

VEGOIL

May 05, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Oil Futures Settle Lower
- BMD CPO Futures Ends Down On Ringgit Concern
- NCDEX May Contract Soy Oil Futures Settle Down

BMD CPO Futures Settle Down

Crude palm oil futures at Bursa Malaysia Derivatives settled lower on Thursday amid ample supply and continuing concerns that a strong ringgit will make Malaysian palm oil less competitive in the international market. The benchmark July CPO contract ended at MYR1,454 a metric ton, down MYR4 from Wednesday, after moving in a range of MYR1,445 to MYR1,462/ton. The production gradually picking up amid favorable weather, consumers are in no hurry to buy and stock is expected to increase further. Higher production and strong ringgit provided support to bearish market sentiments.

BMD: CPO Futures (04.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1424	1425	1426	1420	1421	-3	144
Jun 06	1442	1444	1446	1437	1440	-2	753
July 06	1458	1459	1462	1445	1454	-4	3509
Aug 06	1469	1469	1472	1465	1467	-2	1089
Sep 06	1477	1475	1480	1471	1473	-4	169

Palm Oil

Today's palm oil prices on spot markets moved down in most markets amid lower demands at retail ends. Palm oil prices dampened with soy oil prices. Both palm oil and soy oil are traditional rivals of each other. BMD CPO futures closed down on increasing production concern. Palm oil prices are expected to move range bound with weak sentiments in near term.

FOB prices of CPO (May) were quoted at \$ 390.00 per tonne and RBD Palmolein at \$ 422.50 per tonne.

Palm oil - Spot Market Price

(Rs. Per 10 kg)

Centres	04.05.06	03.05.06	Change
Kandla CPO (5 % FFA)	369	370	-1
Kandla RBD Palmolein +VAT	383	385	-2
Mumbai RBD Palmolein +VAT	395	399	-4
Chennai RBD Palmolein +VAT	400	403	-3
Kakinada RBD Palmolein +VAT	382	386	-4
Hyderabad RBD Palmolein +VAT	395	400	-5
Delhi RDB Palmolein	428	430	-2

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX May Contract

1. The MACD is moving downwards after bearish crossover to its signal line, which indicates bearish trends.
2. % K line is moving downwards in neutral zone after bearish crossover to % D line, which indicates bearish market sentiments.

Market Advice: Market is expected to open slightly firm and it may decline later on. Sell near 418.40, target near 415.70, put stop loss at 419.95

Support & Resistance Levels (May '06 Contract)

Supp 1	Supp 2	Res 1	Res 2
414.50	411.90	418.90	422.40



International Market Highlights

CBOT Soy Oil Futures Settle Down

July soy oil futures settled down at Chicago Board of Trade on speculative selling on Tuesday. July Soybean Oil settled down 0.01 cent at 25.72 cent/pound, 0.18 cent off the high and 0.06 cent up from the low.

CBOT Soy oil futures as 03.05.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	25.32	25.48	25.50	25.29	25.35	+0.03
Jul '06	25.73	25.87	25.93	25.66	25.72	-0.01
Aug'06	25.91	26.03	26.03	25.83	25.90	-0.01
Sep'06	26.10	26.19	26.22	26.03	26.05	-0.05

Domestic Market Highlights

Soybean oil prices on domestic spot markets range bound with weak sentiments in most markets. NCDEX May refined soy oil contract are lower as compared to previous closing. Prices declined slightly due to vanaspati oil are flooded in India from Sri Lanka and Nepal. Indo-Sri Lanka meeting regarding control of vanaspati oil still could not come at any conclusion and it is postponed for a month. Prices are expected to move range bound with weak sentiments in near terms.

Soybean oil - Spot Market Price

(Rs. Per 10 kg)

Centres	04.05.06	03.05.06	Change
Mumbai (Soy Ref oil)+VAT	407	410	-3
Indore (Soy Ref oil)+VAT	404	408	-4
Kota (Soy Ref. Oil)+VAT	393	395	-2
Hyderabad (Soy Ref)+VAT	390	396	-6
Rajkot (Soy Ref)+Tax	379	380	-1

NCDEX Soy Oil Futures Settle Down

NCDEX (May'06) Refined soy oil contract prices settled down on Thursday on higher import of Vanaspati oil from Sri Lanka. Soy oil futures prices settled down Rs 2.15 at Rs 416.50/10 Kg, Rs 1.00 off the high and Rs 2.50 up from the low. Prices moved in a range of Rs 414.00 to Rs 417.50. Soy oil prices are expected to move range bound with weak sentiments in near term.

NCDEX Soy oil futures as on 04.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	418.65	417.50	417.50	414.00	416.50	9150	15420
June'06	426.70	425.00	425.50	421.70	424.90	15510	44390

NBOT Soy oil futures as on 04.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	417.10	414.00	415.00	412.80	414.10	-3.00	38200
Jun '06	426.50	423.00	424.90	422.10	424.10	-2.40	11310

Rape/Mustard oil Mustard oil prices on domestic spot markets range bound went down slightly in most markets amid weak sentiments. Weak futures and spot market of soy oil brought negative impact on its prices. Lower vanaspati oil prices also provided bearish support to the market. Today's arrivals were about 2-2.25 lakh bags in Rajasthan and 55,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1500-1530 in Kota and 1690 in Jaipur mandi. Mustard oil prices are expected to move range bound with weak sentiments in near terms.	Mustard Oil: Spot Market Price (Rs. Per 10 kg) <table><tr><th>Centres</th><th>04.05.06</th><th>03.05.06</th><th>Change</th></tr><tr><td>Mumbai (Expeller Oil) +VAT</td><td>390</td><td>391</td><td>-1</td></tr><tr><td>Kota (Expeller Oil)+VAT</td><td>370</td><td>372</td><td>-2</td></tr><tr><td>Jaipur (Expeller Oil)+VAT</td><td>373</td><td>375</td><td>-2</td></tr><tr><td>Delhi (Expeller Oil)</td><td>398</td><td>400</td><td>-2</td></tr><tr><td>Neewai (Expeller Oil)</td><td>373</td><td>377</td><td>-4</td></tr></table>	Centres	04.05.06	03.05.06	Change	Mumbai (Expeller Oil) +VAT	390	391	-1	Kota (Expeller Oil)+VAT	370	372	-2	Jaipur (Expeller Oil)+VAT	373	375	-2	Delhi (Expeller Oil)	398	400	-2	Neewai (Expeller Oil)	373	377	-4																																											
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Groundnut Refine Oil Today groundnut oil prices on domestic spot markets witnessed steady to weak sentiments in the markets amidst lower demands at retail ends. Prices declined slightly on production concerns of Rabi crops. Availability of lower priced edible oil like vanaspati and soy oil and rice bran etc brought negative impact on its prices. Today's arrivals were 28000-30000 bags in Gujarat. Groundnut seeds were remains quoted Rs346/47 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound in near term.	Groundnut Oil Spot Market Price (Rs. Per 10 kg) <table><tr><th>Centres</th><th>04.05.06</th><th>03.05.06</th><th>Change</th></tr><tr><td>Mumbai +VAT</td><td>468</td><td>473</td><td>-5</td></tr><tr><td>Rajkot +VAT</td><td>455</td><td>457</td><td>-2</td></tr><tr><td>Andhra Region +VAT</td><td>477</td><td>480</td><td>-3</td></tr><tr><td>Chennai +VAT</td><td>460</td><td>460</td><td>0</td></tr><tr><td>Delhi</td><td>510</td><td>510</td><td>0</td></tr></table>	Centres	04.05.06	03.05.06	Change	Mumbai +VAT	468	473	-5	Rajkot +VAT	455	457	-2	Andhra Region +VAT	477	480	-3	Chennai +VAT	460	460	0	Delhi	510	510	0																																											
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Sunflower Refine Oil Sunflower oil prices on physical markets were steady to weak sentiments in the markets. CIF prices for sunflowers (May Shipment) at Kandla port quoted to \$ 635 per tonnes, down Rs \$7/ton from \$642/ton from Wednesday. Sunflower oil prices are expected to move range bound with weak sentiments in near term.	Sunflower Refine Oil: Spot Market prices (Rs/10 Kg) <table><tr><th>Markets</th><th>04.05.06</th><th>03.05.06</th><th>Change</th></tr><tr><td>Mumbai +Vat</td><td>445</td><td>445</td><td>0</td></tr><tr><td>Chennai +VAT</td><td>450</td><td>450</td><td>0</td></tr><tr><td>Hyderabad VAT</td><td>445</td><td>450</td><td>-5</td></tr></table>	Markets	04.05.06	03.05.06	Change	Mumbai +Vat	445	445	0	Chennai +VAT	450	450	0	Hyderabad VAT	445	450	-5																																																			
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Weather Forecast West India Isolated rain/thundershowers are likely over south Madhya Maharashtra and south Konkan & Goa. Isolated duststorm/thunderstorm may occur over Rajasthan towards evening/night. Mainly dry weather over the rest region. Temperatures over Rajasthan are likely to remain 42-44°C. Source: IMD. GOI. Forex Rates (As on 04.05.2006) <table><tr><th>Country/ Continent</th><th>Currency</th><th>Value in Rupees</th></tr><tr><td>USA</td><td>Dollar</td><td>44.97</td></tr><tr><td>European Union</td><td>Euro</td><td>56.69</td></tr><tr><td>Japan</td><td>100 Yen</td><td>39.42</td></tr><tr><td>United Kingdom</td><td>Pound Sterling</td><td>82.51</td></tr></table>	Country/ Continent	Currency	Value in Rupees	USA	Dollar	44.97	European Union	Euro	56.69	Japan	100 Yen	39.42	United Kingdom	Pound Sterling	82.51	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="4">Kandla</td><td>Biz</td><td>8000</td><td>CPO</td><td>Arrived</td></tr><tr><td>Isokaze</td><td>5000</td><td>CPO</td><td>Expected</td></tr><tr><td>New Merry Ocean</td><td>6000</td><td>CPO</td><td>Arrived</td></tr><tr><td>Almarona</td><td>8553</td><td>CPO</td><td>Expected</td></tr><tr><td></td><td>Global Venus</td><td>8553</td><td>CPO</td><td>Expected</td></tr><tr><td>Mundra</td><td>New Merry Ocean</td><td>9000</td><td>CPO</td><td>Arrived</td></tr><tr><td>Chennai</td><td>Agiasama</td><td>17000</td><td>SBO</td><td>Arrived</td></tr><tr><td>Kakinada</td><td>Spring Wind</td><td>4000</td><td>CPO</td><td>Expected</td></tr><tr><td></td><td>Chelesa</td><td>21000</td><td>SBO</td><td>Expected</td></tr><tr><td>Mumbai</td><td>Ispkaze</td><td>9500</td><td>CPO</td><td>Expected</td></tr></table>	Ports	Vessels	Volume (Ton)	Carrying	Status	Kandla	Biz	8000	CPO	Arrived	Isokaze	5000	CPO	Expected	New Merry Ocean	6000	CPO	Arrived	Almarona	8553	CPO	Expected		Global Venus	8553	CPO	Expected	Mundra	New Merry Ocean	9000	CPO	Arrived	Chennai	Agiasama	17000	SBO	Arrived	Kakinada	Spring Wind	4000	CPO	Expected		Chelesa	21000	SBO	Expected	Mumbai	Ispkaze	9500	CPO	Expected
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