

## VEGOIL DAILY

April 23rd, 2007

### REFINED SOY OIL

#### SPOT MARKET:

Improved demand of stockists and retailers propelled refined soy oil prices in physical markets. As per trade sources, solvent plants were reported to limit their soy oil production on poor availability of quality beans as well as steady soymeal demand helped bullishness. Although, crushing margin for soy oil remained low during the week extended bullish support. Supportive weather conditions for corn in Midwest, below follow-through selling, firmness in other related commodities and weak dollar supported bullish sentiments for US soybeans in near futures, helped in gaining of soy futures at CBOT on Friday. CIF prices of crude soy oil rose sharply for May shipment on Saturday at \$751 per tonne against \$738 per tonne on Friday.

#### FUTURES MARKET:

**NCDEX** refined soy oil most active May contract traded bullish on Saturday. The futures opened at Rs. 485 per 10kg against Friday's closing of Rs 484.75 per 10 Kg. The May contract shown fresh buying interest on back of overnight-firmed CBOT and market closed Rs. 5.05 high at Rs 489.9 per 10 Kg to Friday's closing.

**MCX** refined soy oil futures May contract settled firmed on Saturday amidst firm support of bullish overnight CBOT. Improved buying interest to continue Thursday's rallies propelled soy oil futures and the contract closed at Rs 49035 per 10 Kg. The contract opened at Rs 486.6 per 10 Kg against Friday's closing of Rs 484.9 per 10 Kg. The contract touched a high of Rs 491.6 per 10 Kg.

#### PRICE DRIVERS:

1. CIF prices of crude soy oil increased sharply on Friday
2. Supportive weather conditions for corn in Midwest
3. Overnight firmed CBOT
4. Low crushing margin for soy oil during the week
5. Steady soymeal demand

#### Weather

Mainly dry weather in major growing areas would facilitates soybeans arrivals in near-term.

#### TECHNICALS

Refined soy oil chart is showing buying at higher level on Friday and market touched afresh high. The prices closed well above 9-days and 18-days EMA indicate firmness in the market. MACD made bullish crossover in positive territory. Stochastics and RSI made bullish crossover in neutral region. Volume declined while open interest increased.



#### SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-May	474	477	489.8	495	498
MCX-May	476	480	490.35	495	498

#### TRADE RECOMMENDATION:

**NCDEX** Refined Soy Oil May Contract:

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

**MCX** Refined Soy Oil May Contract:

**BUY Above 489; T1 near 492, T2 493 and put stop loss at 486.**

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

Centres	21.04.07	20.04.07	Change
Mumbai (Soy Ref oil)+VAT	465	463	+2
Indore (Soy Ref oil)	463	463	0
Kota (Soy Ref. Oil)+VAT	464	464	0
Hyderabad (Soy Ref)+VAT	480	475	+5
Rajkot (Soy Ref)+Tax	463	463	0

## PALM OIL

### International Highlights

BMD Crude Palm oil Remained Closed on Saturday.

### Domestic Spot Market Highlights

Tight supply with improved demand domestically pulled up palm oil prices. Market also generated bullish momentum on overnight-firmed CBOT soy oil futures. Low rainfall in parts of Sumatra in Indonesia in February and March month fuelled bullish sentiments for tight supply in near-futures supported bullishness too. Crude soy oil CIF prices rose for May shipment at \$ 740 per tonne on Saturday against Friday's \$727 per tonne. Traders are expecting bullishness in palm oil market ahead on underlying firmness in CPO futures both in Indonesia and Malaysia.

#### BMD: CPO Futures (20.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May07	2297	2290	2290	2262	2274	-23	423
Jun.07	2255	2261	2261	2177	2220	-35	1569
Jul.07	2230	2236	2299	2139	2179	-48	11453
Aug.07	2205	2215	2215	2116	2156	-49	2080
Sep.07	2183	2175	2180	2130	2135	-48	502

\*BMD Remains Closed on Saturday and Sunday.

#### Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	21.04.07	20.04.07	Change
Kandla CPO (5 % FFA)	428	423	+5
Kandla RBD Palmolein +VAT	453	448	+5
Mumbai RBD Palmolein +VAT	458	456	+2
Chennai RBD Palmolein +VAT	460	458	+2
Kakinada RBD Palmolein +VAT	440	440	0
Hyderabad RBD Palmolein +VAT	459	458	+1
Delhi RDB Palmolein	435	484	+11

#### CIF Price Basis Kandla Port (\$/MT)

Edible Oil	21.04.07	20.04.07	Change
Crude Soy Oil	751	738	+13
Crude Palm Oil	740	727	+16
Sunflower Oil	753	753	0

### Rape/Mustard oil

Bullish sentiments for long term supply helped mustard oil prices to escalated in Jaipur market elsewhere prices remained range bound on steady supply/demand. Stockists remain active in purchasing mustard oil at current prices had underlying bullishness. However, hoarding of seeds by stockists and farmers alike may induce firmness in short to medium term.

### Groundnut Oil

Steady demand for groundnut oil with below release from expellers on tapering their buffer stocks supported bullish sentiments across domestic markets while Hyderabad markets remained range bound on steady supply. Under prevailing well demand, its prices likely to increase further in coming days.

### Refined Sunflower Oil

Unchanged sunflower oil CIF prices with steady demand results range bound prices domestically. CIF prices of sunflower oil for May shipment remained unchanged and quoted at \$ 753 per tonne on Saturday. Traders are keeping close eye on development domestically and globally and expecting sunflower oil prices likely to trade in steady to bullish in coming days.

### Refined Cottonseeds Oil

Following groundnut oil, refined cotton oil prices improved in the spot market as both share same markets but demand remained steady on Saturday. Seed arrivals declined slightly had supported bullishness. 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	21.04.07	20.04.07	Change
Mumbai (Exp. Oil) +VAT	471	471	0
Kota (Exp. Oil)+VAT	445	445	0
Jaipur (Exp. Oil)+VAT	455	453	+2
Delhi (Exp. Oil)	460	460	0
Neewai (Exp. Oil) +VAT	440	NA	-

### Groundnut Oil Spot Market Price (Rs/10 kg)

Centres	21.4.07	20.04.07	Change
Mumbai +VAT	580	NA	-
Rajkot +VAT	685	682	+3
Andhra Region +VAT	690	690	0
Chennai +VAT	620	610	+10
Delhi	710	705	+5

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

Centres	21.04.07	20.04.07	Change
Mumbai +VAT	528	528	0
Chennai +VAT	NA	540	-
Hyderabad +VAT	525	525	0

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

Centres	21.04.07	20.04.07	Change
Mumbai +VAT	472	472	0
Hyderabad +VAT	472	465	+7
Rajkot + VAT	472	470	+2
Delhi	462	458	+4

### Forex Rates

(As on 21.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	41.98
European Union	Euro	57.06
Japan	100 Yen	35.38
United Kingdom	Pound Sterling	84.16

## 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.