

VEGOIL DAILY

June 07, 2006

REFINE SOY OIL

SPOT MARKETS

Refined soy oil prices on spot market displayed down trend movement in most of the markets on subdued trading activity amid weak sentiments. Lower demands at retail ends and weak futures market added bearish tone in the market. CIF soy prices (June Shipment) remains quoted at \$ 528/ton. Prices are expected to move range bound with weak sentiments in near term.

FUTURES MARKETS:

NCDEX refined soyoil June contract ended down sharply on Tuesday amid weak sentiments. Dull trading activity on NCDEX and weak out side market provided support to bears. Sowing acreage expected to increase in this season also added bearish tone. Prices settled down Rs 1.95 at 410.95, Rs 1.10 off the high and Rs 0.95 up from the low. Prices moved in a range of 410.00-412.05 on Tuesday. Prices are expected to move range bound with weak sentiments in near term.

PRICE DRIVERS:

Bullish:

1. Lower stock of soybean

Bearish:

1. Lower demands at retail ends
2. Huge stock of mustard seeds.
3. Expected to increase sowing acreage
4. Nafed open tender in Punjab for Mustard seeds

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 (414.08) and 18-days (416.08) EMA, which indicates bearish market trend. However, %K line has just turned downwards and crossed to %D line from above in neutral region, which indicates bearish market sentiments. Candlestick pattern also indicates bearish market. All technical indicators shows bearish market sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX June	409.60	408.70	410.95	412.40	414.00

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil June Contract:

Sell near 411.50, target near 409.70, and put stop loss at 412.50.

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

Centres	06.06.06	05.06.06	Change
Mumbai (Soy Ref oil)+VAT	403	402	+1
Indore (Soy Ref oil)+VAT	389	391	-2
Kota (Soy Ref. Oil)+VAT	385	388	-3
Hyderabad (Soy Ref)+VAT	395	395	0
Rajkot (Soy Ref)+Tax	393	395	-2

PALM OIL

International Market Highlights

BMD CPO Futures Settle Up on Soy Oil Gains

Crude palm oil futures at Bursa Malaysia Derivatives settled mixed on Tuesday. Trading activity was slow on BMD due to lack of directions of the markets. The benchmark August CPO contract ended at MYR1,448 a metric ton, up MYR1 from Monday, after moving between MYR1,444/ton and MYR1,451/ton. Weak CBOT soy oil futures also added bearish sentiments. Estimates for June 1-10 Malaysian palm oil exports are due to be issued by the same day by cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd.

Domestic Spot Market Highlights

Palm oil prices on physical market displayed steady market sentiments in most of the markets on Tuesday. FOB (June shipment) CPO and RBD palm oil prices were quoted \$ 390 per ton and \$412.50 per ton respectively. Prices are expected to move range bound with positive sentiments in near term.

BMD: CPO Futures (06.06.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jun 06	1400	1398	1401	1398	1400	0	71
July 06	1430	1430	1432	1430	1430	0	739
Aug 06	1447	1448	1451	1444	1448	+1	1739
Sep 06	1464	1464	1466	1459	1460	-4	478
Oct 06	1472	1473	1476	1471	1471	-1	16

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	06.06.06	05.06.06	Change
Kandla CPO (5 % FFA)	373	373	0
Kandla RBD Palmolein +VAT	392	392	0
Mumbai RBD Palmolein +VAT	402	402	0
Chennai RBD Palmolein +VAT	409	409	0
Kakinada RBD Palmolein +VAT	385	385	0
Hyderabad RBD Palmolein +VAT	400	402	-2
Delhi RDB Palmolein	435	435	0

Rape/Mustard oil

Mustard oil prices on domestic spot market moved range bound with mixed sentiments in the markets on Tuesday. Prices improved slightly in Delhi on good demands at retail ends, prices declined in Neewai due to higher supply as compared to Monday. Today's arrivals of mustard seed were around 2000 bags in Neewai, 1200 bags in Kota and 70,000-75000 bags in Rajasthan (bags=85 kg). Mustard seeds prices were quoted at Rs 1530-40 in Kota and 1685 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 to positive sentiments in most market on Tuesday. Groundnut seeds were quoted at Rs 342 per 20 kg in Rajkot market. Gn oil prices improved slightly in Andhra and Mumbai market due to lower arrivals of groundnut seeds in Tamil Nadu. Arrivals in Chennai market declined at 1400 bags (bag=80 kg). Arrivals of groundnut seeds remain around 15,000-20,000 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 revealed steady to positive market in most of the markets. Prices improved slightly in Chennai market on good demands for sunflower oil at retail ends. CIF (June) sunflower oil were quoted \$ 650 per ton.

Cotton Refine Oil

Cotton oil prices on physical markets showed dull trends in most of the markets on Tuesday amid weak sentiments. Cotton oil prices followed soy oil prices. Prices are expected to move range bound with weak sentiments in near term.

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

Centres	06.06.06	05.06.06	Change
Mumbai (Exp. Oil) +VAT	395	395	0
Kota (Expeller Oil)+VAT	367	367	0
Jaipur (Expeller Oil)+VAT	372	372	0
Delhi (Expeller Oil)	395	392	+3
Neewai (Expeller Oil) +VAT	367	370	-3

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	06.06.06	05.06.06	Change
Mumbai +VAT	475	470	+5
Rajkot +VAT	450	450	0
Andhra Region +VAT	475	472	+3
Chennai +VAT	472	472	0
Delhi	510	510	0

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

Markets	06.06.06	05.06.06	Change
Mumbai +Vat	435	435	0
Chennai +VAT	453	450	+3
Hyderabad VAT	440	440	0

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

Markets	06.06.06	05.06.06	Change
Mumbai +VAT	405	404	+1
Hyderabad +VAT	400	405	-5
Rajkot + VAT	393	395	-2
Delhi	390	390	0

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Golden Crane	6000	CPO	Arrived
	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 Mangalore	Hen Field	3500	SBO	Expected
Mumbai	Harsanadi	5000	Palm Oil	Expected
	Shimakaze	8900	Palm Oil	Expected
Chennai	MMM Jackson	5000	Palm Oil	Expected
	Mirae Sun	2056	Palm Oil	Expected
	Madura	2500	Palm Oil	Arrived
	Cheras	5000	Palm Oil	Expected
JN Port	Anawan	10000	SBO	Arrived
	Chem Cosmos	8000	SBO	Expected
	WS Challenger	21000	SBO	Expected
	Mandy I	10000	SBO	Expected
Tuticorin Port	Spring Glory	7250	Palm Oil	Expected
	Rising One	3200	SBO	Expected

Forex Rates

(As on 06.06.2006)

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.92
European Union	Euro	59.31
Japan	100 Yen	40.91
United Kingdom	Pound Sterling	86.09