

## VEGOIL DAILY

May 27, 2006

### REFINE SOY OIL

#### SPOT MARKETS

Refined soy oil prices in domestic spot market range bound with weak sentiments in most markets on Friday on account of pre monsoon amid lower demand at retail ends. Weak futures market provided support to bearish sentiments on spot market. Total arrivals of soybeans were around 30,000 bags (bag=85 Kg) in major markets of India and around 800 bags in Kota only. CIF (May 20/June20 shipment) soy oil remained quoted \$529 a metric ton at Kandla and Mumbai port. Prices are expected to move range bound in near term.

#### FUTURES MARKETS:

NCDEX (June'06): Refined Soyoil contract ends down on pre monsoon and speculative selling pressure on Friday. Prices settled lower Rs 1.85 at 419.05, Rs 3.45 off the high and Rs 1.45 up from the low. Prices moved in a range of 417.60-422.50 during the day. Prices are expected to move range bound with positive sentiments in near term on lower stock.

#### 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
3. Early onset monsoon

#### Weather

Weather is not a factor until new crop sowings will take place .

#### TECHNICALS

MACD has just turned slightly downwards and prices closed below both the 9-days (419.87) and 18-days (420.42) EMA, which indicates slightly bearish market sentiments. Candlestick pattern also shows bearish market. However, %K line continued to move upwards after bullish crossover to %D line in neutral zone, higher volume and open interest indicates bullish market sentiments.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX June	417.1	415.0	419.05	423.2	424.7

#### TRADE RECOMMENDATION:

Buy near 418.40, target near 422.90, and put stop loss at 416.10.

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

Centres	26.05.06	25.05.06	Change
Mumbai (Soy Ref oil)+VAT	396	398	-2
Indore (Soy Ref oil)+VAT	396	396	0
Kota (Soy Ref. Oil)+VAT	390	392	-2
Hyderabad (Soy Ref)+VAT	396	399	-3
Rajkot (Soy Ref)+Tax	388	388	0

## PALM OIL

### International Market Highlights

#### BMD CPO Futures Ends Up on Soy Oil Gains

Crude palm oil futures at Bursa Malaysia Derivatives settled Up on Friday . August CPO futures on BMD settled up on account of gains in soy oil on CBOT. The benchmark August CPO contract settled at MYR1,446 a metric ton, up MYR5 from Thursday.

#### Domestic Spot Market Highlights

Palm oil prices in spot market witnessed steady to weak sentiments in most markets on Friday amid lower demands. India imported totalled 20650 metric ton in May 1-25, up 16.67 per cent as compared to 17700 metric ton of April 1-25. Malaysian FOB palmolein prices were quoted \$ 415.00/ton and FOB crude palm oil prices were quoted \$ 392.50/ton for the month of June. Prices are expected to move range bound with weak sentiments 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	26.05.06	25.05.06	Change
Kandla CPO (5 % FFA)	367	367	0
Kandla RBD Palmolein +VAT	388	388	0
Mumbai RBD Palmolein +VAT	396	397	-1
Chennai RBD Palmolein +VAT	402	405	-3
Kakinada RBD Palmolein +VAT	382	382	0
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	430	430	0

#### Rape/Mustard oil

Rape oil prices on physical market moved range bound with weak sentiments in most markets on Friday. Prices declined slightly due to pre monsoon and weak futures market. Today's arrivals of mustard seed were around 3000 bags in Neewai, 1500 bags in Kota, 2500 bags in Jaipur and around 1.00 lakh bags in Rajasthan. Mustard seeds prices were quoted Rs 1540-70 in Kota and 1725 in Jaipur markets. Mustard oil prices are expected to move range bound with weak sentiments in near term.

#### Groundnut Refine Oil

Groundnut oil prices on physical markets witnessed steady to positive sentiments in most markets on Friday amid export demands. Groundnut seeds remain quoted Rs345 per 20 kg in Rajkot market. Arrivals of groundnut seeds are likely stagnant from three week in Gujarat i.e. 28000-30000 bags (Bag=35 Kg). GN oil prices are expected to move range bound with positive sentiments in near term.

#### Sunflower Refine Oil

Sunflower oil prices on spot markets moved range bound with mixed sentiments in the markets. CIF (May20/June20) sunflower oil remains quoted \$ 646 per ton.

#### Cotton Refine Oil

Cotton oil prices in domestic spot markets showed mixed sentiments in most markets on Friday. Prices improved slightly in Maharashtra and Rajkot due to lower supply and declined slightly in Hyderabad markets due to lower demands at retail ends. Cotton oil prices are expected to move range bound in near term.

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

Centres	26.05.06	25.05.06	Change
Mumbai (Exp. Oil) +VAT	395	394	+1
Kota (Expeller Oil)+VAT	372	374	-2
Jaipur (Expeller Oil)+VAT	375	377	-2
Delhi (Expeller Oil)	390	392	-2
Neewai (Expeller Oil) +VAT	372	373	-1

#### Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	26.05.06	25.05.06	Change
Mumbai +VAT	467	462	+5
Rajkot +VAT	456	455	+1
Andhra Region +VAT	472	474	-2
Chennai +VAT	458	458	0
Delhi	510	510	0

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

Markets	26.05.06	25.05.06	Change
Mumbai +Vat	435	435	0
Chennai +VAT	452	450	+2
Hyderabad VAT	440	443	-3

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

Markets	26.05.06	25.05.06	Change
Mumbai +VAT	405	400	+5
Hyderabad +VAT	400	405	-5
Rajkot + VAT	396	395	+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 26.05.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.85
European Union	Euro	58.62
Japan	100 Yen	40.93
United Kingdom	Pound Sterling	85.82