

VEGOIL DAILY

October 30, 2006

REFINE SOY OIL

SPOT MARKETS

Overall sentiments in refined soy oil remained bullish in spot market on Saturday. Arrival remained steady in major growing areas but aggressive buying helped offsetting this supply factor. Millers' interest was strong as are getting good demand for SBM from exporters. Weather is favourable for crop harvest. Firmness in overseas market provided strength to the market. Increasing cost of imported oil kept the bulls in high spirit. The CIF rate for refined soy oil for September-January shipment was increased at \$628 on Saturday.

FUTURES MARKETS:

Soy oil futures at the NCDEX traded downwards initially following a firm opening. However, increased buying interest at lower levels supported the futures and traded upwards thereafter. Finally the futures settled at green with some gains. The bullish sentiment at spot market is also underpinning the tone. The November contract settled up Rs.3.75 at Rs.432.30 and hovered within the range of Rs.427.40-432.90.

PRICE DRIVERS:

Bullish:

1. Higher demand from millers.
2. High soy futures on CBOT

Bearish:

1. Increasing Arrival Pressure
2. Harvesting in Progress

Weather

Weather looks favourable for fieldwork for soybean harvest.

TECHNICALS

The candlestick is showing somewhat bullish sentiment. Buyers dominated the market. Stochastic is in oversold region and moving slightly downwards. The % K line is likely to cross %D line from the above. The prices closed much above 9 day and 18 day EMA. MACD is in positive territory and moving upwards indicating positive tone at medium term. Overall picture is indicating sideways tone.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX Nov.	430.0	428.0	432.3	437.0	438.5

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil November Contract:

Buy Above 431.00; T1 433.00, T2 434.00 and put stop loss at 429.50.

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

Centres	28.10.06	27.10.06	Change
Mumbai (Soy Ref oil)+VAT	417	417	0
Indore (Soy Ref oil)+VAT	408	405	+3
Kota (Soy Ref. Oil)+VAT	413	411	+2
Hyderabad (Soy Ref)+VAT	437	427	+10
Rajkot (Soy Ref)+Tax	411	407	+4

PALM OIL

International Highlights

BMD Remained Closed on Saturday.

Domestic Spot Market Highlights

Palm oil price see upwardly trends in spot market. Rising crude oil provided underlying support to palm oil prices. Also, sharp rise in crude palm oil futures on BMD on Friday helped improving sentiments in domestic palm oil markets. Large number of vessels is reaching at different port. Locals quote high for the same in tune to increasing prices of FOB.

BMD: CPO Futures (27.10.2006)

						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
Nov.06	1594	1600	1623	1600	1623	+29	335
Dec.06	1624	1630	1657	1630	1656	+32	3650
Jan.07	1650	1655	1680	1655	1680	+30	8733
Feb.07	1663	1672	1694	1672	1694	+31	3621
Mar.07	1675	1685	1705	1685	1705	+30	1431

***BMD Remains Closed on Saturday and Sunday.**

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	28.10.06	27.10.06	Change
Kandla CPO (5 % FFA)	388	390	-2
Kandla RBD Palmolein +VAT	407	406	-1
Mumbai RBD Palmolein +VAT	418	418	0
Chennai RBD Palmolein +VAT	440	434	+6
Kakinada RBD Palmolein +VAT	418	410	+8
Hyderabad RBD Palmolein +VAT	445	429	+16
Delhi RDB Palmolein	445	428	+17

Rape/Mustard oil

Firm trend in imported soyoil had bullish impact on indigenous rapeoil markets. Emergence of fresh demand also helped improving sentiments in its spot market. Postponement in decision of reduction in its MSP (Minimum Support Price) to Rs 1600 /qtl by Cabinet Committee on Economic Affairs was considered bullish. Traders do not rule out possibility of further rise in its prices owing to good demand.

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

Centres	28.10.06	27.10.06	Change
Mumbai (Exp. Oil) +VAT	420	418	+2
Kota (Expeller Oil)+VAT	395	395	0
Jaipur (Expeller Oil)+VAT	398	397	+1
Delhi (Expeller Oil)	420	420	0
Neewai (Expeller Oil) +VAT	400	396	+4

Groundnut Refine Oil

Sentiments remained mixed for refined groundnut oil prices in the spot market. Slowed buying at higher prices in some markets helped limiting rise in its prices. Traders are expecting further increase in arrivals in coming days, as weather situation is conducive for crop harvest.

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	28.10.06	27.10.06	Change
Mumbai +VAT	535	535	0
Rajkot +VAT	510	505	+5
Andhra Region +VAT	585	590	-5
Chennai +VAT	560	560	0
Delhi	507	505	+2

Sunflower Refine Oil

Sentiments remained firm in refined sunflower oil markets on Saturday. The low arrival reported in many locations. Arrival is likely to increase in coming days in major growing areas. Support from other vegetable oil kept bulls in charge. The CIF price of refined sunflower oil for September-January shipment was quoted at \$ 643 on Friday.

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

Markets	28.10.06	27.10.06	Change
Mumbai +VAT	505	505	0
Chennai +VAT	530	522	+8
Hyderabad VAT	525	515	+10

Cotton Refine Oil

Good demand for refined cotton oil observed in the spot market. Cottonseed arrival decreased. Demand from millers remained high. Harvesting is smooth in major growing areas. Good arrival is expecting in coming days.

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

Markets	28.10.06	27.10.06	Change
Mumbai +VAT	425	424	+1
Hyderabad +VAT	440	430	+10
Rajkot + VAT	420	416	+4
Delhi	412	410	+2

Forex Rates

(As on 28.10.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.08
European Union	Euro	57.35
Japan	100 Yen	38.33
United Kingdom	Pound Sterling	85.49

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	NCC Jubail	8,000	CPO	Arrived
	Star Dream	6,000	CPO	Arrived
	Golden Charlotte	11,000	CPO	Arrived
	Global Union	5,300	Palm Oil	Arrived
Kolkata	Vernal Grace	6,000	CPO	Arrived
	Laju Sejahtera	5,000	CPO	Expected
	Matina	5,500	CPO	Expected
	Marida Prince	6,000	CPO	Arrived
Chennai	Spring Wind	7,257	Palm Oil	Expected
	Southern Unicorn	6,000	CPO	Expected
New Mangalore	Stolt Alliance	4,000	CPO	Expected
Tamil Nadu	Global Eros	10,800	Palm Oil	Expected
	Khadijah	6,250	Palm oil	Expected

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