

VEGOIL DAILY

July 10, 2006

REFINED SOY OIL

SPOT MARKETS

Refined soy oil on spot market moved range bound with mixed sentiments in most of the market on Weekend. Sowing is on peak in major producing states amid favourable weather. There were no fresh fundamental to push up its prices. Prices are expected to move slightly higher in near term on account of lower stock of soybean and lower import of soy oil against last year.

FUTURES MARKETS:

Refined soyoil futures at NCEDX ends marginally down on Saturday amid sluggish trading activity and lower. August soy oil contract ended lower at Rs 414.80 per 10 kg, down Rs 0.15 from Friday. Prices moved in a range of Rs 414.70-417.35. Prices are expected to move range bound in near term.

PRICE DRIVERS:

Bullish:

1. Lower import of edible oil
2. 20% blend of mustard oil in manufacturing of Vanaspati

Bearish:

1. Hefty stock of mustard seeds.
2. Sowing is on peak amid favourable weather

Weather

The planting of soybean is started in MP. As per growers the climate looks favourable for sowing in MP and Maharashtra. Tilling operation is nearly completed and waiting for fresh showers for optimum moisture content of the soil.

TECHNICALS

Stochastic %K line is moves flatly with slight down trends and touched to %D line in neutral region, which indicates slightly bearish sentiments. Candlestick formed inverted hammer pattern. DAV is moving northwards parallel to MACD in negative territory, which is hinting slightly bullish sentiments. Prices closed above 9-days (413.52) and 18-days (414.33) EMA, which indicates moderately bullish market.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
NCDEX-July	413.80	412.90	414.80	416.80	418.30

TRADE RECOMMENDATION:

NCDEX Aug Refined Soy Oil Contract:

Buy near 416.50, target near 414.20 and put stop loss at 415.30

Refined Soybean Oil:

Spot Market Prices (Rs/10Kg excluding VAT)

Centres	08.07.06	07.07.06	Change
Mumbai (Ref. Soy Oil)+VAT	399	398	+1
Indore (Ref. Soy Oil)+VAT	386	386	0
Kota (Ref. Soy Oil)+VAT	388	388	0
Hyderabad (Ref. Soy Oil)+VAT	407	408	-1
Rajkot (Ref. Soy Oil)+Tax	395	396	-1

PALM OIL

International Market Highlights

BMD remain closed on Saturday and Sunday

Domestic Spot Market Highlights

Palm oil prices on domestic spot market witnessed lacklustre in most of the markets on Saturday. Palm oil prices dampened with soy oil prices on spot markets. Palm oil prices are expected to move range bound with moderately positive sentiments in near term on biodiesel demands.

BMD: CPO Futures (07.07.2006)

						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
July 06	1434	1448	1449	1446	1448	+14	65
Aug 06	1464	1474	1477	1474	1476	+12	1072
Sep 06	1498	1510	1512	1507	1512	+14	6471
Oct 06	1519	1528	1532	1528	1532	+13	1810
Nov 06	1535	1540	1545	1540	1544	+9	230

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	08.07.06	07.07.06	Change
Kandla CPO (5 % FFA)	387	386	+1
Kandla RBD Palmolein +VAT	402	404	-2
Mumbai RBD Palmolein +VAT	407	407	0
Chennai RBD Palmolein +VAT	411	410	+1
Kakinada RBD Palmolein +VAT	402	402	0
Hyderabad RBD Palmolein +VAT	414	415	-1
Delhi RDB Palmolein	430	432	-2

Rape/Mustard Expeller Oil

Mustard oil prices on spot market moved range bound with moderately positive sentiments in most of the market on weekend on account of the usage of mustard oil 20% in manufacturing of vanaspati. Today's arrivals of mustard seed were around 600 bags in Neewai, 1000-1200 bags in Kota, 3000 in Jaipur and 52000 bags in Rajasthan (bags=85 kg). Mustard seeds prices were quoted at Rs 1530-40 and 1710 in Jaipur per quintal. Mustard oil prices are expected to improve in near term.

Refined Groundnut Oil

Groundnut oil prices on spot market showed mixed sentiments in most of the market on Saturday. Prices in Rajkot moved slightly higher due to local demands for premium oil. Arrivals of groundnut seeds in Gujarat were around 15000 bags (bag=35 kg). GN oil prices are expected to move range bound with positive sentiments in near term.

Sunflower Expeller Oil

Sunflower oil prices on spot market revealed positive sentiments in most of the markets on Saturday. CIF (July Shipment) prices surged at \$622/ton, up \$1/ton from \$621/ton. Prices are expected to move range bound with slightly positive sentiments in near term on lower stock.

Cotton Refine Oil

Cotton oil prices on spot market moved slightly higher in most of the market on Saturday amid local demands at retail ends. Prices are expected to move range bound with positive sentiments in near term.

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

Centres	08.07.06	07.07.06	Change
Mumbai + VAT	399	398	+1
Kota + VAT	371	370	+1
Jaipur + VAT	375	374	+1
Delhi	396	397	-1
Neewai + VAT	373	373	0

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

Centres	08.07.06	07.07.06	Change
Mumbai +VAT	500	500	0
Rajkot +VAT	496	493	+3
Andhra Region +VAT	494	493	+1
Chennai +VAT	486	488	-2
Delhi	500	502	-2

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

Markets	08.07.06	07.07.06	Change
Mumbai +VAT	454	452	+2
Chennai +VAT	462	462	0
Hyderabad+ VAT	470	467	+3

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

Markets	08.07.06	07.07.06	Change
Mumbai +VAT	416	414	+2
Hyderabad +VAT	410	412	-2
Rajkot + VAT	420	418	+2
Delhi	406	405	+1

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

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Star Dream	3500	CPO	Expected
	Stolt Hawk	4500	SBO	Arrived
	Vijaydoot	6500	CPO	Expected
	Shimakaze	7000	SBO	Expected
Kolkata	MMM Jackson	6000	CPO	Expected
	Sutra Satu	7500	CPO	Arrived
	Golden Crane	6000	CPO	Expected
Mumbai	Sutra Tiga	2535	CPO	Expected
Chennai	Westama	9000	CPO	Arrived
	Khadijah	6000	CPO	Expected
J N Ports	Jo Leon	23000	SBO	Arrived
Kakkinada	Ace I	6000	CPO	Arrived
	Khadija	4000	CPO	Expected
	Westama	29000	CPO	Expected
New Manglore	Global Mars	7300	CPO	Expected

Forex Rates**(As on 08.07.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.86
European Union	Euro	58.79
Japan	100 Yen	40.20
United Kingdom	Pound Sterling	84.89