

VEGOIL DAILY

November 13th, 2006

REFINE SOY OIL

FUNDAMENTAL MARKETS

Spot market prices of refined soy oil remained bullish on Saturday as no change in sentiments in demand noticed as compare to yesterday. Demand from local stockiest is improved in consideration of filling up their inventories. Arrivals are slightly declined, which remained short to meet the millers demand, in prime concern of exporters demand and supported its prices to flourish. After a period of time, Delhi market witnessed some improvement in trade activities and remained bullish. As well as in Hyderabad market, some relief from rain provided space for trade activities and it also see upwardly price movement. In absence of firm guiding from overseas market like decline in crude oil prices, closure of BMD futures on Saturday and weak ending at CBOT on Friday remained clueless in the domestic market. CIF rate for refined soy oil for December shipments was declined a little and quoted at \$651. In presence of good demand in the physical market as well as firm advice from Indore lead to speculative buying on NCDEX futures during most part of trading days.

PRICE DRIVERS:

1. Steady arrival pressure
2. Improving millers demand
3. Increasing stockiest demand
4. Harvest has completed

Weather

Mainly dry weather is likely in central regions, which is helpful in arrival to be continued with constant pace.

TECHNICALS

Long body closing un-filled candlestick indicates bullish market sentiments. Stochastic improved further and made bullish cross over. RSI also made bullish cross over. The prices closed above 9 day and 18 day EMA indicating firmness. MACD heading northwards from bullish cross over. Volume increased while OI remain steady.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX Dec.	448.2	445.5	451.4	454.6	456.3

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil December Contract:
Buy above 450.80; T1 452.90 and put stop loss at 449.50.

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

Centres	11.11.06	10.11.06	Change
Mumbai (Soy Ref oil)+VAT	434	428	+6
Indore (Soy Ref oil)+VAT	420	409	+11
Kota (Soy Ref. Oil)+VAT	424	NA	-
Hyderabad (Soy Ref)+VAT	450	442	+8
Rajkot (Soy Ref)+Tax	433	430	+3

PALM OIL

International Highlights

Crude Palm oil Futures on BMD Remained Closed on Saturday.

Domestic Spot Market Highlights

Sentiment of palm oil demand remained steady to firm in domestic market result in bullish trends in prices. BMD palm oil futures remained closed on Saturday provided no clue in the domestic market but upwardly trends in other vegetable oil influenced palm oil to improved a little.

BMD: CPO Futures (10.11.2006)

						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
Nov.06	1657	1657	1657	1640	1640	-17	42
Dec.06	1666	1670	1673	1654	1654	-12	1013
Jan.07	1687	1690	1696	1675	1675	-12	5705
Feb.07	1698	1699	1707	1688	1688	-10	2152
Mar.07	1712	1706	1716	1696	1696	-16	143

*BMD Remains Closed on Saturday and Sunday.

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	11.11.06	10.11.06	Change
Kandla CPO (5 % FFA)	393	391	+2
Kandla RBD Palmolein +VAT	407	406	+1
Mumbai RBD Palmolein +VAT	423	422	+1
Chennai RBD Palmolein +VAT	440	440	0
Kakinada RBD Palmolein +VAT	415	415	0
Hyderabad RBD Palmolein	450	450	0
Delhi RDB Palmolein	455	Closed	-

Rape/Mustard oil

Mustard oil prices remained bullish in the spot market in firm support of upwardly trends in other vegetable oil as well as from stockiest. Mustard sowing in nearly completed and low acreage is expected this year due to shift in sentiments to other remunerated crops also added bullishness. Nafed further increased its mustard seed prices to Rs. 1725 per quintal for last year stock. There is further improvement in prices is expected in near terms.

Groundnut Refine Oil

Spot market prices of groundnut refined oil increased in major producing areas amidst high local stockiest as well as retail demand. Some relief from bad weather results in increases in trade activities helped Hyderabad market to remains bullish. In Rajkot market shelled groundnut kept steady and quoted at Rs. 395/20kg. Prices will like to follow the previous trends in coming days.

Sunflower Refine Oil

Sentiments in sunflower refined oil prices showed the steady trends from last couple of days as interest from traders has shifted to other arrival crop. CIF prices declined a little, which remains ineffective to bring about any change in the spot market. CIF rates of sunflower refined oil for December shipment was quoted at \$703 on Saturday. Sunflower refined oil prices will much more depend up trends in other vegetable oil.

Cotton Refine Oil

Cotton refined oil prices increased in major producing centres amidst low arrival. Although, cottonseed demand is good from millers to meet exporters meals demand but less crushing lead into shortage of oil in the market and support prices rise. The same trends likely to follows in coming days.

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

Centres	11.11.06	10.11.06	Change
Mumbai (Exp. Oil) +VAT	442	442	0
Kota (Expeller Oil)+VAT	412	411	+1
Jaipur (Expeller Oil)+VAT	420	418	+2
Delhi (Expeller Oil)	436	Closed	-
Neewai (Expeller Oil) +VAT	412	408	+4

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	11.11.06	10.11.06	Change
Mumbai +VAT	558	555	+3
Rajkot +VAT	525	520	+5
Andhra Region +VAT	630	620	+10
Chennai +VAT	575	575	0
Delhi	530	Closed	-

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

Centres	11.11.06	10.11.06	Change
Mumbai +VAT	552	550	+2
Rajkot +VAT	570	570	0
Hyderabad VAT	565	565	0

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

Centres	11.11.06	10.11.06	Change
Mumbai +VAT	436	435	+1
Hyderabad +VAT	450	440	+10
Rajkot + VAT	436	435	+1
Delhi	430	Closed	-

Forex Rates

(As on 11.11.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.45
European Union	Euro	57.44
Japan	100 Yen	37.79
United Kingdom	Pound Sterling	84.92

PORT-WATCH (Latest):
Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Integrity	6,800	CPO	Arrived
	M.T. Chemroad Echo	21,000	Palm oil	Expected
Chennai	Spring Wind	2,666	CPO	Arrived
Mumbai	Chem Bridge	4,500	Palm oil	Arrived
Kolkata	Feng Sheng You-2	4,600	CPO	Arrived

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