

May 10, 2006

VEGOIL DAILY

PALM OIL

International Markets Highlights

BMD CPO Futures Settle Down

Crude palm oil futures at Bursa Malaysia Derivatives Settled down on Tuesday on expectations of weak exports and higher stocks. The benchmark July CPO contract settled at MYR1,450 a metric ton, down MYR7 from Monday after moving between MYR1,447-MYR1,458/ton. The market opened lower, following steep declines in soyoil futures on the Chicago Board of Trade overnight. Cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd. are due to issue May 1-10 export estimates Wednesday. Market speculation is for exports of around 350,000 tons, down from 370,000-400,000 tons in the April 1-10 period, traders said. The Malaysian Palm Oil Board is also due to issue Wednesday official April production, exports and stocks data.

BMD: CPO Futures (09.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1426	1422	1423	1420	1421	-5	168
Jun 06	1441	1440	1441	1433	1433	-8	855
July 06	1457	1454	1457	1449	1450	-7	3814
Aug 06	1469	1466	1467	1458	1458	-11	1078
Sep 06	1475	1471	1472	1467	1467	-8	87

Domestic Spot Market Highlights

Palm Oil

Today's palm oil prices on spot market has displayed steady to weak sentiments in most markets amid lower demands at retail ends. BMD CPO futures settled down on Tuesday. Palm oil prices are expected to move range bound with weak 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]

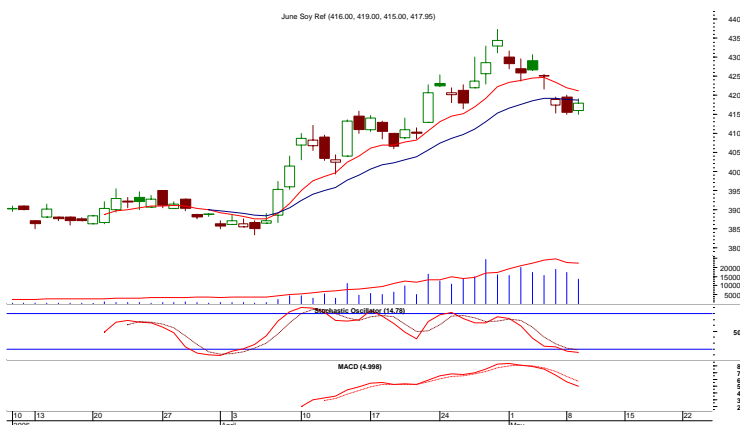
Centres	09.05.06	08.05.06	Change
Kandla CPO (5 % FFA)	363	364	-1
Kandla RBD Palmolein +VAT	380	383	-3
Mumbai RBD Palmolein +VAT	390	392	-2
Chennai RBD Palmolein +VAT	400	Closed	-
Kakinada RBD Palmolein +VAT	377	378	-1
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	428	428	0

SOY OIL

Technical Analysis

Perspective: Very Short Term NCDEX June Contract

The MACD continue to moves downwards, which indicates bearish trends. Stochastic is in oversold region which is hinting trend reversal likely but confirmation is required.



TRADE RECOMENDATIONS

Contract	Call	Entry	Target	SL	S1	S2	PCP	R 1	R 2
NCDEX-JUNE '06	Buy	416.80	420.10	415.10	415.00	413.10	417.95	420.40	422.50

International Market Highlights

CBOT Soy Oil Futures Settle Down

July Soybean Oil settled down 0.61 cent on Monday at 24.92 cent/pound, 0.45 cent off the high and 0.12 cent up from the low. Solid gain was recorded initially as the soybean got supports from other commodity market. News of bearish weather forecast for both US and Brazil and Lack of fund buying also added to its bearish tone.

CBOT Soy oil futures as 08.05.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	25.15	24.99	24.99	24.45	24.53	-0.62
Jul '06	25.53	25.35	25.82	24.80	24.92	-0.61
Aug'06	25.72	25.55	25.58	25.00	25.12	-0.60
Sep'06	25.87	25.60	25.60	25.18	25.28	-0.59

Domestic Market Highlights

Soybean oil prices on domestic spot markets displayed mixed sentiments in most markets amid lower demands at retail ends on Tuesday. NCDEX June refined soy oil contract settled up as compared to previous closing. Total arrivals were about 42000-44000 bags in major markets of India. Refined soy oil prices remained quoted Rs 388 in Kota and 390 per 10 kg excluding VAT in Jaipur markets. CIF soy was quoted remain \$541 a metric ton at Kandla and Mumbai port. Prices are expected to move range bound with positive sentiments.

Soybean oil - Spot Market Price

(Rs. Per 10 kg)

Centres	09.05.06	08.05.06	Change
Mumbai (Soy Ref oil)+VAT	405	407	-2
Indore (Soy Ref oil)+VAT	405	406	-1
Kota (Soy Ref. Oil)+VAT	388	388	0
Hyderabad (Soy Ref)+VAT	392	393	-1
Rajkot (Soy Ref)+Tax	381	377	+4

NCDEX Soy Oil Futures Settle Up

NCDEX (June'06) Refined soy oil contract prices settled slightly higher on Tuesday. Sowing acreage of soybean is declined in South America. Soy oil futures prices settled lower Rs 2.10 at Rs 417.95/10 Kg, Rs 1.05 off the high and Rs 2.95 up from the low. Prices moved in a range of Rs 415.00 to Rs 419.00. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 09.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	408.20	407.20	411.10	407.00	410.20	3740	11000
June'06	415.85	416.00	419.00	415.00	417.95	13480	40790

NBOT Soy oil futures as on 09.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	407.80	407.50	409.50	407.30	408.50	+0.70	6800
Jun '06	416.80	416.70	418.90	415.20	417.70	+0.90	21880

Rape/Mustard oil Mustard oil prices on domestic spot markets witnessed remained steady to weak sentiments in most markets amid lower demands at retail ends. NAFED stopped procurement of mustard seeds for time being. Today's arrivals were 2000 bags in Kota, 4000 bags in Jaipur and about 1.50 lakh bags in Rajasthan state and 40,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1520-1555 in Kota and 1665-80 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)				
	Centres	09.05.06	08.05.06	Change	
	Mumbai (Expeller Oil) +VAT	384	385	-1	
	Kota (Expeller Oil)+VAT	368	368	0	
	Jaipur (Expeller Oil)+VAT	370	370	0	
	Delhi (Expeller Oil)	390	390	0	
	Neewai (Expeller Oil)	368	369	-1	
Groundnut Refine Oil Today groundnut oil prices on domestic spot markets revealed steady to weak sentiments in the markets amidst lower demands at retail ends. Prices falls sharply in Gujarat due to harvesting of summer crop is in progress Bhavanagar. Today's arrivals were remains about 28000-30000 bags in Gujarat. Groundnut seeds were remains quoted Rs340 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with weak sentiments in near term.	Groundnut Oil Spot Market Price (Rs. Per 10 kg)				
	Centres	09.05.06	08.05.06	Change	
	Mumbai +VAT	464	465	-1	
	Rajkot +VAT	444	450	-6	
	Andhra Region +VAT	472	472	0	
	Chennai +VAT	455	Closed	-	
	Delhi	508	508	0	
Sunflower Refine Oil Sunflower oil prices on physical markets moved down slightly in most markets. CIF prices for sunflowers (May Shipment) at Kandla port remain quoted to \$ 626 per tonnes, down \$4 per ton. Sunflower oil prices are expected to move range bound with weak sentiments in near term.	Sunflower Refine Oil: Spot Market prices (Rs/10 Kg)				
	Markets	09.05.06	08.05.06	Change	
	Mumbai +Vat	438	442	-4	
	Chennai +VAT	450	Closed	-	
	Hyderabad VAT	438	440	-2	
Cotton Refine Oil Today cotton oil prices on spot markets moved down slightly in most markets amid lower demands at retail ends. Prices are expected to move range bound with weak sentiments in near term.	Cotton Refine Oil: Spot Market prices (Rs/10 Kg)				
	Markets	09.05.06	08.05.06	Change	
	Mumbai +VAT	397	398	-1	
	Hyderabad+VAT	392	395	-3	
	Rajkot	386	388	-2	
Weather Forecast West India Isolated rain/thundershowers are likely over south Madhya Maharashtra and Konkan & Goa. Scattered duststorm with isolated squall may occur over Rajasthan leading to further respite from heat wave. Mainly dry weather over the rest region. Source: IMD. GOI.	PORT-WATCH (Latest): Current Vessels Positions				
	Ports	Vessels	Volume (Ton)	Carrying	Status
	Kandla	Isokaze	6700	Palm Oil	Expected
		Sun	22500	SBO	Arrived
		Shimkaze	8553	CPO	Expected
	Chennai	Agiasama	17000	SBO	Arrived
	Kakinada	Spring Wind	4000	CPO	Expected
		Chelesa	10000	SBO	Arrived
	Mumbai	Shimakaze	9699	Palm Oil	Arrived
	Kolkata	Golden Crane	4000	CPO	Arrived
		Khadijah	5000	Palm Oil	Expected
		Padang Halaban	8000	CPO	Expected
		Chelsea	11000	SBO	Expected

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