

VEGOIL DAILY

May 17, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soybean oil prices on domestic spot markets moved range bound with weak sentiments amid lower demands at retail ends on Tuesday. CIF soy oil was quoted \$540 a metric ton at Kandla and Mumbai port, down by \$10/ton as compared to Monday. Prices are expected to move range bound with positive sentiments in near term.

FUTURES MARKETS:

NCDEX (June'06): Refined soy oil contract prices Ends down slightly on technical corrections and speculative selling pressure on Tuesday. Soy oil futures prices settled down Rs 0.60 at Rs 422.80/10 Kg, Rs 2.10 off the high and Rs 3.70 up from the low. Prices moved in a range of Rs 419.10 - 424.90. Soy oil prices are expected to move range bound with positive sentiments in near term on account of higher tariff value which is revised on Tuesday i.e. May 16.

PRICE DRIVERS:

Bullish:

1. Depleting stock of soybean
2. Hike in Tariff Value

Bearish:

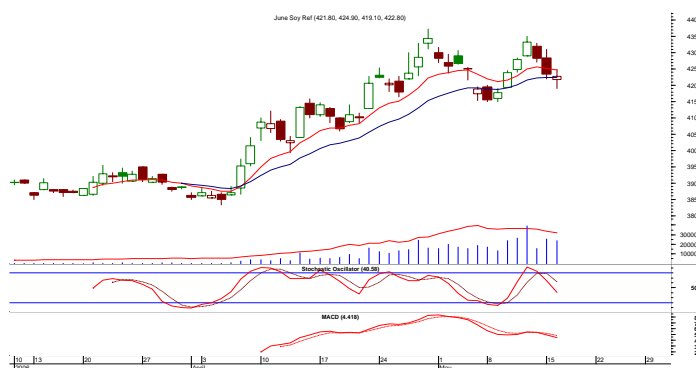
1. Lower demands at retail ends
2. Weak Futures Markets

Weather

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

TECHNICALS

MACD and Stochastic continued its downward movements, which indicates bearish market sentiments. Prices closed just above 9 days EMA (424.30) and below 18 days (422.23), which indicates slightly bearish trend. Candlestick formed spinning top pattern, indicates trend reversal likely.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
NCDEX June	420.60	417.90	428.30	429.40

TRADE RECOMMENDATION:

Buy near 422.30, target near 427.80 and put stop loss at 419.45.

Centres	16.05.06	15.05.06	Change
Mumbai (Soy Ref oil)+VAT	399	400	-1
Indore (Soy Ref oil)+VAT	398	399	-1
Kota (Soy Ref. Oil)+VAT	394	395	-1
Hyderabad (Soy Ref)+VAT	395	395	0
Rajkot (Soy Ref)+Tax	386	387	-1

Note: Prices were quoted (Rs per 10 Kg)

PALM OIL

International Market Highlights

BMD CPO Futures Settle Down on MYR Rises

Crude palm oil futures at Bursa Malaysia Derivatives settled down on Tuesday on CBOT soy oil futures loss and strengthen in Malaysian ringgit. The benchmark August CPO contract ended at MYR1,465 a metric ton, down MYR20 from Monday after moving between MYR1,463 and MYR1,471/ton. Weakness in energy market added bearish tone. Participants are waiting export figure for fresh positions, which is due to release Monday when cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd will issue export estimates for the May 1-20 period.

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 higher prevailing prices in the markets. Weak futures market added bearish tone in the markets. Palm oil prices are expected to move range bound with positive sentiments in near term on account of hike in tariff value by \$6/ton on each categories of palm oil.

BMD: CPO Futures (16.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jun 06	1444	-14	1458	1454	1454	1442	318
July 06	1455	-14	1469	1465	1465	1451	3320
Aug 06	1465	-20	1485	1478	1478	1464	4146
Sep 06	1471	-19	1490	1480	1481	1471	492
Oct 06	1483	-11	1494	1482	1484	1480	203

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	16.05.06	15.05.06	Change
Kandla CPO (5 % FFA)	368	370	-2
Kandla RBD Palmolein +VAT	385	385	0
Mumbai RBD Palmolein +VAT	396	396	0
Chennai RBD Palmolein +VAT	405	404	+1
Kakinada RBD Palmolein +VAT	385	384	+1
Hyderabad RBD Palmolein +VAT	403	400	+3
Delhi RDB Palmolein	430	432	-2

Rape/Mustard oil

Mustard oil prices on domestic spot markets moved down slightly on Tuesday in most markets amid weak sentiments and lower demands at retail ends. Today's arrivals of mustard seed were 1500-2000 bags in Kota, 4000-5000 bags in Jaipur and around 1.50 lakh bags in Rajasthan. Mustard seeds prices were quoted Rs 1580-1620 in Kota and 1720-1630 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 revealed steady to weak sentiments in most markets 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 Rs340 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 has displayed steady to weak sentiments on Tuesday in most markets. Harvesting is in progress in Tamil Nadu. Today CIF prices for sunflowers (May Shipment) at Kandla port remained quoted to\$ 641 per ton. Sunflower oil prices are expected to move range bound in near term.

Cotton Refine Oil

Cotton oil prices on spot markets showed steady in most markets amid weak sentiments. Prices are expected to move range bound with positive sentiments in near term.

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

Centres	16.05.06	15.05.06	Change
Mumbai (Exp. Oil) +VAT	392	394	-2
Kota (Expeller Oil)+VAT	378	380	-2
Jaipur (Expeller Oil)+VAT	382	385	-3
Delhi (Expeller Oil)	392	393	-1
Neewai (Expeller Oil)	377	378	-1

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	16.05.06	15.05.06	Change
Mumbai +VAT	468	468	0
Rajkot +VAT	445	450	-5
Andhra Region +VAT	470	470	0
Chennai +VAT	458	455	+3
Delhi	510	510	0

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

Markets	16.05.06	15.05.06	Change
Mumbai +Vat	440	440	0
Chennai +VAT	448	450	-2
Hyderabad VAT	448	448	0

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

Markets	16.05.06	15.05.06	Change
Mumbai +VAT	403	405	-2
Hyderabad+VAT	402	402	0
Rajkot	395	395	0

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Global Eos	11250	CPO	Arrived
Chennai	MMM Jackson	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	Arrived
	Madura	14000	CPO	Expected
	Global Mars	8000	CPO	Expected
Kolkata	Cheras	4000	CPO	Expected
	Cheras	6000	CPO	Arrived
	Khadijah	6300	CPO	Receiving
	L-Star	6000	CPO	Arrived
	Thressa 2	6000	CPO	Arrived
Cochin	Hua Yun 5	6000	CPO	Expected
	Global Trader	6000	CPO	Expected
New Mangalore	Vernal Grace	6000	CPO	Arrived
Mundra Port	Chembulk Ulsan	6000	SBO	Expected

Forex Rates

(As on 16.05.2006)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.61
European Union	Euro	58.39
Japan	100 Yen	41.39
United Kingdom	Pound Sterling	85.76