

VEGOIL DAILY

May 1st, 2007

REFINED SOY OIL

SPOT MARKET:

Refined soy oil price escalated in spot markets amidst stagnant demand and firmed up BMD CPO futures on bullish exports data and prospect of tight supply ahead. Demand for soy meal remained weak in domestic markets restriction the upside movement of soy oil. SGS, a cargo surveyor estimated Malaysian palm oil exports for April month rose by 13.3% at 1,131,100 metric tons (MT) as compared to 998,759 MT during same period last month. Crude soy oil CIF prices remains unchanged on Monday at \$757 per tonne for May shipment. Improving weather conditions for corn plantation in USA with slow harvest in Argentina is likely to supports global soybeans scenario in short-term.

FUTURES MARKET:

NCDEX refined soy oil May futures finished weak to Monday. Market opened weak and later pick up on back of BMD CPO futures and follow-through rallies. Market lack the sustainability at higher prices and fell toward end of trade session. The futures opened at Rs. 486 per 10kg against Saturday's closing of Rs 487.1 per 10 Kg and market closed Rs. 0.25 down at Rs 486.85 per 10 Kg to Saturday closing.

MCX refined soy oil futures May contract opened at Rs 487.5 per 10 Kg against Saturday's closing level of Rs 489.1per 10 Kg. Market opened low on Saturday's weakness and moved in tandem with bullish BMD CPO futures and closed at Rs. 487.9 per 10 Kg against yesterday closing level. The contract experienced high and low of Rs 491.4 and 487.3 per 10 Kg respectively during trade-session.

PRICE DRIVERS:

- Bullish BMD CPO futures
- Unchanged crude soy oil CIF prices
- Malaysia palm oil exports increased in April month by 13.3%
- Improving prospects of corn plantation in USA
- Farmers reluctant to unload soybeans at current prices

Weather

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

TECHNICALS

Refined soy oil chart shows insustainability at higher prices. Prices closed above 9-days and 18-days EMA, indicates short-term in the markets. MACD turned flat in positive territory. Stochastics made bullish crossover while RSI headed upward in neutral region. Volume increased while open interest declined.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-May	480	482	486.85	492	495
MCX-May	481	483	487.9	493	495

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil May Contract:

SELL Below 489; T1 near 486, T2 485 and put stop loss at 491.

MCX Refined Soy Oil May Contract:

SELL Below 488; T1 near 491, T2 492 and put stop loss at 485.

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

Centres	30.04.07	28.04.07	Change
Mumbai (Soy Ref oil)+VAT	466	466	0
Indore (Soy Ref oil)	467	466	+1
Kota (Soy Ref. Oil)+VAT	468	468	0
Hyderabad (Soy Ref)+VAT	480	478	+2
Rajkot (Soy Ref)+Tax	465	NA	-

PALM OIL

International Highlights

BMD Crude Palm oil Futures Settle High on Monday

Friday firmed up CBOT soy oil futures along with prospects of long-term demand propelled crude oil prices at Bursa Malaysian Derivatives on Monday. The most active July contract of crude palm oil finished MYR9 up at MYR2,214 per tonne. Market also generated bullish momentum on prevailing global demand of palm oil. SGS also released exports estimation for Malaysian palm oil for April month increased by 13.3% at 1,131,100 metric tons (MT) as compared to 998,759 MT same period a month ago.

Domestic Spot Market Highlights

Palm oil traded in bullish tone in domestic markets on steady arrivals and bullish BMD CPO futures on improve prospect for long-term demand and also supported the Indonesian CPO futures. SGS a cargo surveyor in Malaysia highlighted, palm oil exports to India increased by 710.52% at 100,505 MT during April against 12,400 MT during corresponding period a month ago. Crude palm oil CIF prices for May shipment quoted at \$ 735 per tonne on Monday against \$740 per tonne on Saturday.

BMD: CPO Futures (30.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May07	2320	2320	2340	2312	2326	+6	352
Jun.07	2250	2253	2285	2253	2257	+7	970
Jul.07	2205	2205	2245	2203	2214	+9	6679
Aug.07	2185	2183	2216	2179	2189	+4	2063
Sep.07	2150	2181	2288	2170	2185	+35	68

*BMD Remains Closed on Saturday and Sunday.

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	30.04.07	28.04.07	Change
Kandla CPO (5 % FFA)	420	420	0
Kandla RBD Palmolein +VAT	445	445	0
Mumbai RBD Palmolein +VAT	459	459	0
Chennai RBD Palmolein +VAT	460	460	0
Kakinada RBD Palmolein +VAT	438	437	+1
Hyderabad RBD Palmolein +VAT	458	457	+1
Delhi RDB Palmolein	490	490	0

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	30.04.07	28.04.07	Change
Crude Soy Oil	757	757	0
Crude Palm Oil	735	740	-5
Sunflower Oil	780	780	0

Rape/Mustard oils

Mustard oil prices trade in bullish tone in domestic markets on stagnant demand. As mustard oil prices are competitive to other edible oil and production is current year (2006/07), supporting prices to remain in firm tone. Farmers are educating themselves to hold mustard seeds stocks for better premium in off-season, which would support mustard oil in near-futures.

Groundnut Oil

Spot prices of groundnut oil improved in physical markets on improved demand. Handful of crushers is not able to feed markets with appropriate releases results mismatch demand and supply supported bullish sentiments. Improving sentiments for groundnut harvest with supportive weather along with pressure from cottonseeds oil is likely to produce mixed reaction domestically ahead.

Refined Sunflower Oil

Refined sunflower oil reflected Saturday sentiments and remained range bound across domestic markets. However, arrivals of sunflower seeds remained steady on Monday. CIF prices of sunflower oil remained unchanged on Monday at \$780 per tonne for May shipment. Traders are expecting further extend of current sentiments amidst lack of supportive news.

Refined Cottonseeds Oil

Sluggish demand depressed cottonseeds oil prices in spot markets. Few markets remained range bound on steady demand and supply. Cottonseeds arrival also remains steady in major growing regions. Traders are expecting cottonseeds oil is likely to track the underlying weakness in overseas markets ahead.

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

Centres	30.04.07	28.04.07	Change
Mumbai (Exp. Oil) +VAT	470	468	+2
Kota (Exp. Oil)+VAT	440	440	0
Jaipur (Exp. Oil)+VAT	450	450	0
Delhi (Exp. Oil)	455	455	0
Neewai (Exp. Oil) +VAT	437	437	0

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	30.4.07	28.04.07	Change
Mumbai +VAT	645	NA	-
Rajkot +VAT	675	468	+8
Andhra Region +VAT	685	685	0
Chennai +VAT	600	600	0
Delhi	705	700	+5

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

Centres	30.4.07	28.04.07	Change
Mumbai +VAT	525	525	0
Rajkot +VAT	535	535	0
Andhra Region +VAT	535	535	0

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

Centres	30.04.07	28.04.07	Change
Mumbai +VAT	475	475	0
Hyderabad +VAT	470	472	-2
Rajkot + VAT	468	472	-4
Delhi	462	462	0

Forex Rates

(As on 30.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	41.29
European Union	Euro	56.20
Japan	100 Yen	34.58
United Kingdom	Pound Sterling	82.30

PORT-WATCH (Latest):

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Spring Glory	4,100	CPO	Arrived (23.04.2007)
	L. Star	5,200	CPO	Arrived (25.04.2007)
Kandla	Hari Kripa	2,000	CFA	Expected (24.04.2007)
	Global Themis	10,500	CPO	Expected (27.04.2007)
	Havi Ocean	8,500	Palm oil	Expected (03.05.2007)
	Global Neptune	12,250	CPO	Expected (1.05.2007)
Mumbai	Havi Ocean	3,000	Palm oil	Expected (30.04.2007)
Kolkata	Jin Hai Wan	6,000	CPO	Expected (28.04.2007)

*Crude Fatty Acid

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