

VEGOIL DAILY

June 09, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soy oil prices on domestic spot market moved range bound with moderately positive sentiments in most of the markets. Improvement in NCDEX soy oil futures market provided positive support in the market. There is an idea in the market that demands for soybean seeds may increase due to higher estimates of sowing acreage in coming season. Prices are expected to move range bound in near term.

FUTURES MARKETS:

NCDEX refined soyoil June contract settled down after subdued trading activity on Thursday. Prices surged in the beginning on NCDEX, but it could not sustain without getting any fundamental support and prices dragged down later on. Prices settled down Rs 0.55 at 408.90, Rs 2.10 off the high and Rs 0.70 up from the low. Prices moved in a range of 408.20-411.00 on Thursday. Prices are expected to move range bound with weak sentiments in near term.

PRICE DRIVERS:

Bullish:

1. Lower stock of soybean
2. Govt allowed import of vanaspati oil from Sri Lanka through NAFED only.

Bearish:

1. Huge stock of mustard seeds.
2. Expected to increase sowing acreage

Weather

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

TECHNICALS

MACD continued to move downwards after crossing centre line, which indicates bearish sentiments. Prices closed far below both the 9-days (412.30) and 18-days (414.70) EMA, which indicates bearish market trend. Lower volume of trade and open interest also indicating weak market sentiments. %K line is moving downwards after bearish crossover to %D line and reached in oversold region, which indicates bearish market, there is possibility to trend reversal but confirmation is required. Candlestick pattern also indicates bearish market sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX June	407.70	406.60	408.90	410.90	412.20

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil June Contract:

Sell near 409.70, target near 407.80, and put stop loss at 410.70.

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

Centres	08.06.06	07.06.06	Change
Mumbai (Soy Ref oil)+VAT	402	403	-1
Indore (Soy Ref oil)+VAT	388	387	+1
Kota (Soy Ref. Oil)+VAT	385	384	+1
Hyderabad (Soy Ref)+VAT	395	395	0
Rajkot (Soy Ref)+Tax	395	Closed	-

PALM OIL

International Market Highlights

BMD CPO Futures Ends Up

Crude palm oil futures at Bursa Malaysia Derivatives settled higher on Thursday amid optimism that demand would improve in June. The benchmark August CPO contract ended at MYR1,460 a metric ton, up MYR9 from Wednesday. Weak export of May would recover in month of June, traders said. The speculation about higher export for the June month from SGS cargo surveyors 1-10 exports, in range of 380,000 to 400,000 tons. Cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd are due to release June 1-10 by Monday. Also due Monday are official May production, exports and stocks figures from the Malaysian Palm Oil Board, or MPOB.

Domestic Spot Market Highlights

Palm oil prices on domestic spot market moved range bound with mixed sentiments in most of the markets on Thursday. There is no clear-cut direction of the market owing to absence of fresh fundamental news. FOB (June shipment) CPO and RBD palm oil prices were quoted \$ 390.00 per ton and \$415.00 per ton respectively. Prices are expected to move range bound with weak sentiments in near term.

BMD: CPO Futures (08.06.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jun 06	1405	1413	1418	1413	1417	+12	20
July 06	1433	1436	1447	1436	1442	+9	1201
Aug 06	1451	1453	1465	1453	1460	+9	3402
Sep 06	1464	1470	1477	1469	1473	+9	1160
Oct 06	1472	1477	1485	1477	1480	+8	72

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	08.06.06	07.06.06	Change
Kandla CPO (5 % FFA)	372	371	+1
Kandla RBD Palmolein +VAT	390	390	0
Mumbai RBD Palmolein +VAT	400	402	-2
Chennai RBD Palmolein +VAT	407	407	0
Kakinada RBD Palmolein +VAT	386	385	+1
Hyderabad RBD Palmolein +VAT	400	400	0
Delhi RDB Palmolein	430	430	0

Rape/Mustard oil

Mustard oil prices on physical market went up moderately in most of the market on Thursday amid positive sentiments. Prices improved slightly on account that government of India allowed the import of vanaspati oil only through NAFED, it would result lower import of vanaspati. Today's arrivals of mustard seed were around 1500 bags in Neewai, 1500 bags in Kota and 75000 bags in Rajasthan (bags=85 kg). Mustard seeds prices were quoted at Rs 1530-55 in Kota and 1690 in Jaipur per quintal. Mustard oil prices are expected to move range bound in near term.

Groundnut Refine Oil

Groundnut oil prices on domestic spot markets witnessed steady to positive sentiments in most of the market on Thursday. Prices surged in Rajkot only due shortage of crushable groundnut seeds. Gujarat's arrivals of groundnut seeds were around 15000-20000 bags (bag=35 kg). Arrivals in Chennai market were around at 1500 bags (bag=80 kg). GN oil prices are expected to move range bound in near term.

Sunflower Refine Oil

Sunflower oil prices on domestic spot market markets displayed steady market sentiments in most of the markets. CIF (June shipments) sunflower oil remains quoted \$ 647 per ton, down by \$3/MT.

Cotton Refine Oil

Cotton oil prices on physical markets revealed remains lackluster trading activity in most of the markets on Thursday amid lower demands at retail ends. Prices are expected to move range bound with positive sentiments in near term.

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

Centres	08.06.06	07.06.06	Change
Mumbai (Exp. Oil) +VAT	394	393	+1
Kota (Expeller Oil)+VAT	367	365	+2
Jaipur (Expeller Oil)+VAT	372	370	+2
Delhi (Expeller Oil)	392	392	0
Neewai (Expeller Oil) +VAT	366	365	+1

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	08.06.06	07.06.06	Change
Mumbai +VAT	475	475	0
Rajkot +VAT	458	Closed	-
Andhra Region +VAT	475	475	0
Chennai +VAT	472	470	+2
Delhi	510	510	0

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

Markets	08.06.06	07.06.06	Change
Mumbai +Vat	438	438	0
Chennai +VAT	453	453	0
Hyderabad VAT	438	438	0

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

Markets	08.06.06	07.06.06	Change
Mumbai +VAT	401	402	-1
Hyderabad +VAT	400	400	0
Rajkot + VAT	397	Closed	-
Delhi	390	390	0

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Anawan	6000	SBO	Expected
	Chem Cosmos	20000	SBO	Arrived
	Harsanadi	5500	Palm Oil	Expected
	Mandy I	14050	SBO	Expected
	West Gold	5500	Palm Oil	Expected
	Isokaze	7000	Palm Oil	Expected
Kolkata	Sutra Satu	7000	CPO	Arrived
	Tirta Niaga I	6000	CPO	Arrived
Cochin	Rising One	3200	SBO	Expected
New Mangalore	Hen Field	3500	SBO	Arrived
Mumbai	Harsanadi	5000	Palm Oil	Arrived
	Shimakaze	8900	Palm Oil	Expected
Chennai	MMM Jackson	5000	Palm Oil	Expected
	Mirae Sun	2056	Palm Oil	Expected
	Bum IK	6500	CPO	Expected
	Cheras	5000	Palm Oil	Expected
JN Port	WS Challenger	21000	SBO	Arrived
	Mandy I	10000	SBO	Expected
Tuticorin Port	Spring Glory	7250	Palm Oil	Expected
Kakinada	Cheras	9000	CPO	Expected
	Madura	13000	CPO	Expected

Forex Rates

(As on 08.06.2006)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	46.06
European Union	Euro	58.88
Japan	100 Yen	40.46
United Kingdom	Pound Sterling	85.27