

VEGOIL DAILY

April 30th, 2007

REFINED SOY OIL

SPOT MARKET:

Improved demand and overnight firmed up CBOT soy oil futures strengthened refined soy oil in spot markets. Improving weather conditions for corn and gains in crude oil prices supported soy futures on Friday. Argentina's Agriculture Secretariat highlighted 2006/07 soybeans harvest 46% has been completed as on April 26 as compared to 65% during same period last year due to continue rainfall last week. Secretariat also highlighted Argentina has crushed 1,874,825 metric tons of soybeans in February month, which is 3.2% down as compared to 1,936,020 metric tons same period last year. February soy oil production totalled at 358,154 metric tons, down by 3.75% against 372,091 metric tons same period a year ago. Crude soy oil CIF prices increase sharply on Saturday at \$757 per tonne for May shipment against \$745 per tonne on Friday. Traders are expecting currently higher prices of crude palm oil is likely to curtail exports from Malaysia in coming month and soy oil will move in tandem with palm oil.

FUTURES MARKET:

NCDEX refined soy oil most active May futures settled high on Saturday. Market opened firmed on overnight firmed up CBOT soy futures. Market lack the sustainability at higher prices and lower in end of season on profit taking. The futures opened at Rs. 486 per 10kg against Friday's closing of Rs 485 per 10 Kg and market closed Rs. 1.4 high at Rs 486.4 per 10 Kg to Friday closing.

MCX refined soy oil futures May contract opened at Rs 489.9 per 10 Kg against Friday's closing level of Rs 487.2 per 10 Kg. Market opened high but showed unsustainability and lower on profit-taking from Friday's rallies and closed at Rs. 489.1 per 10 Kg against previous closing level. The contract experienced high and low of Rs 490.5 and 488.6 per 10 Kg respectively during trade-session.

PRICE DRIVERS:

- Sharp increased in crude soy oil CIF prices
- Overnight firmed up soybeans and soy oil futures at CBOT
- Slow harvest of soybeans in Argentina
- Steady demand for soy meals
- Farmers reluctant to unload soybeans at current prices

Weather

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

TECHNICALS

Doji candlesticks formation is indicating indecisiveness at higher level. Prices closed high above 9-days and 18-days EMA, suggests firmness in the markets. MACD fell in positive territory while stochastics and RSI are moved down further in neutral zone. Both volume and open interest declined.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-May	478	481	486.4	492	495
MCX-May	478	481	489.1	495	497

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil May Contract:

BUY Above 485; T1 near 488, T2 489 and put stop loss at 482.

MCX Refined Soy Oil May Contract:

BUY Above 488; T1 near 491, T2 492 and put stop loss at 485.

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

Centres	28.04.07	27.04.07	Change
Mumbai (Soy Ref oil)+VAT	466	466	0
Indore (Soy Ref oil)	466	462	+4
Kota (Soy Ref. Oil)+VAT	468	464	+4
Hyderabad (Soy Ref)+VAT	478	478	0
Rajkot (Soy Ref)+Tax	NA	470	-

PALM OIL

International Highlights

BMD Crude Palm oil Futures Remained Closed on Saturday.

Domestic Spot Market Highlights

Spot market prices of palm oil continued the Friday's sentiments and remained mixed. As palm oil prices competitive to other edible oil in prices while higher to mustard oil, pressure generated and led the weakness in few locations. Crude palm oil CIF prices quoted at \$ 740 per tonne for May shipments on Saturday. As per market news currently palm oil prices is high and showed the instability at higher prices, correction may be seen in coming days on BMD CPO futures.

BMD: CPO Futures (27.04.2007)

						(Ringgit/ton)	
Months	Previous	Open	High	Low	Close	Change	Volume
May07	2262	2262	2262	2320	2320	+58	394
Jun.07	2208	2211	2260	2205	2250	+42	595
Jul.07	2157	2164	2210	2157	2205	+48	3552
Aug.07	2123	2135	2185	2130	2185	+62	914
Sep.07	2100	2105	2117	2105	2117	+17	324

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

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	28.04.07	27.04.07	Change
Kandla CPO (5 % FFA)	420	422	-2
Kandla RBD Palmolein +VAT	445	448	-3
Mumbai RBD Palmolein +VAT	459	456	+3
Chennai RBD Palmolein +VAT	460	458	+2
Kakinada RBD Palmolein +VAT	437	435	+2
Hyderabad RBD Palmolein +VAT	457	457	0
Delhi RDB Palmolein	490	490	0

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	28.04.07	27.04.07	Change
Crude Soy Oil	757	745	+12
Crude Palm Oil	740	NA	-
Sunflower Oil	780	770	+10

Rape/Mustard oils

Continuous good demand from stockists and resellers to piled up inventories reflected bullishness in domestic markets. However, low demand for rapeseeds meals limited the gains to certain extent. Arrivals of mustard seeds declined to Friday with increased seeds prices supported firmness for mustard oil. As farmers are educated themselves to hold seeds stocks, which would support oil prices in near-futures.

Groundnut Oil

Apprehension for beginning of groundnut harvest in coming week in parts of Gujarat led stockists to loose their stocks results groundnut oil traded in bearish tone there with spill over impact in other centers. Harvesting is nearly ending in Tamil Nadu and Andhra Pradesh also pressured groundnut oil. As groundnut oil is unable to sustain at higher prices, market may witness further weakness in near-futures.

Refined Sunflower Oil

Refined sunflower oil traded range bound across domestic markets on steady demand/supply. Arrivals of sunflower seeds in Andhra Pradesh and Tamil Nadu regions control the upside movement in sunflower oil. CIF prices of sunflower oil rose sharply on Saturday at \$780 per tonne for May shipment against \$770 per tonne as on Friday.

Refined Cottonseeds Oil

Refined cottonseeds oil rebound from Fridays' weakness on steady demand and firmed up soy oil amidst overnight gains in soy oil futures. Also, market led some support from bullish stockists activities. 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	28.04.07	27.04.07	Change
Mumbai (Exp. Oil) +VAT	468	468	0
Kota (Exp. Oil)+VAT	440	437	+3
Jaipur (Exp. Oil)+VAT	450	447	+3
Delhi (Exp. Oil)	455	450	+5
Neewai (Exp. Oil) +VAT	437	435	+2

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	28.4.07	27.04.07	Change
Mumbai +VAT	NA	570	-
Rajkot +VAT	468	670	-2
Andhra Region +VAT	65	685	0
Chennai +VAT	600	600	0
Delhi	700	710	-10

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

Centres	28.4.07	27.04.07	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	28.04.07	27.04.07	Change
Mumbai +VAT	475	470	+5
Hyderabad +VAT	472	472	0
Rajkot + VAT	472	468	+4
Delhi	462	460	+2

Forex Rates

(As on 28.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.79
European Union	Euro	55.65
Japan	100 Yen	34.10
United Kingdom	Pound Sterling	81.48

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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