

VEGOIL DAILY

April 09th, 2007

REFINED SOY OIL

SPOT MARKET:

Due to Saturday trade activities remained slow coupled with sluggish demand depressed spot prices of refined soy oil across domestic markets. Active selling from resellers on apprehensions of imported soy oil availability ahead induces bearishness domestically. Overall weakness in other edible oil had spill over impact on soy oil. Census reports of USDA weekly exports indicated USA soy oil stock to February end, remained at 1.49 million metric tonne against 1.44 million metric tonne in January. Spot The CIF prices of crude soy oil for April shipment remained unchanged on Friday at \$715 per tonne.

FUTURES MARKET:

NCDEX refined soy oil most active May contract finished weak on Saturday. Contract opened at Rs. 478.8 per 10kg against Fridays` closing level of 478.5 per 10 Kg. Profit taking from recent rallies on weak long-term prospective depressed May contract. CBOT soy futures remained closed on Friday on 'Good Friday'. Markets closed at Rs. 475.2 per 10kg dropped by Rs. 3.3 to Friday's closing levels.

MCX May contract of refined soy oil witnessed follow-through weakness on Saturday. Contract opened weak at Rs. 478.3 per 10kg against previous closing level of 478.3 per 10 Kg. Weak long-term demand with anticipation for an increase in availability of imported oil in ahead pushed market down to previous closing level. Market finished at Rs. 475.25 per 10kg down to Friday's closing levels at Rs. 478.3 per 10 kg.

PRICE DRIVERS:

1. Drop in crude soy oil CIF prices
2. Pressure from weakness in mustard oil
3. Increase USA soy oil stock in February month
4. Sluggish demand for soy oil

Weather

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

TECHNICALS

Refined soy oil chart is showing selling at higher level. Prices closed just above 9-days EMA and 18-days EMA suggests short-term firmness. MACD is rising in positive territory. Stochastics and RSI made running flat in neutral region. Open interest increased on Saturday.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-April	466	469	475.2	483	487
MCX-April	469	472	472.55	485	488

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil April Contract:

SELL Below 478; T1 near 476, T2 475 and put stop loss at 480.

MCX Refined Soy Oil April Contract:

SELL Below 477; T1 near 475, T2 474 and put stop loss at 479.

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

Centres	07.04.07	06.04.07	Change
Mumbai (Soy Ref oil)+VAT	458	460	-2
Indore (Soy Ref oil)	455	457	-2
Kota (Soy Ref. Oil)+VAT	465	469	-4
Hyderabad (Soy Ref)+VAT	475	478	-3
Rajkot (Soy Ref)+Tax	455	460	0

PALM OIL

International Highlights

BMD Crude Palm oil Remained Closed on Saturday.

Domestic Spot Market Highlights

Domestic palm oil markets remained weak on weekend on poor demand with bearish edible oil sentiments. Fresh demand supported palm oil prices in Delhi market. As per media sources currently domestic vanaspati production is around 11 lakh tonne against 50 lakh tonne during installation. Crude palm oil CIF prices rose around \$15 by the weekend and remained unchanged at \$665 per tonne on Saturday for April shipment. Improving global prices of palm oil on improving sentiments for bio-diesel is likely to support palm oil prices in domestic market.

BMD: CPO Futures (06.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr.07	2106	2112	2124	2108	2124	+18	48
May.07	2092	2096	2118	2084	2108	+16	294
Jun.07	2090	2087	2116	2076	2109	+19	3081
Jul.07	2083	2085	2110	2071	2100	+17	689
Aug.07	2076	2076	2104	2066	2091	+15	193

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

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	07.04.07	06.04.07	Change
Kandla CPO (5 % FFA)	425	425	0
Kandla RBD Palmolein +VAT	439	438	+1
Mumbai RBD Palmolein +VAT	447	450	-3
Chennai RBD Palmolein +VAT	452	452	0
Kakinada RBD Palmolein +VAT	440	442	-2
Hyderabad RBD Palmolein +VAT	455	459	-4
Delhi RDB Palmolein	470	465	+5

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	07.04.07	06.04.07	Change
Crude Soy Oil	713	715	-2
Crude Palm Oil	665	665	0
Sunflower Oil	723	725	-2

Rape/Mustard oil

Sluggish demand depressed spot mustard oil prices across domestic markets. Weak demand for mustard seeds had bearish impact on oil prices. Stockists stalled fresh buying of mustard seeds anticipating more weakness in coming days. Mustard oil prices are likely to trade steady to bearish on talk of increase seeds arrivals in coming days.

Groundnut Oil

Inconsistent arrivals of groundnut seeds in physical markets pushed groundnut oil prices down. Good stock position for groundnut oil in Hyderabad market with sluggish demand witnessed sharp break there while good demand in few markets support gn oil prices there. In Delhi and Mumbai markets prices remained range bound on steady demand and supply. As current prices of groundnut oil is quite high with flat demand so traders are expecting steady prices in coming days.

Refined Sunflower Oil

Depleting stocks with good demand from retailers strengthened sunflower oil prices in domestic markets while prices remained range bound in Mumbai market on stable demand. Sunflower oil CIF price declined marginally on Saturday at \$723 per tonne for April Shipment against \$725 per tonne on Friday. Traders are keeping close eye on development in domestic as well global markets and expecting steady prices in short-term.

Refined Cottonseeds Oil

Weakness in other vegetable oil depressed refined cottonseeds oil across domestic markets. Demand remained sluggish on Saturday. Around 30-35% cottonseeds stock is available in Hyderabad markets for crushing in current oil year. As the cotton oil crushing reached in tapering end will boost its prices ahead.

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

Centres	07.04.07	06.04.07	Change
Mumbai (Exp. Oil) +VAT	457	460	-3
Kota (Exp. Oil)+VAT	435	445	-10
Jaipur (Exp. Oil)+VAT	440	453	-13
Delhi (Exp. Oil)	460	470	-10
Neewai (Exp. Oil) +VAT	435	435	0

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	07.04.07	06.04.07	Change
Mumbai +VAT	590	590	0
Rajkot +VAT	670	665	+5
Andhra Region +VAT	660	670	-10
Chennai +VAT	630	620	+10
Delhi	690	690	0

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

Centres	07.04.07	06.04.07	Change
Mumbai +VAT	535	535	0
Chennai +VAT	535	530	+5
Hyderabad +VAT	535	525	+10

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

Centres	07.04.07	06.04.07	Change
Mumbai +VAT	464	466	-2
Hyderabad +VAT	460	465	-5
Rajkot + VAT	452	455	-3
Delhi	450	465	-15

Forex Rates

(As on 07.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	42.65
European Union	Euro	57.06
Japan	100 Yen	35.76
United Kingdom	Pound Sterling	84.67

PORT-WATCH (Latest):

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Eastern Tera	6,600	CPO	Arrived (05.04.2007)
	Pacific Sound	9,307	CPO	Arrived (05.04.2007)
Kandla	Chemroad Echo	21,000	Palm oil	Expected (15.04.2007)
	Hari Kripa	2,000	CFA*	Expected (05.04.2007)
Mumbai	Global Themis-III	10,500	Palm oil	Expected (06.04.2007)

*Crude Fatty Acid

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