

VEGOIL DAILY

June 06, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soy oil prices on spot market revealed sluggish movement in most of the markets on Monday amid lower demands at retail ends. Soy degum (Ready) prices was quoted at Rs 382/83 per 10 kg at Mumbai port. CIF soy prices (June Shipment) were quoted at \$ 528/ton. Prices are expected to move range bound with slightly positive sentiments in near term.

FUTURES MARKETS:

NCDEX refined soyoil June contract ends down after subdued trading activity on Monday. Prices settled slightly down Rs 1.40 at 413.00, Rs 1.60 off the high and Rs 0.50 up from the low. Prices moved in a range of 412.50-414.60 on Monday. Government of India allowed to imports of vanaspati oil only through NAFED. Prices are expected to move range bound with moderately positive sentiments in near term.

PRICE DRIVERS:

Bullish:

1. Lower stock of soybean
2. Govt of India allowed to imports of vanaspati oil only through NAFED

Bearish:

1. Lower demands at retail ends
2. Huge stock of mustard seeds.
3. Expected to increase sowing acreage

Weather

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

TECHNICALS

MACD continued to move downtrends movement after crossing centre line, which indicates bearish sentiments. Prices closed below both the 9-days (414.87) and 18-days (416.69) EMA, which indicates slightly bearish market trend. Lower open interest and quantity also indicating bearish sentiments. However, %K line is continued to move northward after bullish crossover to %D line in neutral region, which indicates bullish market sentiments. Candlestick formed spinning top pattern, which indicates indecisive market.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX June	412.00	411.10	413.00	414.30	415.90

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil June Contract:

Buy near 413.80, target near 412.10, and put stop loss at 414.50.

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

Centres	05.06.06	03.06.06	Change
Mumbai (Soy Ref oil)+VAT	402	403	-1
Indore (Soy Ref oil)+VAT	391	391	0
Kota (Soy Ref. Oil)+VAT	388	387	+1
Hyderabad (Soy Ref)+VAT	392	392	0
Rajkot (Soy Ref)+Tax	395	395	0

PALM OIL

International Market Highlights

BMD CPO Futures Settle Up on Soy Oil Gains

Crude palm oil futures on the Bursa Malaysia Derivatives settle higher on Monday. Cpo Future improved on gain in soy oil futures as well as crude oil future. The benchmark August CPO contract settled at MYR1,447 a metric ton, up MYR9 from Friday. The contract opened higher and remained in positive territory throughout the day. A surge in crude oil futures also provided support to the palm oil market. Higher crude oil prices are favorable for palm oil prices as it may spur more demand for alternative fuel sources including biodiesel made from edible oils. The Malaysian Palm Oil Board is due to issue June 12 official supply and demand data for May. Cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd recently estimated May exports at 3%-9% lower than in April. The surveyors are due to issue by June 12 estimates for exports in the June 1-10 period.

Domestic Spot Market Highlights

Palm oil prices in domestic spot market went up with positive sentiments in most of the markets on Monday. Higher CPO futures on BMD added positive tone in the market. Increased crude oil prices also provided support to the bullish sentiments. Prices are expected to move range bound with positive sentiments in near term.

BMD: CPO Futures (05.06.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jun 06	1396	1400	1401	1393	1396	0	446
July 06	1422	1429	1439	1426	1430	+8	715
Aug 06	1438	1445	1458	1444	1447	+9	5302
Sep 06	1450	1458	1470	1457	1465	+15	1022
Oct 06	1460	1469	1476	1469	1472	+12	121

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	05.06.06	03.06.06	Change
Kandla CPO (5 % FFA)	373	367	+6
Kandla RBD Palmolein +VAT	392	388	+4
Mumbai RBD Palmolein +VAT	402	401	+1
Chennai RBD Palmolein +VAT	409	406	+3
Kakinada RBD Palmolein +VAT	385	383	+2
Hyderabad RBD Palmolein +VAT	402	401	+1
Delhi RDB Palmolein	435	432	+3

Rape/Mustard oil

Mustard oil prices on domestic spot market moved range bound with moderately positive sentiments in most of the markets on Monday. Prices improved slightly on account of good weather. Today's arrivals of mustard seed were around 1500 bags in Neewai and 70,000 bags in Rajasthan (bags=85 kg). Mustard seeds prices were quoted at Rs 1540-50 in Kota and 1700 in Jaipur per quintal. 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 witnessed steady in most market on Monday amid balanced supply and demands figure. Groundnut seeds were quoted at Rs 341 per 20 kg in Rajkot market. Gn oil prices surged in Chennai market due to lower arrivals of groundnut seeds in Chennai markets. Arrivals in Chennai market declined to 1500 bags from 2500 bags (bag=80 kg) against previous trading day. Arrivals of groundnut seeds remain around 20000 bags in Gujarat (bag=35 Kg). GN oil prices are expected to move range bound in near term.

Sunflower Refine Oil

Sunflower oil prices on physical market markets displayed steady market in most of the markets. There was no fresh fundamental news to boost up its prices. CIF (June) sunflower oil remains quoted \$ 649 per ton.

Cotton Refine Oil

Cotton oil prices on physical markets witnessed steady to positive in most of the markets on Monday amid positive sentiments. Prices improved slightly due to lower supply. Cotton oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	05.06.06	03.06.06	Change
Mumbai (Exp. Oil) +VAT	395	395	0
Kota (Expeller Oil)+VAT	367	368	-1
Jaipur (Expeller Oil)+VAT	372	370	+2
Delhi (Expeller Oil)	392	390	+2
Neewai (Expeller Oil) +VAT	370	367	+3

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	05.06.06	03.06.06	Change
Mumbai +VAT	470	470	0
Rajkot +VAT	450	450	0
Andhra Region +VAT	472	472	0
Chennai +VAT	472	465	+7
Delhi	510	510	0

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

Markets	05.06.06	03.06.06	Change
Mumbai +Vat	435	435	0
Chennai +VAT	450	450	0
Hyderabad VAT	440	440	0

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

Markets	05.06.06	03.06.06	Change
Mumbai +VAT	404	404	0
Hyderabad +VAT	405	404	+1
Rajkot + VAT	395	395	0
Delhi	390	388	+2

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Rising One	3200	SBO	Arrived
	Golden Crane	6000	CPO	Expected
	Anawan	6000	SBO	Expected
	Chem Cosmos	20000	SBO	Expected
	Harsanadi	5500	Palm Oil	Expected
	Mandy I	14050	SBO	Expected
	West Gold	5500	Palm Oil	Expected
Kolkata	Yue You 801	6000	CPO	Arrived
	Filma Satu	6200	CPO	Arrived
	Sutra Satu	7000	CPO	Expected
Cochin	Hua Yun 5	6000	CPO	Receiving
	Global Trader	6000	CPO	Receiving
	Rising One	3200	SBO	Expected
New Manglore	Anawan	15000	SBO	Receiving
Mumbai	Harsanadi	5000	Palm Oil	Expected
	Shimakaze	8900	Palm Oil	Expected
Chennai	MMM Jackson	5000	Palm Oil	Expected
	Madena	3000	Palm Oil	Expected
JN Port	Anawan	10000	SBO	Expected
	Chem Cosmos	8000	SBO	Expected
	WS Challenger	21000	SBO	Expected
	Mandy I	10000	SBO	Expected

Forex Rates

(As on 05.06.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.82
European Union	Euro	59.36
Japan	100 Yen	41.04
United Kingdom	Pound Sterling	86.37