

VEGOIL DAILY

April 24th, 2007

REFINED SOY OIL

SPOT MARKET:

Spot prices of refined soy oil traded mixed on lacklustre trade activities with bearish BMD CPO futures. Lack of fresh fundamentals depressed CPO futures with spill over impact on NBOT. China registered a drop of 19% in soybeans and 14% for soy oil imports at 2.11 million metric tonne and 216,888 metric tonne respectively in March month against a year ago amidst low demand for soymeal to raise live stock coupled with weak prospective for biodiesel on undertone crude oil prices. CIF prices of crude soy oil rose further for May shipment on Monday at \$755 per tonne against \$751 per tonne on Saturday. Improving prospective for soybeans demand from China coupled with fears of better plantation conditions in Midwest for corn may translate acreage from soybeans, which could strengthens soybeans prices at CBOT in near-futures.

FUTURES MARKET:

NCDEX refined soy oil most active May contract settled bearish on follow-through weakness on Monday. The futures opened at Rs. 489.1 per 10kg against Saturday's closing of Rs 489.8 per 10 Kg. May contract follow Saturday weakness and BMD CPO futures and market closed Rs. 3.1 down at Rs 486.7 per 10 Kg to Saturday's closing.

MCX refined soy oil futures May contract finished weak on Monday. The contract opened at Rs 490 per 10 Kg against Saturday's closing level of Rs 490.35 per 10 Kg. Profit taking with lack of fresh fundamentals led the weakness for Monday's weakness and market closed at Rs. 487.6 per 10 Kg against Saturday's closing. The contract touched a high and low of Rs 490.6 and 487 per 10 Kg respectively.

PRICE DRIVERS:

1. Bearish BMD CPO futures
2. CIF prices of crude soy oil improved further on Monday
3. Steady soymeal sentiments domestically and at ports
3. Dwindle crushing margin for soy oil
5. Improving weather conditions in Midwest of corn plantation

Weather

Mainly dry weather in major growing region (expect Rajasthan, where isolated rainfall in expects) would facilitate soybeans arrivals.

TECHNICALS

Refined soy oil chart is showing follow-through selling. The prices closed well above short term EMA indicate short-term remain intact in the market. MACD made bearish crossover in positive territory. Stochastics headed upward in the neutral region. RSI also remained in neutral region. Both volume and open interest declined.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-May	475	478	486.7	495	498
MCX-May	476	480	487.6	495	498

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil May Contract:

SELL Near 488; T1 near 486, T2 487 and put stop loss at 491.

MCX Refined Soy Oil May Contract:

SELL Below 489; T1 near 487, T2 486 and put stop loss at 492.

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

Centres	23.04.07	21.04.07	Change
Mumbai (Soy Ref oil)+VAT	465	465	0
Indore (Soy Ref oil)	466	463	+3
Kota (Soy Ref. Oil)+VAT	NA	464	-
Hyderabad (Soy Ref)+VAT	480	480	0
Rajkot (Soy Ref)+Tax	470	465	+5

PALM OIL

International Highlights

BMD Crude Palm oil Drop on Profit Taking

Despite Friday's firmed soy oil futures at CBOT, crude palm oil futures succumbed at Bursa Malaysian Derivatives amidst choppy trading and profit taking. The most active July contract finished down MYR10 down at MYR2,169 per tonne. However, participants are still optimist for April month palm oil production that would remain on footprints of March month below production on poor weather conditions. Participants preferred for profit taking on lack on fresh fundamentals.

Domestic Spot Market Highlights

Sluggish demand with weak BMD and Indonesian CPO futures radiated bearishness in domestic markets. Sharp increases in RBD palmolein prices during current month (Rs. 453 per 10 kg on April 23rd from Rs. 437 per 10 kg as on April 2nd). Crude soy oil CIF prices remained unchanged on Monday for May shipment at \$ 740 per tonne. Traders are expecting palm oil prices to remain bullishness ahead domestically on firm anticipation for bullish CBOT in near-term.

BMD: CPO Futures (23.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May07	2282	2285	2287	2267	2268	-14	784
Jun.07	2240	2237	2237	2209	2209	-31	1753
Jul.07	2179	2200	2201	2168	2169	-10	7456
Aug.07	2155	2178	2178	2145	2146	-9	1550
Sep.07	2130	2141	2150	212	2120	-10	84

*BMD Remains Closed on Saturday and Sunday.

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	23.04.07	21.04.07	Change
Kandla CPO (5 % FFA)	427	428	-1
Kandla RBD Palmolein +VAT	453	453	0
Mumbai RBD Palmolein +VAT	458	458	0
Chennai RBD Palmolein +VAT	458	460	-2
Kakinada RBD Palmolein +VAT	441	440	+1
Hyderabad RBD Palmolein +VAT	456	459	-3
Delhi RDB Palmolein	495	495	0

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	23.04.07	21.04.07	Change
Crude Soy Oil	755	751	+4
Crude Palm Oil	740	740	0
Sunflower Oil	754	753	+1

Rape/Mustard oil

Continuous mustard seeds arrivals pressure from Sri Ganga Nagar and other major production areas with slow uptake by stockists on heavy buying in recent past influenced mustard oil to trade in bearish across domestic markets except Mumbai markets where exceeding demand over supply supported bullishness. As per markets observers, mustard oil prices are likely to trade steady to slight firm tone on good demand ahead.

Groundnut Oil

Sharp increased groundnut oil prices during April month with slow released from stockists produced mixed reaction in domestic markets. Change in preference to others cheap edible oil also pressured groundnut oil. As prospective for Rabi groundnut harvest are improving in Gujarat, traders refuse to witness any sharp moment in groundnut oil in short-term.

Refined Sunflower Oil

Steady arrivals of sunflower seeds with an improved demand in oil results bullish advice in domestic markets. CIF prices of sunflower oil improved slightly for May shipment at \$ 754 per tonne on Monday against \$753 per tonne as on Saturday. As per traders sunflower oil prices is likely to trade steady in near-futures on tracking other edible oil.

Refined Cottonseeds Oil

Dull trade activities with steady demand produced mixed reaction in domestic markets. Cottonseeds arrivals remain steady in major production areas. Due to bumper crop and steady releases for solvent plants, cotton oil prices likely to trade steady to bullish in near futures.

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

Centres	23.04.07	21.04.07	Change
Mumbai (Exp. Oil) +VAT	477	471	+6
Kota (Exp. Oil)+VAT	442	445	-3
Jaipur (Exp. Oil)+VAT	454	455	-1
Delhi (Exp. Oil)	455	460	-5
Neewai (Exp. Oil) +VAT	440	440	0

Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	23.04.07	21.4.07	Change
Mumbai +VAT	575	580	-5
Rajkot +VAT	690	685	+5
Andhra Region +VAT	690	690	0
Chennai +VAT	615	620	-5
Delhi	710	710	0

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

Centres	23.04.07	21.04.07	Change
Mumbai +VAT	530	528	+2
Chennai +VAT	540	NA	-
Hyderabad +VAT	535	525	+10

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

Centres	23.04.07	21.04.07	Change
Mumbai +VAT	478	472	+6
Hyderabad +VAT	470	472	-2
Rajkot + VAT	470	472	-2
Delhi	462	462	0

Forex Rates

(As on 23.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	41.67
European Union	Euro	56.61
Japan	100 Yen	35.21
United Kingdom	Pound Sterling	83.41

PORT-WATCH (Latest):

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Royal Emerald	6,110	CPO	Expected (20.04.2007)
	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 (28.04.2007)
Mumbai	Global Eos	11,000	Palm oil	Expected (21.04.2007)
New Manglore	Mojito	8,000	CPO	Expected (21.04.2007)
	Golden Elezebeth	5,000	CPO	Expected (22.04.2007)
Kolkata	Sima Kazee	4,000	CPO	Arrived (20.04.2007)

*Crude Fatty Acid

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.