

VEGOIL DAILY

May 16, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soybean oil prices on domestic spot markets moved down amid weak sentiments on Monday. NCDEX June refined soy oil contract settled down as compared to previous closing prices. Total arrivals were around 35000-40000 bags (bag=85 Kg) in major markets of India. Refine soy oil were quoted Rs 380 per 10 kg excluding VAT in Kota market. Prices are expected to move range bound in near term.

FUTURES MARKETS:

NCDEX (June'06): Refined soy oil contract prices settled down due to technical corrections and speculative selling pressure on Monday. Weak futures market added bearish tone in the market. Soy oil futures prices settled down Rs 6.10 at Rs 422.0/10 Kg, Rs 9.00 off the high and Rs 0.10 up from the low. Prices moved in a range of Rs 422.00 - 431.10. Soy oil prices are expected to move range bound in near term.

PRICE DRIVERS:

Bullish:

1. Depleting Stock of soybean

Bearish:

1. Lower demands at retail ends
2. Weak Future Markets

Weather

Weather will not bring any impact on it, because harvesting of soybean is already over.

TECHNICALS

The MACD is moving down downward, which indicates bearish market sentiments. %K line of stochastic oscillators is moving southwards sharply in neutral region, which indicates bearish market sentiments. Prices closed above 9 days EMA (424.68) and 18 days (422.16) and Candlestick pattern shows the bearish market.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	419.30	417.10	431.80	434.70

TRADE RECOMMENDATION:

Sell near 425.80, target near 420.80 and put stop loss at 428.40.

Centres	15.05.06	13.05.06	Change
Mumbai (Soy Ref oil)+VAT	400	400	0
Indore (Soy Ref oil)+VAT	399	405	-6
Kota (Soy Ref. Oil)+VAT	395	400	-5
Hyderabad (Soy Ref)+VAT	395	397	-2
Rajkot (Soy Ref)+Tax	387	389	-2

Note: Prices were quoted (Rs per 10 Kg)

PALM OIL

International Market Highlights

BMD CPO Futures Settle Up

Crude palm oil futures at the Bursa Malaysia Derivatives settled higher on Monday on account of sharp falls in MYR against US Dollars. The benchmark July CPO contract settled at MYR1,467 a metric ton, up MYR19 from Thursday. The weakness in the Malaysian ringgit gave CPO futures a further boost.

Domestic Spot Market Highlights

Palm oil prices on spot market witnessed mixed sentiments in most markets amid weak sentiments. Prices declined slightly due to lower demands at retail ends on such higher prices. Weak soy oil futures on NCDEX provided bearish support to the markets. Palm oil prices are expected to move range bound in near term.

BMD: CPO Futures (15.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1435	1441	1466	1441	1458	23	602
Jun 06	1448	1455	1481	1455	1467	19	8594
July 06	1463	1467	1492	1467	1484	21	2498
Aug 06	1470	1472	1498	1472	1486	16	577
Sep 06	1474	1484	1500	1484	1490	16	99

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	15.05.06	13.05.06	Change
Kandla CPO (5 % FFA)	370	369	+1
Kandla RBD Palmolein +VAT	385	385	0
Mumbai RBD Palmolein +VAT	396	396	0
Chennai RBD Palmolein +VAT	404	400	+4
Kakinada RBD Palmolein +VAT	384	385	-1
Hyderabad RBD Palmolein +VAT	400	403	-3
Delhi RDB Palmolein	432	435	-3

Rape/Mustard oil

Mustard oil prices on domestic spot markets went down on Monday in most markets amid weak sentiments. Today's arrivals were 1500 bags in Kota, 4000 bags in Jaipur and around 1.50 lakh bags in Rajasthan. Mustard seeds prices were quoted Rs 1580-1620 in Kota and 1725 in Jaipur mandi. Mustard oil prices are expected to move range bound with positive sentiments in near terms on lower supply.

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets slipped down amid lower demands at retail ends. Weak futures market added bearish tone. Today's arrivals were remains around 28000-30000 bags in Gujarat. Groundnut seeds were quoted Rs344 per 20 kg in Rajkot market; it is down slightly as compared to previous trading day. GN oil prices are expected to move range bound in near term.

Sunflower Refine Oil

Sunflower oil prices on physical markets steady to weak on Monday in most markets. Harvesting is in progress in Tamil Nadu. Today CIF prices for sunflowers (May Shipment) at Kandla port remained quoted to \$ 644 per ton. Sunflower oil prices are expected to move range bound with positive sentiments in near term.

Cotton Refine Oil

Cotton oil prices on spot markets moved range bound with weak sentiments in most of the markets on Monday. Weak futures market of soy oil brought negative impact on its prices. Prices are expected to move range bound in near term.

Rape Oil: Spot Market Price (Rs/10 kg)

Centres	15.05.06	13.05.06	Change
Mumbai (Expeller Oil) +VAT	394	392	+2
Kota (Expeller Oil)+VAT	380	385	-5
Jaipur (Expeller Oil)+VAT	385	388	-3
Delhi (Expeller Oil)	393	400	-7
Neewai (Expeller Oil)	372	Closed	-

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	15.05.06	13.05.06	Change
Mumbai +VAT	468	468	0
Rajkot +VAT	450	456	-6
Andhra Region +VAT	470	475	-5
Chennai +VAT	455	450	+5
Delhi	510	510	0

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

Markets	15.05.06	13.05.06	Change
Mumbai +Vat	440	440	0
Chennai +VAT	450	450	0
Hyderabad VAT	448	450	-2

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

Markets	15.05.06	13.05.06	Change
Mumbai +VAT	405	405	0
Hyderabad+VAT	402	405	-3
Rajkot	395	397	-2

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Global Eos	11250	CPO	Arrived
	Shimkaze	8553	CPO	Arrived
Chennai	MJackson	6000	Palm Oil	Expected
	Hua Yun	17690	Palm Oil	Expected
	Ace 1	1411	CPO	Expected
Kakinada	Spring wind	4000	CPO	Expected
	Chmpn Brali	11000	SBO	Expected
Mumbai	Shimakaze	9699	Palm Oil	Arrived
Kolkata	Cheras	6000	CPO	Arrived
	Khadijah	5000	Palm Oil	Expected
	Thressa 2	6000	CPO	Arrived
	Chelsea	11000	SBO	Arrived
JN Port	Sun	10000	SBO	Arrived
Cochin	Hua Yun 5	6000	CPO	Expected
	Global Tradr	6000	CPO	Expected
New Manglore	Vernal Grace	6000	CPO	Expected

Forex Rates

(As on 15.05.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.39
European Union	Euro	58.55
Japan	100 Yen	41.34
United Kingdom	Pound Sterling	85.88