

## VEGOIL DAILY

January 15th, 2007

### REFINED SOY OIL

#### SPOT MARKET:

Refined soybean oil traded on the bullish side on depleting oil stocks in the domestic market on low crushing margin millers/crushers is less interest. Soybeans arrivals kept steady, as producers remained less active as beans prices are not dearer these days. In Hyderabad, some improvement in festival demand and sharp increased crude soy oil CIF prices supported prices gains, which quoted at \$700 for February shipment on Saturday. Bullish CBOT and USDA monthly exports sales reflected with similar sentiments in market. Further upwardly price movement for soy oil could be noticed in coming days amidst underlying bullish sentiments ahead on BMD.

#### FUTURES MARKET:

NCDEX soy oil futures opened firmed Rs.1.8 at Rs. 465.9/10kg to previous closing. Anticipation for revision of imported oil duty and bullish CBOT amidst bullish USDA month supply and demand estimation supported speculative buying on February contract. Market finished Rs 7.3 up at Rs. 471.4/10kg to yesterday closing at Rs. 465.9/10kg.

#### PRICE DRIVERS:

1. Bullish monthly supply and demand estimation by USDA and CBOT
2. Sharp increased crude soy oil CIF prices
3. Improved domestic demand
4. Pressure from other cheaper edible oil

#### Weather

Mainly dry weather in major growing areas would support beans arrivals in near-terms.

#### TECHNICALS

The long hollow candlestick with short upper shadow pointed towards buyers dominance during trade-session. Stochastic made bullish crossover and faced up from oversold region showed bullish sentiments. Prices remained between 9 days and 18 days EMA indicated underlying bullishness. MACD moved took upward movement from negative territory. Both volume and open interest increased.



#### SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-Feb.	461	464	471.4	478	482

#### TRADE RECOMMENDATION:

NCDEX Refined Soy Oil February Contract:

**BUY Above 470, T1 473 and put stop loss at 468.**

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

Centres	13.01.07	12.01.07	Change
Mumbai (Soy Ref oil)+VAT	452	452	0
Indore (Soy Ref oil)+VAT	439	434	+5
Kota (Soy Ref. Oil)+VAT	438	438	0
Hyderabad (Soy Ref)+VAT	465	460	+5
Rajkot (Soy Ref)+Tax	455	455	0

## PALM OIL

### International Highlights

Crude Palm oil Futures Remained Closed on Saturday.

### Domestic Spot Market Highlights

Spot prices of palm oil flourished in domestic market on improved demand as traders are reported to shift their interest to other cheap available edible oil. Vanaspati makers demand remains sluggish on ample stocks in the country. Palm oil prices might fall in coming days on underlying bearish impact at Malaysia.

BMD: CPO Futures (12.01.2007)						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
Jan.07	1945	1955	1960	1930	1929	-16	349
Feb.07	1914	1928	1934	1892	1894	-20	1383
Mar.07	1900	1920	1922	1880	1889	-11	6640
Apr.07	1888	1907	1914	1870	1872	-16	3475
May.07	1880	1890	1898	1862	1860	-20	537

\*BMD Remains Closed on Saturday and Sunday.

### Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	13.01.07	12.01.07	Change
Kandla CPO (5 % FFA)	NA	412	-
Kandla RBD Palmolein +VAT	434	432	+2
Mumbai RBD Palmolein +VAT	453	452	+1
Chennai RBD Palmolein +VAT	458	455	+3
Kakinada RBD Palmolein +VAT	445	440	+5
Hyderabad RBD Palmolein +VAT	465	465	0
Delhi RDB Palmolein	465	465	0

### Rape/Mustard oil

Nafed remain active in liquidating mustard seeds at yesterday prices of Rs.1680/1725 per100kg [seeds stocked during 2005/06]. Emergence of fresh demand for mustard oil accelerated prices in the market. Traders are expecting its prices to fall in near terms as harvesting of toria crop come to action.

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

Centres	13.01.07	12.01.07	Change
Mumbai (Exp. Oil) +VAT	450	450	0
Kota (Expeller Oil)+VAT	418	416	+2
Jaipur (Expeller Oil)+VAT	422	424	-2
Delhi (Expeller Oil)	450	448	+2
Neewai (Expeller Oil) +VAT	413	413	0

### Refined Groundnut Oil

Stockists remain active to procure groundnut (gn) seeds for anticipating below production of seeds to last year had bullish impact on gn oil market too in major growing areas. In Rajkot, shelled gn quoted at yesterday prices of Rs. 434/20kg (bag) with arrivals of 50,000-60,000 bags. Weak meals demand from exporters likely to have bearish impact on oil in coming days.

### Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	13.01.07	12.01.07	Change
Mumbai +VAT	590	590	0
Rajkot +VAT	580	575	+5
Andhra Region +VAT	465	650	+15
Chennai +VAT	600	600	0
Delhi	585	580	0

### Refined Sunflower Oil

Sunflower seeds arrivals stood steady to yesterday record with unchanged demand to yesterday and lack of fundamental development. Improved demand supported oil price gains in Hyderabad. Sunflower oil prices likely to depend upon seeds arrivals pressure in near-terms.

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

Centres	13.01.07	12.01.07	Change
Mumbai +VAT	545	545	0
Chennai +VAT	570	570	0
Hyderabad +VAT	550	540	+10

### Refined Cotton Oil

Refined cotton oil prices stood bound in the physical market with steady crushing. Slightly firmness in other vegetable oil aided bullish impact. Cotton oil is the cheaper amongst other oil and remained in crushing margin supported range bound prices. Traders are expecting steady to bullish impact in coming days amidst steady demand.

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

Centres	13.01.07	12.01.07	Change
Mumbai +VAT	450	450	0
Hyderabad +VAT	440	440	0
Rajkot + VAT	435	434	+1
Delhi	428	428	0

### Forex Rates

(As on 13.01.2007)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.28
European Union	Euro	57.30
Japan	100 Yen	36.80
United Kingdom	Pound Sterling	86.66

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

Ports	Vessels	Volume (Ton)	Carrying	Status
Mumbai	ACE-7	4,720	Palm oil	Arrived (11.01.2007)
	Pertiwi	7,700	Palm oil	Expected (18.01.2007)
Kandla	Suzanne	10,000	Palm oil	Expected (13.01.2007)
	Hari Kripa	2,000	CFA	Expected (14.01.2007)
	Harsanadi	10,000	Palm oil	Expected (25.01.2007)
	Aries	8,970	SBO	Expected (14.01.2007)
Chennai	Neptun	8,500	SFO	Arrived (10.01.2007)
Tuticorin	Spring wind	4,100	Palm oil	Expected (16.01.2007)

\*With CPS and PFAD

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