

VEGOIL DAILY

April 02nd, 2007

REFINED SOY OIL

SPOT MARKET:

For celebrations of Mahavir Jayanti, few markets remained closed while others witnessed dull trade activities. During March refined soy oil prices improved around 6.7% in Indore market. From recent USDA weekly exports report soybean stocks stood at 48.519 million tonne against last year 45.063 million tonne pressure soybean complex at CBOT while reduction of USA soybeans cultivation area at 67.14 million acres against 75.522 million acres last years cushioned bearishness. The CIF prices of crude soy oil for April shipment increased further on Saturday at \$709 per MT against Friday's \$707 per tonne.

FUTURES MARKET:

NCDEX April contract of refined soy oil finished up on Saturday. Soy oil contract opened at Rs. 468.5 per 10kg against Friday's closing level of 468.75 per 10 Kg. On Saturday market opened weak on tracking CBOT and later recovered on follow-through rallies. Market closed at Rs. 471.1 per 10kg improved by Rs. 2.35 to Friday's closing levels.

MCX April contract of refined soy oil ended high on Saturday. Refined soy oil contract opened at Rs. 467.2 per 10kg against previous closing level of 465.5 per 10 Kg. Reaction of global markets resulting weak opening of soy oil futures contract but strong sentiments for long-term demand strengthened futures market. Market finished at Rs. 468.35 per 10kg increased by Rs. 2.85 to Friday's closing levels.

PRICE DRIVERS:

1. Bearish overnight CBOT
2. Further increased crude soy oil CIF prices
3. Trade activities remained dull on Mahavir Jayanti
4. Bullish support from mustard oil
5. Declining quality beans stocks in the markets

Weather

Mainly dry weather in major growing region would facilitate soybeans arrivals in short-term.

TECHNICALS

Candlestick pattern showed bullishness on good buying interest and prices touched the highest of 2nd February. The prices were remained high to 9-days and 18-days EMA, which suggests strong bullishness. MACD remained upward in positive territory. Stochastic moved further up in neutral region. Volume declined but open interest increased.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-April	461	463	471.1	475	477
MCX-April	461	463	468.35	473	476

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil April Contract:

Buy above 469; T1 near 471, T2 472 and put stop loss at 467.

MCX Refined Soy Oil April Contract:

Buy above 467; T1 near 469, T2 470 and put stop loss at 465.

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

Centres	31.03.07	30.03.07	Change
Mumbai (Soy Ref oil)+VAT	452	450	+2
Indore (Soy Ref oil)	447	442	+7
Kota (Soy Ref. Oil)+VAT	465	465	0
Hyderabad (Soy Ref)+VAT	465	465	0
Rajkot (Soy Ref)+Tax	437	437	0

PALM OIL

International Highlights

BMD Crude Palm oil Futures Remained Closed on Saturday.

Domestic Spot Market Highlights

Continuous good demand in domestic markets supported palm oil prices in domestic markets. Retailers were reported to busy in fresh buying of palm oil for coming days. The bullish development for edible oil also supported palm oil market. The bullish clues from International markets are likely to produce similar reflection on palm oil prices ahead across domestic markets.

BMD: CPO Futures (30.03.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr.07	2040	2060	2066	2057	2060	+20	156
May.07	2038	2060	2073	2056	2060	+22	729
Jun.07	2045	2062	2076	2057	2070	+25	5102
Jul.07	2042	2060	2073	2056	2062	+20	2078
Aug.07	2037	2060	2072	2060	2070	+33	302

*BMD Remains Closed on Saturday and Sunday.

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	31.03.07	30.03.07	Change
Kandla CPO (5 % FFA)	408	408	0
Kandla RBD Palmolein +VAT	430	427	+3
Mumbai RBD Palmolein +VAT	446	445	+1
Chennai RBD Palmolein +VAT	MC	447	-
Kakinada RBD Palmolein +VAT	435	435	0
Hyderabad RBD Palmolein +VAT	451	449	+2
Delhi RDB Palmolein	465	465	0

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	31.03.07	30.03.07	Change
Crude Soy Oil	709	707	+2
Crude Palm Oil	NA	645	-
Sunflower Oil	720	718	+2

Rape/Mustard oil

As per trade sources, around 12-14 lakh tonne mustard seeds had been arrived in Rajasthan region so far. Aggressive buying from stockists and expellers reflect bullishness on mustard oil. Good demand from retailers helped market to remain firm. Mustard oil prices are likely to trade steady to bullish amidst abound arrivals of mustard seeds in Rajasthan mandis in near-term.

Groundnut Oil

Spot prices for groundnut oil improved further in physical markets on good demand from resellers. The low production of groundnut seeds continued to fuel stockists to pile up their inventories with quality groundnut seeds for lean season. The prevailing demand conditions groundnut meals at ports and domestic market is likely to support oil prices in next week.

Refined Sunflower Oil

For celebration of Mahavir Jayanti, Chennai market remained closed on Saturday while sunflower oil rose in rest of markets on good demand. The sunflower oil CIF price increased further at \$720 per tonne for April Shipment on Saturday against Friday's \$718 per tonne. Traders are keeping close eye on development in domestic and international markets and remained fall short of fall in sunflower oil prices ahead.

Refined Cotton Oil

Continuous buying of cotton oil across domestic market radiated bullishness. Improved in edible oil prices provided underlying support to cotton oil. Recent bullish USDA weekly exports sales favoured similar sentiments domestically. Traders are expecting cotton oil would follow groundnut oil in approaching days as both share same markets.

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

Centres	31.03.07	30.03.07	Change
Mumbai (Exp. Oil) +VAT	450	444	+6
Kota (Exp. Oil)+VAT	442	440	+2
Jaipur (Exp. Oil)+VAT	452	445	+7
Delhi (Exp. Oil)	467	472	-5
Neewai (Exp. Oil) +VAT	440	440	0

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	31.03.07	30.03.07	Change
Mumbai +VAT	580	578	+2
Rajkot +VAT	655	650	+5
Andhra Region +VAT	670	665	+5
Chennai +VAT	MC	610	-
Delhi	670	670	0

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

Centres	31.03.07	30.03.07	Change
Mumbai +VAT	525	522	+3
Chennai +VAT	MC	530	-
Hyderabad +VAT	530	525	+5

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

Centres	31.03.07	30.03.07	Change
Mumbai +VAT	456	454	+2
Hyderabad +VAT	457	455	+2
Rajkot + VAT	446	442	+4
Delhi	462	462	0

Forex Rates

(As on 31.03.2007)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.59
European Union	Euro	58.21
Japan	100 Yen	37.00
United Kingdom	Pound Sterling	85.80

PORT-WATCH (Latest):

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Sima Kazee	9,452	CPO	Arrived (23.03.2007)
	Starling	3,300	CPO	Arrived (30.03.2007)
Kandla	Global Eos	11,000	CPO	Expected (01.04.2007)
	Maersk Barry	13,100	CPO	Arrived (30.03.2007)
	Ben-Aicha	12,330	Palm oil	Expected (02.04.2007)
	Hari Kripa	2,000	CFA*	Berthed (30.03.2007)
Chennai	Spring Wind	2,100	CPO	Arrived (30.03.2007)
Mumbai	Global Themis-III	10,500	Palm oil	Expected (05.04.2007)

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