

VEGOIL

May 09, 2006

MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Settle Mixed
- NCDEX June Contract Soy Oil Futures Settle Down

BMD CPO Settled Mixed

Crude palm oil futures on the Bursa Malaysia Derivatives settled mixed on Monday. Trading activity was slow, most of participants remained on the sidelines ahead of the release of important supply and demand data Wednesday. The benchmark July CPO contract settled at MYR1,457 a metric ton, up MYR4 from Friday after moving between MYR1,453 and MYR1,462/ton. The Malaysian ringgit reached yet another fresh eight-year high Monday as the dollar continued to weaken against Asian currencies.

BMD: CPO Futures (08.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1425	1423	1425	1420	1423	-2	112
Jun 06	1439	1439	1444	1437	1441	+2	438
July 06	1453	1457	1462	1453	1457	+4	2423
Aug 06	1465	1468	1472	1465	1467	+2	329
Sep 06	1476	1471	1475	1471	1474	-2	72

Palm Oil

Today's palm oil prices on spot markets witnessed mixed sentiments in most markets amid lower demands at retail ends. Lower prices of soy oil brought negative impact on its prices. Both are substitute of each other. Palm oil prices are expected to move range bound with weak sentiments in near term.

Palm oil - Spot Market Price

(Rs. Per 10 kg)

Centres	08.05.06	06.05.06	Change
Kandla CPO (5 % FFA)	364	365	-1
Kandla RBD Palmolein +VAT	383	380	+3
Mumbai RBD Palmolein +VAT	392	393	-1
Chennai RBD Palmolein +VAT	Closed	400	-
Kakinada RBD Palmolein +VAT	378	380	-2
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	428	428	0

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX June Contract

1. The MACD continue to moves downwards after bearish crossover to its signal line, which indicates bearish trends.
2. % K line is moving downwards and reached in oversold region but % D line is still in neutral zone, which indicates trend reversal likely but confirmation is required.

Market Advice: Sell near 418.10, target near 414.80, put stop loss at 419.80

Support & Resistance Levels (June '06 Contract)

Supp 1	Supp 2	Res 1	Res 2
413.10	410.80	419.60	421.90


International Market Highlights
CBOT Soy Oil Futures Settle Up

July Soybean Oil closed up 0.22 cent on Friday at 25.53 cent/pound, 0.22 cent off the high and 0.13 cent up from the low. Firmness in grain markets provided strength to the soybean combined with strong support from other commodity market. Farmers protests still continue in Brazil and marketing chain were disturbed which results into meagre supply of beans into the market. US futures thus got support from Brazil in anticipation that some business might shift to the US, as the Brazil exporters could not be able to fulfil the commitment for export.

CBOT Soy oil futures as 05.05.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.94	25.20	25.20	24.94	25.15	+0.21
Jul '06	25.31	25.58	25.75	25.29	25.53	+0.22
Aug'06	25.50	25.80	25.81	25.60	25.72	+0.22
Sep'06	25.70	25.85	25.99	25.80	25.87	+0.17

Domestic Market Highlights

Soybean oil prices on domestic spot markets moved down slightly in most markets amid lower demands at retail ends on Monday. NCDEX June refined soy oil contract settled down as compared to previous closing. Total arrivals were about 46000 bags in major markets of India. Refined soy oil prices were quoted Rs 388 in Kota and 392 per 10 kg excluding VAT in Jaipur markets. CIF soy was quoted remain \$542 a metric ton at Kandla and Mumbai port. Prices are expected to move range bound with weak sentiments.

Soybean oil - Spot Market Price

(Rs. Per 10 kg)

Centres	08.05.06	06.05.06	Change
Mumbai (Soy Ref oil)+VAT	402	403	-1
Indore (Soy Ref oil)+VAT	399	400	-1
Kota (Soy Ref. Oil)+VAT	388	390	-2
Hyderabad (Soy Ref)+VAT	393	395	-2
Rajkot (Soy Ref)+Tax	377	378	-1

NCDEX Soy Oil Futures Settle Down

NCDEX (June'06) Refined soy oil contract prices settled down on Monday. Soy oil futures prices settled lower Rs 3.40 at Rs 415.50/10 Kg, Rs 4.50 off the high and Rs 0.50 up from the low. Prices moved in a range of Rs 415.00 to Rs 420.00. Soy oil prices are expected to move range bound with weak sentiments in near term.

NCDEX Soy oil futures as on 08.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	412.55	412.10	412.85	407.60	407.65	6600	11510
June'06	418.90	419.50	420.00	415.00	415.50	17130	41470

NBOT Soy oil futures as on 08.05.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	410.50	409.70	411.10	406.90	407.60	-2.90	14690
Jun '06	418.20	419.00	419.60	416.50	416.60	-1.60	18580

Rape/Mustard oil Mustard oil prices on domestic spot markets has displayed steady to weak sentiments in most markets amid lower demands at retail ends. Today's arrivals were 2500 bags in Kota, 7000-8000 bags in Jaipur and about 2.00 lakh bags in Rajasthan state and 40,000 bags in Madhya Pradesh. Mustard seeds prices were quoted Rs 1500-1540 in Kota and 1670-80 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) <table><tr><th>Centres</th><th>08.05.06</th><th>06.05.06</th><th>Change</th></tr><tr><td>Mumbai (Expeller Oil) +VAT</td><td>385</td><td>385</td><td>0</td></tr><tr><td>Kota (Expeller Oil)+VAT</td><td>368</td><td>368</td><td>0</td></tr><tr><td>Jaipur (Expeller Oil)+VAT</td><td>370</td><td>370</td><td>0</td></tr><tr><td>Delhi (Expeller Oil)</td><td>390</td><td>395</td><td>-5</td></tr><tr><td>Neewai (Expeller Oil)</td><td>369</td><td>370</td><td>-1</td></tr></table>	Centres	08.05.06	06.05.06	Change	Mumbai (Expeller Oil) +VAT	385	385	0	Kota (Expeller Oil)+VAT	368	368	0	Jaipur (Expeller Oil)+VAT	370	370	0	Delhi (Expeller Oil)	390	395	-5	Neewai (Expeller Oil)	369	370	-1																																									
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Groundnut Refine Oil Today groundnut oil prices on domestic spot markets showed mixed sentiments in the markets amidst lower demands at retail ends. Prices dampened with soy oil prices. 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) <table><tr><th>Centres</th><th>08.05.06</th><th>06.05.06</th><th>Change</th></tr><tr><td>Mumbai +VAT</td><td>465</td><td>461</td><td>+4</td></tr><tr><td>Rajkot +VAT</td><td>450</td><td>453</td><td>-3</td></tr><tr><td>Andhra Region +VAT</td><td>472</td><td>477</td><td>-5</td></tr><tr><td>Chennai +VAT</td><td>Closed</td><td>455</td><td>-</td></tr><tr><td>Delhi</td><td>508</td><td>508</td><td>0</td></tr></table>	Centres	08.05.06	06.05.06	Change	Mumbai +VAT	465	461	+4	Rajkot +VAT	450	453	-3	Andhra Region +VAT	472	477	-5	Chennai +VAT	Closed	455	-	Delhi	508	508	0																																									
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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 \$ 630 per tonnes. 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>08.05.06</th><th>06.05.06</th><th>Change</th></tr><tr><td>Mumbai +Vat</td><td>442</td><td>445</td><td>-3</td></tr><tr><td>Chennai +VAT</td><td>Closed</td><td>450</td><td>-</td></tr><tr><td>Hyderabad VAT</td><td>440</td><td>445</td><td>-5</td></tr></table>	Markets	08.05.06	06.05.06	Change	Mumbai +Vat	442	445	-3	Chennai +VAT	Closed	450	-	Hyderabad VAT	440	445	-5																																																	
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Weather Forecast West India Isolated rain/thundershowers are likely over Marathawada, Madhya Maharashtra and Konkan & Goa. Scattered duststorm with isolated squall may occur over Rajasthan leading to some respite from heat wave.. Mainly dry weather over the rest region. Source: IMD. GOI.	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>Kandla</td><td>Isokaze</td><td>6700</td><td>Palm Oil</td><td>Expected</td></tr><tr><td></td><td>Sun</td><td>22500</td><td>SBO</td><td>Arrived</td></tr><tr><td></td><td>Shimkaze</td><td>8553</td><td>CPO</td><td>Expected</td></tr><tr><td>New Manglore</td><td>Vernal Grace</td><td>6000</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>Arrived</td></tr><tr><td>Mumbai</td><td>Shimakaze</td><td>9699</td><td>Palm Oil</td><td>Arrived</td></tr><tr><td>Kolkata</td><td>Golden Crane</td><td>4000</td><td>CPO</td><td>Arrived</td></tr><tr><td></td><td>Khadijah</td><td>5000</td><td>Palm Oil</td><td>Arrived</td></tr><tr><td></td><td>Padang 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></table>	Ports	Vessels	Volume (Ton)	Carrying	Status	Kandla	Isokaze	6700	Palm Oil	Expected		Sun	22500	SBO	Arrived		Shimkaze	8553	CPO	Expected	New Manglore	Vernal Grace	6000	CPO	Arrived	Chennai	Agiasama	17000	SBO	Arrived	Kakinada	Spring Wind	4000	CPO	Expected		Chelesa	21000	SBO	Arrived	Mumbai	Shimakaze	9699	Palm Oil	Arrived	Kolkata	Golden Crane	4000	CPO	Arrived		Khadijah	5000	Palm Oil	Arrived		Padang Halaban	8000	CPO	Arrived		Chelsea	11000	SBO	Expected
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Forex Rates (As on 08.05.2006) <table><tr><th>Country/ Continent</th><th>Currency</th><th>Value in Rupees</th></tr><tr><td>USA</td><td>Dollar</td><td>44.88</td></tr><tr><td>European Union</td><td>Euro</td><td>56.94</td></tr><tr><td>Japan</td><td>100 Yen</td><td>39.47</td></tr><tr><td>United Kingdom</td><td>Pound Sterling</td><td>83.07</td></tr></table>	Country/ Continent	Currency	Value in Rupees	USA	Dollar	44.88	European Union	Euro	56.94	Japan	100 Yen	39.47	United Kingdom	Pound Sterling	83.07																																																			
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