

VEGOIL DAILY

May 29, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soy oil prices on physical market witnessed steady in most markets on Saturday amid lower demand at retail ends. Prices could not surge due to early onset monsoon and weak futures market. However, CIF (May 20/June20 shipment) soy oil was quoted \$530 a metric ton at Kandla and Mumbai port. Soy Degum (Ready) prices was quoted Rs 380/10 kg at Mumbai port, it is improved slightly as compared to previous trading day. Total arrivals of soybeans were around 27,000 bags (bag=85 Kg) in major markets of India and around 600 bags in Kota only. Prices are expected to move range bound in near term.

FUTURES MARKETS:

NCDEX (June'06): Refined Soyoil contract ends down slightly after choppy trading session on Saturday on account of early onset monsoon and sowing acreage is expected to increase. Prices settled lower slightly Rs 1.15 at 417.95, Rs 1.65 off the high and Rs 0.70 up from the low. Prices moved in a range of 417.25-419.50 during the day. Prices are expected to move range bound with moderately positive sentiments in near term.

PRICE DRIVERS:

Bullish:

1. Lower stock of soybean
2. Lower import of soy oil

Bearish:

1. Lower demands at retail ends
2. Weak future markets

TECHNICALS

MACD is moving downwards and prices closed below both the 9-days (419.48) and 18-days (420.15) EMA, which indicates slightly bearish market sentiments. However, %K line continued to move upwards after bullish crossover to %D line in neutral zone, which indicates slightly bullish market sentiments. Candlestick formed Spinning Top pattern, which indicates indecisive markets.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX June	417.1	415.6	417.95	420.6	422.3

TRADE RECOMMENDATION:

Buy near 417.40, target near 420.50, and put stop loss at 415.80.

Soybean Oil: Spot Market Prices (Rs/10Kg excluding VAT)

Centres	27.05.06	26.05.06	Change
Mumbai (Soy Ref oil)+VAT	396	396	0
Indore (Soy Ref oil)+VAT	396	396	0
Kota (Soy Ref. Oil)+VAT	390	390	0
Hyderabad (Soy Ref)+VAT	396	396	0
Rajkot (Soy Ref)+Tax	389	388	+1

PALM OIL

International Market Highlights

BMD remains closed on Saturday and Sunday.

Domestic Spot Market Highlights

Palm oil prices in domestic spot market witnessed steady to positive sentiments in most markets on weekend. Gains in soy oil futures on Chicago Board of Trade brought positive impact on its prices. Prices are expected to move range bound in near term.

BMD: CPO Futures (26.05.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jun 06	1420	1424	1429	1424	1426	+6	151
July 06	1431	1437	1443	1437	1438	+7	300
Aug 06	1441	1445	1452	1445	1446	+5	4361
Sep 06	1448	1455	1461	1455	1456	+8	701
Oct 06	1457	1463	1467	1463	1467	+10	49

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	27.05.06	26.05.06	Change
Kandla CPO (5 % FFA)	370	367	+3
Kandla RBD Palmolein +VAT	390	388	+2
Mumbai RBD Palmolein +VAT	394	396	+4
Chennai RBD Palmolein +VAT	404	402	+2
Kakinada RBD Palmolein +VAT	383	382	+1
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	430	430	0

Rape/Mustard oil

Rape oil prices on spot market moved up slightly in most markets on Saturday. Prices improved slightly due to higher demands from pickles industry. Today's arrivals of mustard seed were around 3000 bags in Neewai, 1200 bags in Kota, 2000 bags in Jaipur and around 90,000 bags in Rajasthan. Mustard seeds prices were quoted at Rs 1540-70 in Kota and 1725 in Jaipur markets. Mustard oil prices are expected to move range bound with moderately positive sentiments in near term.

Groundnut Refine Oil

Groundnut oil prices on spot markets moved range bound with mixed sentiments in most markets on Saturday. Groundnut seeds remain quoted at Rs 345 per 20 kg in Rajkot market. Arrivals of groundnut seeds remain around 28000-30000 bags in Gujarat (bag=35 Kg). GN oil prices are expected to move range bound with slightly positive sentiments in near term.

Sunflower Refine Oil

Sunflower oil prices on domestic spot markets showed steady to weak sentiments in most markets amid lower demands at retail ends. CIF (May20/June20) sunflower oil remains quoted \$ 647 per ton.

Cotton Refine Oil

Cotton oil prices on physical spot markets revealed range bound amid mixed sentiments in most markets on weekends. Cotton oil prices are expected to move range bound in near term.

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

Centres	27.05.06	26.05.06	Change
Mumbai (Exp. Oil) +VAT	397	395	+2
Kota (Expeller Oil)+VAT	374	372	+2
Jaipur (Expeller Oil)+VAT	376	375	+1
Delhi (Expeller Oil)	391	390	+1
Neewai (Expeller Oil) +VAT	374	372	+4

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	27.05.06	26.05.06	Change
Mumbai +VAT	470	467	+3
Rajkot +VAT	455	456	-1
Andhra Region +VAT	472	472	0
Chennai +VAT	462	458	+2
Delhi	510	510	0

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

Markets	27.05.06	26.05.06	Change
Mumbai +Vat	435	435	0
Chennai +VAT	450	452	-2
Hyderabad VAT	440	440	0

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

Markets	27.05.06	26.05.06	Change
Mumbai +VAT	403	405	-2
Hyderabad +VAT	400	400	0
Rajkot + VAT	397	396	+1
Delhi	390	390	0

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Thressa III	16350	Palm Oil	Expected
	Akademik Semenov	16000	CPO	Arrived
	Rising One	3200	SBO	Expected
Kakinada	Global Saturn	5000	CPO	Expected
	Spring Glory	2000	CPO	Receiving
Kolkata	Padang Halaban	8000	CPO	Arrived
	Agiasma	11700	SBO	Arrived
	Twinkle	6000	CPO	Expected
	Sutra Satu	7000	CPO	Expected
Cochin	Hua Yun 5	6000	CPO	Expected
	Global Trader	6000	CPO	Expected
Mundra	Chembulk Ulsan	6000	SBO	Loading
New Manglore	Global Venus	8500	CPO	Expected
Mormugao	Global Triton	4500	Palm Oil	Expected
Mumbai	Harsanadi	11000	CPO	Expected

Forex Rates

(As on 27.05.2006)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.84
European Union	Euro	58.40
Japan	100 Yen	40.66
United Kingdom	Pound Sterling	85.25