-JUNE '06	Buy	422.50	425.90	420.75	420.40	417.70	424.50	427.10	428.80

International Market Highlights

CBOT Soy Oil Futures Settle Up

July Soybean Oil closed up 0.16 cent on Tuesday at 25.08 cent/pound, 0.32 cent off the high and 0.02 cent up from the low. Commodity market gain strength by weakening in US dollar and steep rise in gold prices and slow pace of planting in the US and rise in US soybean demand amid problems in Brazil helped to boost the market up. Talk in the market about shifting of some cargo to US provided underlying support.

CBOT Soy oil futures as 09.05.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.53	25.00	25.00	24.53	24.70	+0.17
Jul '06	24.92	25.38	25.40	24.94	25.08	+0.16
Aug'06	25.12	25.50	25.55	25.23	25.25	+0.13
Sep'06	25.28	25.70	25.70	25.40	25.44	+0.16

Domestic Market Highlights

Soybean oil prices on domestic spot markets range bound with positive sentiments in most markets on Wednesday. NCDEX June refined soy oil contract settled up as compared to previous closing. Total arrivals were around 40000-42000 bags in major markets of India. CIF soy was remained quoted \$541 a metric ton at Kandla and Mumbai port. Prices are expected to improve in near term.

Soybean oil - Spot Market Price

(Rs. Per 10 kg)

Centres	10.05.06	09.05.06	Change
Mumbai (Soy Ref oil)+VAT	394	392	+2
Indore (Soy Ref oil)+VAT	392	391	+1
Kota (Soy Ref. Oil)+VAT	390	388	+2
Hyderabad (Soy Ref)+VAT	392	392	0
Rajkot (Soy Ref)+Tax	383	381	+2

NCDEX Soy Oil Futures Remain Firm

NCDEX (June'06) Refined soy oil contract prices settled surged higher on Wednesday on technical corrections. Soy oil futures prices settled high Rs 6.70 at Rs 424.50/10 Kg, Rs 0.10 off the high and Rs 5.10 up from the low. Prices moved in a range of Rs 419.40 to Rs 424.60. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 10.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	410.10	412.00	416.25	412.00	416.00	5570	10160
June'06	417.80	419.40	424.60	419.40	424.50	23630	41540

NBOT Soy oil futures as on 10.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	408.70	410.00	412.80	410.00	412.30	+3.60	10670
Jun '06	417.60	419.70	424.10	419.70	423.80	+6.20	45810

Rape/Mustard oil Mustard oil prices on domestic spot markets range bound with positive sentiments in most markets. NAFED procured around 19.00 lakh ton of mustard seeds this year ant stopped procurement from July 7. Today's arrivals were 1500 bags in Kota, 2000 bags in Jaipur and about 1.50 lakh bags in Rajasthan state and 30,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1525-1575 in Kota and 1660-80 in Jaipur mandi. Mustard oil prices are expected to move range bound with positive sentiments in near terms.	Mustard Oil: Spot Market Price (Rs. Per 10 kg) <table><tr><th>Centres</th><th>10.05.06</th><th>09.05.06</th><th>Change</th></tr><tr><td>Mumbai (Expeller Oil) +VAT</td><td>384</td><td>384</td><td>0</td></tr><tr><td>Kota (Expeller Oil)+VAT</td><td>370</td><td>368</td><td>+2</td></tr><tr><td>Jaipur (Expeller Oil)+VAT</td><td>372</td><td>370</td><td>+2</td></tr><tr><td>Delhi (Expeller Oil)</td><td>392</td><td>390</td><td>+2</td></tr><tr><td>Neewai (Expeller Oil)</td><td>370</td><td>368</td><td>+2</td></tr></table>	Centres	10.05.06	09.05.06	Change	Mumbai (Expeller Oil) +VAT	384	384	0	Kota (Expeller Oil)+VAT	370	368	+2	Jaipur (Expeller Oil)+VAT	372	370	+2	Delhi (Expeller Oil)	392	390	+2	Neewai (Expeller Oil)	370	368	+2																																																																									
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Groundnut Refine Oil Today groundnut oil prices on domestic spot markets witnessed steady to positive sentiments in the markets. Prices surged today in Gujarat after sharp decline on Tuesday. Strong futures market brought positive impact on its prices. Today's arrivals were remains about 28000-30000 bags in Gujarat. Groundnut seeds were quoted Rs342 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) <table><tr><th>Centres</th><th>10.05.06</th><th>09.05.06</th><th>Change</th></tr><tr><td>Mumbai +VAT</td><td>464</td><td>464</td><td>0</td></tr><tr><td>Rajkot +VAT</td><td>450</td><td>444</td><td>+6</td></tr><tr><td>Andhra Region +VAT</td><td>472</td><td>472</td><td>0</td></tr><tr><td>Chennai +VAT</td><td>455</td><td>455</td><td>0</td></tr><tr><td>Delhi</td><td>510</td><td>508</td><td>+2</td></tr></table>	Centres	10.05.06	09.05.06	Change	Mumbai +VAT	464	464	0	Rajkot +VAT	450	444	+6	Andhra Region +VAT	472	472	0	Chennai +VAT	455	455	0	Delhi	510	508	+2																																																																									
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Sunflower Refine Oil Sunflower oil prices on physical markets have displayed mixed sentiments in the markets. CIF prices for sunflowers (May Shipment) at Kandla port remain quoted to \$ 626 per tonnes, Sunflower oil prices are expected to move range bound in near term.	Sunflower Refine Oil: Spot Market prices (Rs/10 Kg) <table><tr><th>Markets</th><th>10.05.06</th><th>09.05.06</th><th>Change</th></tr><tr><td>Mumbai +Vat</td><td>435</td><td>438</td><td>-3</td></tr><tr><td>Chennai +VAT</td><td>450</td><td>450</td><td>0</td></tr><tr><td>Hyderabad VAT</td><td>440</td><td>438</td><td>+2</td></tr></table>	Markets	10.05.06	09.05.06	Change	Mumbai +Vat	435	438	-3	Chennai +VAT	450	450	0	Hyderabad VAT	440	438	+2																																																																																	
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Weather Forecast Chief Features Due to duststorm/thunderstorm activity, the day temperatures have fallen further by 2-4°C over parts of north Rajasthan, Haryana, Punjab and Delhi resulting in respite from heat wave from these areas. However, the day temperatures are still above 45°C over parts of Rajasthan Madhya Pradesh and Vidarbha, where heat wave conditions are prevailing in isolated pockets. Source: IMD. GOI. Forex Rates (As on 10.05.2006) <table><tr><th>Country/ Continent</th><th>Currency</th><th>Value In Rupees</th></tr><tr><td>USA</td><td>Dollar</td><td>44.93</td></tr><tr><td>European Union</td><td>Euro</td><td>57.35</td></tr><tr><td>Japan</td><td>100 Yen</td><td>40.49</td></tr><tr><td>United Kingdom</td><td>Pound Sterling</td><td>83.82</td></tr></table>	Country/ Continent	Currency	Value In Rupees	USA	Dollar	44.93	European Union	Euro	57.35	Japan	100 Yen	40.49	United Kingdom	Pound Sterling	83.82	PORT-WATCH (Latest): Current Vessels Positions <table><tr><th>Ports</th><th>Vessels</th><th>Volume (Ton)</th><th>Carrying</th><th>Status</th></tr><tr><td rowspan="3">Kandla</td><td>Isokaze</td><td>6700</td><td>Palm Oil</td><td>Arrived</td></tr><tr><td>Sun</td><td>22500</td><td>SBO</td><td>Arrived</td></tr><tr><td>Shimkaze</td><td>8553</td><td>CPO</td><td>Expected</td></tr><tr><td rowspan="3">Chennai</td><td>MJackson</td><td>6000</td><td>Palm Oil</td><td>Expected</td></tr><tr><td>Hua Yun</td><td>17690</td><td>Palm Oil</td><td>Expected</td></tr><tr><td>Ace 1</td><td>1411</td><td>CPO</td><td>Expected</td></tr><tr><td rowspan="2">Kakinada</td><td>Spring wind</td><td>4000</td><td>CPO</td><td>Expected</td></tr><tr><td>Champion Brali</td><td>11000</td><td>SBO</td><td>Expected</td></tr><tr><td>Mumbai</td><td>Shimakaze</td><td>9699</td><td>Palm Oil</td><td>Arrived</td></tr><tr><td rowspan="3">Kolkata</td><td>Golden Crane</td><td>4000</td><td>CPO</td><td>Arrived</td></tr><tr><td>Khadijah</td><td>5000</td><td>Palm Oil</td><td>Arrived</td></tr><tr><td>Pdg Halaban</td><td>8000</td><td>CPO</td><td>Arrived</td></tr><tr><td></td><td>Chelsea</td><td>11000</td><td>SBO</td><td>Expected</td></tr><tr><td>JN Port</td><td>Sun</td><td>10000</td><td>SBO</td><td>Expected</td></tr><tr><td rowspan="2">Cochin</td><td>Hua Yun 5</td><td>6000</td><td>CPO</td><td>Expected</td></tr><tr><td>Global Trader</td><td>6000</td><td>CPO</td><td>Expected</td></tr><tr><td>New Manglore</td><td>Vernal Grace</td><td>6000</td><td>CPO</td><td>Expected</td></tr></table>	Ports	Vessels	Volume (Ton)	Carrying	Status	Kandla	Isokaze	6700	Palm Oil	Arrived	Sun	22500	SBO	Arrived	Shimkaze	8553	CPO	Expected	Chennai	MJackson	6000	Palm Oil	Expected	Hua Yun	17690	Palm Oil	Expected	Ace 1	1411	CPO	Expected	Kakinada	Spring wind	4000	CPO	Expected	Champion Brali	11000	SBO	Expected	Mumbai	Shimakaze	9699	Palm Oil	Arrived	Kolkata	Golden Crane	4000	CPO	Arrived	Khadijah	5000	Palm Oil	Arrived	Pdg Halaban	8000	CPO	Arrived		Chelsea	11000	SBO	Expected	JN Port	Sun	10000	SBO	Expected	Cochin	Hua Yun 5	6000	CPO	Expected	Global Trader	6000	CPO	Expected	New Manglore	Vernal Grace	6000	CPO	Expected
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