

VEGOIL DAILY

June 19, 2006

REFINED SOY OIL

SPOT MARKETS

Refined soy oil prices on physical market displayed remain steady to weak market sentiments in most of the markets on weekend. Soy oil futures market on NCDEX and NBOT ends lower after sluggish trading activity. Selling pressure of mustard seeds by NAFED and ITC also added bearish tone in the market. CIF Soy oil prices (July shipment) slightly improved at \$519 per ton from \$515/ton Friday. Prices are expected to move range bound with slightly weak sentiments in near term.

FUTURES MARKETS:

NCDEX refined soyoil July contract ends down on weekend after choppy trading. The July contract settled down Rs 2.25 at 413.40, prices moved in a range of Rs 413.05-415.00. Prices declined due to selling pressure of mustard seeds by NAFED and ITC as well as reduction in base import prices on imported edible oil. Prices are expected to move range bound with weak sentiments in near term.

PRICE DRIVERS:

Bullish:

1. Diminishing stock of soybean
2. Lower import of edible oil

Bearish:

1. Selling pressure of mustard seeds by NAFED and ITC.
2. Cuts in tariff value on soy oil
- 3.

Weather

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

TECHNICALS

Candlestick pattern shows bearish market sentiments. MACD continued to move downwards in negative territory, which indicates bearish trends. %K line continued to move southwards after bearish crossover to %D line, which indicates bearish market sentiments. Prices closed far below both the 9-days (416.93) and 18-days (418.64) EMA, which indicates bearish market sentiments. All technical indicators showed bearish market sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX July	412.60	411.80	413.40	414.90	416.70

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil July Contract:

Sell near 414.60, Target near 412.70 and put stop loss at 415.60.

Refined Soybean Oil:

Spot Market Prices (Rs/10Kg excluding VAT)

Centres	17.06.06	16.06.06	Change
Mumbai (Ref. Soy Oil)+VAT	393	395	-2
Indore (Ref. Soy Oil)+VAT	387	387	0
Kota (Ref. Soy Oil)+VAT	387	388	-1
Hyderabad (Ref. Soy Oil)+VAT	400	400	0
Rajkot (Ref. Soy Oil)+Tax	397	397	0

PALM OIL

International Market Highlights

BMD Remains Closed on Saturday and Sunday

Domestic Spot Market Highlights

Palm oil prices on domestic spot market likely steady in most of the markets amid weak sentiments on weekends. Palm oil prices dampened with soy oil. FOB (June Shipment) CPO prices remain quoted \$387.50 per ton and RBD palmolein \$415.00 per ton. Palm oil prices are expected to move range bound with weak sentiments in near term.

BMD: CPO Futures (16.06.2006)

						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
July 06	1427	1427	1428	1423	1423	-4	403
Aug 06	1451	1448	1454	1447	1448	-3	772
Sep 06	1465	1463	1468	1461	1464	-1	907
Oct 06	1474	1473	1477	1471	1473	-1	92
Nov 06	1484	1479	1484	1478	1483	-1	47

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	17.06.06	16.06.06	Change
Kandla CPO (5 % FFA)	372	373	-1
Kandla RBD Palmolein +VAT	391	393	-2
Mumbai RBD Palmolein +VAT	397	395	+2
Chennai RBD Palmolein +VAT	403	404	-1
Kakinada RBD Palmolein +VAT	384	384	0
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	428	428	0

Rape/Mustard Expeller Oil

Mustard oil prices on spot market witnessed steady in most of the market amid weak sentiments. Selling pressure by NAFED and ITC provided support to bearish market sentiments. Today's arrivals of mustard seed were around 1200 bags in Neewai, 1500 bags in Kota, 2500 in Jaipur and 55000-60000 bags in Rajasthan (bags=85 kg). Mustard seeds prices were quoted at Rs 1500-1530 in Kota and 1690-1700 in Jaipur per quintal. Mustard oil prices are expected to move range bound with marginally weak sentiments in near term due to selling pressure by NAFED and ITC.

Refined Groundnut Oil

Groundnut oil prices on physical markets witnessed steady to weak sentiments in most of the market amid lower demands at retail ends. Already higher prices got some mild hitting. Gujarat's arrivals of groundnut seeds were around 20000 bags (bag=35 kg). GN oil prices expected to move range bound with weak sentiments in near term.

Sunflower Expeller Oil

Sunflower oil prices on domestic spot market showed steady to positive sentiments in most of the markets on Saturday. Prices improved in Hyderabad market due to lower supply. CIF Soy Oil (June Shipment) prices were quoted at \$ 639 per ton. Prices are expected to move range bound with moderately positive sentiments in near term.

Cotton Refine Oil

Cotton oil prices on spot market revealed steady to weak market sentiments in most of the markets on Saturday. Prices are expected to move range bound with weak sentiments in near term due to lower stock.

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

Centres	17.06.06	16.06.06	Change
Mumbai + VAT	402	402	0
Kota + VAT	372	372	0
Jaipur + VAT	374	374	0
Delhi	394	393	+1
Neewai + VAT	370	370	0

Refined Groundnut Oil: Spot Market Price (Rs/10 kg)

Centres	17.06.06	16.06.06	Change
Mumbai +VAT	485	485	0
Rajkot +VAT	485	488	-3
Andhra Region +VAT	483	485	-2
Chennai +VAT	480	480	0
Delhi	500	505	-5

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

Markets	17.06.06	16.06.06	Change
Mumbai +VAT	436	436	0
Chennai +VAT	450	452	0
Hyderabad+ VAT	450	448	+2

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

Markets	17.06.06	16.06.06	Change
Mumbai +VAT	407	407	0
Hyderabad +VAT	400	400	0
Rajkot + VAT	405	406	-1
Delhi	395	395	0

PORT-WATCH (Latest):**Current Vessels Positions**

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Star Dream	3500	CPO	Expected
	Chemroad Wing	10400	Palm Oil	Expected
	Global Eos	8500	Palm Oil	Arrived
	Pacific Sound	10250	Palm Oil	Expected
Kolkata	Yue You 902	9558	CPO	Arrived
	Adti	16189	SBO	Arrived
New Mangalore	Global Mars	7500	CPO	Expected
Mumbai	Sutra Tiga	2535	CPO	Expected
	Isokaze	10997	CPO	Expected
	Star Dream	65550	CPO	Expected
	Pacific Sound	6500	CPO	Expected
Chennai	Golden Oceania	3015	CPO	Expected
	Ace I	6002	CPO	Expected
Kakinada	Global Saturn	7000	CPO	Expected
	Madura	13000	CPO	Arrived
	Padang Halaban	8000	CPO	Arrived
	Vernal Grace	6000	CPO	Expected

Forex Rates**(As on 17.06.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.70
European Union	Euro	57.69
Japan	100 Yen	39.67
United Kingdom	Pound Sterling	84.46