

May 12, 2006

VEGOIL DAILY

PALM OIL

International Markets Highlights

BMD CPO Futures Settle Up

Crude palm oil futures at Bursa Malaysia Derivatives settled marginally higher after choppy trading on Thursday. Most of the participants took a cautious approach before a long weekend. BMD will be closed on Friday due to Wesak Day in Malaysia. The benchmark July CPO contract ended at MYR1,448 a metric ton, up MYR2 from Wednesday, after moving in a narrow range of MYR1,443-to-MYR1,452/ton. Most of the participants are waiting for USDA monthly SND, which are due to issue by Friday for market directions. On Monday, cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd. are also due to issue estimates for Malaysian palm oil exports in the first 15 days of May.

BMD: CPO Futures (11.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1419	1419	1426	1419	1426	+7	267
Jun 06	1433	1436	1437	1431	1435	+2	511
July 06	1446	1448	1451	1443	1448	+2	3923
Aug 06	1457	1461	1463	1453	1463	+6	2346
Sep 06	1465	1461	1470	1461	1470	+5	117

Domestic Spot Market Highlights

Palm Oil

Today's palm oil prices on spot market remain witnessed steady to positive sentiments in most markets. Strong international market sentiments added positive tone in the market. 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 \$ 422.50 per tonne.

Palm oil - Spot Market Price

(Rs. Per 10 kg]

Centres	11.05.06	10.05.06	Change
Kandla CPO (5 % FFA)	365	363	+2
Kandla RBD Palmolein +VAT	382	382	0
Mumbai RBD Palmolein +VAT	396	390	+6
Chennai RBD Palmolein +VAT	402	402	0
Kakinada RBD Palmolein +VAT	383	380	+3
Hyderabad RBD Palmolein +VAT	402	402	0
Delhi RDB Palmolein	430	428	+2

SOY OIL

Technical Analysis

Perspective: Very Short Term NCDEX June Contract

The MACD has just turned upwards, indicates bullish market sentiments. Stochastic is moving northwards in neutral region, which indicates bullish market trend. Higher volume and open interest revealed bullish trend. Prices closed above 9 days EMA (422.50) and 18 days (420.10), which indicates bullish market. Candlestick pattern shows the bullish trends.



TRADE RECOMENDATIONS

Contract	Call	Entry	Target	SL	S1	S2	PCP	R 1	R 2
NCDEX-JUNE '06	Buy	426.40	429.70	424.60	425.20	422.30	428.00	429.90	431.75

International Market Highlights

CBOT Soy Oil Futures Settle Up

July Soybean Oil closed up 0.2 cent on Wednesday at 25.28 cent/pound, 0.07 cent off the high and 0.27 cent up from the low. The rise in energy prices results into firmness in oil. Market got strength from the yesterdays rally followed with the idea that there might be chances of shifting of export demand from Brazil to US amid farmers protest in US.

CBOT Soy oil futures as 10.05.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.70	24.95	24.95	24.56	24.95	+0.25
Jul '06	25.08	25.32	25.35	25.01	25.28	+0.20
Aug'06	25.25	25.45	25.48	25.20	25.48	+0.23
Sep'06	25.44	25.55	25.70	25.47	25.67	+0.23

Domestic Market Highlights

Soybean oil prices on domestic spot markets improved slightly in most markets on Thursday. NCDEX June refined soy oil contract settled up as compared to previous closing. Total arrivals were around 40000 bags (bags=85 kg) 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 on depleting stock of soybean in major markets.

Soybean oil - Spot Market Price

(Rs. Per 10 kg)

Centres	11.05.06	10.05.06	Change
Mumbai (Soy Ref oil)+VAT	399	394	+5
Indore (Soy Ref oil)+VAT	397	392	+5
Kota (Soy Ref. Oil)+VAT	392	390	+2
Hyderabad (Soy Ref)+VAT	393	392	+1
Rajkot (Soy Ref)+Tax	385	383	+2

NCDEX Soy Oil Futures Settle Up

NCDEX (June'06) Refined soy oil contract prices open firmly and shoot up in last hours of the trading session on Thursday on rumours about hike in tariff value. Strong futures market of soy oil on CBOT and CPO on BMD added positive sentiments. Soy oil futures prices settled up Rs 4.10 at Rs 428.00/10 Kg, Rs 0.45 off the high and Rs 4.00 up from the low. Prices moved in a range of Rs 424.00 to Rs 428.45. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 11.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	415.60	416.00	419.10	416.00	418.80	3860	9210
June'06	423.90	424.90	428.45	424.00	428.00	26440	41250

NBOT Soy oil futures as on 11.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	412.10	413.00	414.90	413.00	414.90	+2.80	12660
Jun '06	423.50	424.40	427.00	423.90	426.10	+2.60	42490

Rape/Mustard oil Mustard oil prices on domestic spot markets moved up in most markets amid positive sentiments. Higher prices of soyoil added positive tone. Today's arrivals were 2000 bags in Kota, 5000 bags in Jaipur and around 1.50 lakh bags in Rajasthan and 30,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1540-1575 in Kota and 1700-1710 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>11.05.06</th><th>10.05.06</th><th>Change</th></tr><tr><td>Mumbai (Expeller Oil) +VAT</td><td>387</td><td>384</td><td>+3</td></tr><tr><td>Kota (Expeller Oil)+VAT</td><td>375</td><td>370</td><td>+5</td></tr><tr><td>Jaipur (Expeller Oil)+VAT</td><td>377</td><td>372</td><td>+5</td></tr><tr><td>Delhi (Expeller Oil)</td><td>392</td><td>392</td><td>0</td></tr><tr><td>Neewai (Expeller Oil)</td><td>372</td><td>370</td><td>+2</td></tr></table>	Centres	11.05.06	10.05.06	Change	Mumbai (Expeller Oil) +VAT	387	384	+3	Kota (Expeller Oil)+VAT	375	370	+5	Jaipur (Expeller Oil)+VAT	377	372	+5	Delhi (Expeller Oil)	392	392	0	Neewai (Expeller Oil)	372	370	+2																																																																															
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Groundnut Refine Oil Today groundnut oil prices on domestic spot markets witnessed steady to positive sentiments in the markets. Strong futures market brought positive impact on its prices. Harvesting in Andhra region is likely over. Today's arrivals were remains about 28000-30000 bags in Gujarat. Groundnut seeds were quoted Rs345 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>11.05.06</th><th>10.05.06</th><th>Change</th></tr><tr><td>Mumbai +VAT</td><td>465</td><td>464</td><td>+1</td></tr><tr><td>Rajkot +VAT</td><td>456</td><td>450</td><td>+6</td></tr><tr><td>Andhra Region +VAT</td><td>473</td><td>472</td><td>+1</td></tr><tr><td>Chennai +VAT</td><td>452</td><td>452</td><td>0</td></tr><tr><td>Delhi</td><td>510</td><td>510</td><td>0</td></tr></table>	Centres	11.05.06	10.05.06	Change	Mumbai +VAT	465	464	+1	Rajkot +VAT	456	450	+6	Andhra Region +VAT	473	472	+1	Chennai +VAT	452	452	0	Delhi	510	510	0																																																																															
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Sunflower Refine Oil Sunflower oil prices on physical markets showed steady to positive sentiments in the markets. Harvesting is over in Andhra. CIF prices for sunflowers (May Shipment) at Kandla port quoted to \$ 627 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>11.05.06</th><th>10.05.06</th><th>Change</th></tr><tr><td>Mumbai +Vat</td><td>435</td><td>435</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>440</td><td>+5</td></tr></table>	Markets	11.05.06	10.05.06	Change	Mumbai +Vat	435	435	0	Chennai +VAT	450	450	0	Hyderabad VAT	445	440	+5																																																																																							
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Weather Forecast Chief Features The day temperatures are above 40°C over the plains of northwest India, north Gujarat, central India, Interior Maharashtra and interior Andhra Pradesh which are 2-4°C above normal. Heat wave conditions continue to prevail over pockets of Rajasthan, western Haryana,. northwest Madhya Pradesh and Vidarbha, where day temperatures are still above 45°C. Heat wave conditions over these areas are likely to continue. West India solated duststorm /thunderstorm may occur over Rajasthan. Mainly dry weather over the rest region. Heat wave conditions will continue to prevail over parts of Rajasthan. Source: IMD. GOI. Forex Rates (As on 11.05.2006) <table><tr><th>Country/ Continent</th><th>Currency</th><th>Value in Rupees</th></tr><tr><td>USA</td><td>Dollar</td><td>45.07</td></tr><tr><td>European Union</td><td>Euro</td><td>57.45</td></tr><tr><td>Japan</td><td>100 Yen</td><td>40.54</td></tr><tr><td>United Kingdom</td><td>Pound Sterling</td><td>83.67</td></tr></table>	Country/ Continent	Currency	Value in Rupees	USA	Dollar	45.07	European Union	Euro	57.45	Japan	100 Yen	40.54	United Kingdom	Pound Sterling	83.67	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>Global Eos</td><td>11250</td><td>CPO</td><td>Expected</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>Arrived</td></tr><tr><td>Chmpn 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="2">Kolkata</td><td>GoldenCrane</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></td><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></td><td>Cheras</td><td>6000</td><td>CPO</td><td>Arrived</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 Tradr</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	Global Eos	11250	CPO	Expected	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	Arrived	Chmpn Brali	11000	SBO	Expected	Mumbai	Shimakaze	9699	Palm Oil	Arrived	Kolkata	GoldenCrane	4000	CPO	Arrived	Khadijah	5000	Palm Oil	Arrived		Pdg Halaban	8000	CPO	Arrived		Chelsea	11000	SBO	Expected		Cheras	6000	CPO	Arrived	JN Port	Sun	10000	SBO	Expected	Cochin	Hua Yun 5	6000	CPO	Expected	Global Tradr	6000	CPO	Expected	New Manglore	Vernal Grace	6000	CPO	Expected
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