

## VEGOIL DAILY

April 16th, 2007

### REFINED SOY OIL

#### SPOT MARKET:

Trades activities remained low on Ambedkar Jayanti domestically. Despite reduction of import duty on palm oil, firmness maintained on refined soy oil across domestic markets amidst good demand from stockists. As per trade sources, shortage of soy oil fuelling bullishness. Increase in mustard oil prices aided some bullish support to soy oil. Although, follow-through technical selling pushed back CBOT soy oil futures early in the session but bounce back later amidst support from related commodities, surge in crude oil prices coupled with surge in BMD CPO futures. Crude soy oil CIF prices gained further on Saturday at \$745 per tonne for May shipment as compare to \$735 per tonne on Friday. Currently low crushing margin for soy oil with tapering quality soybeans stock would support market in short-term.

#### FUTURES MARKET:

**NCDEX** refined soy oil most active May contract settled up on Saturday. Contract opened Rs. 2 down at Rs. 483.5 per 10kg against Friday's closing level. Soy oil futures traded bullish on follow-through rallies with bullish support from overnight firmed soy oil futures coupled with ideas of tapering quality soybeans stock in physical market. Market closed Rs. 2.2 high at Rs. 487.7 per 10kg against Friday's closing level at Rs 485.5 per 10 kg.

**MCX** refined soy oil futures remained closed on Saturday.

#### PRICE DRIVERS:

1. Overnight firmed CBOT soy oil futures
2. Increased crude soy oil CIF prices
3. Bullish support from rising mustard oil prices
4. Tapering quality soybeans stocks
5. Declining crushing margin for soy oil

#### Weather

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

#### TECHNICALS

Refined soy oil chart is showing follow-through buying at higher level and market touched afresh high of May contract. The prices closed well above 9-days and 18-days EMA indicating firmness maintained in the market. MACD rise further in positive territory. Stochastics and RSI moves upwardly in neutral region. Volume declined while open interest increased.



#### SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-May	474	477	487.7	492	494

#### TRADE RECOMMENDATION:

**NCDEX** Refined Soy Oil May Contract:

**BUY** Near 486; T1 near 488, T2 489 and put stop loss at 483.

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

Centres	14.04.07	13.04.07	Change
Mumbai (Soy Ref oil)+VAT	468	464	+4
Indore (Soy Ref oil)	460	458	+2
Kota (Soy Ref. Oil)+VAT	470	467	+3
Hyderabad (Soy Ref)+VAT	475	475	0
Rajkot (Soy Ref)+Tax	457	452	+5

## PALM OIL

### International Highlights

BMD Crude Palm oil Futures Remained Closed on Saturday.

### Domestic Spot Market Highlights

Spot prices of palm oil traded in bullish tone across domestic markets on good demand despite imported oil duty reduction on palm oil and palmolein. Due to cheaper prices and easy available among other major edible oil, retailers prefer to buy palm oil, which aids bullishness domestically. As many vessel is expects to fuel domestic markets would control sudden improvement on palm oil in near-term.

#### BMD: CPO Futures (13.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr.07	2227	0	0	0	2227	0	0
May.07	2202	2202	2260	2191	2255	+53	1611
Jun.07	2175	2175	2227	2164	2219	+44	8426
Jul.07	2150	2150	2203	2140	2200	+50	7726
Aug.07	2135	2120	2180	2120	2175	+40	301

\*BMD Remains Closed on Saturday and Sunday.

#### Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	14.04.07	13.04.07	Change
Kandla CPO (5 % FFA)	433	430	+3
Kandla RBD Palmolein +VAT	450	450	0
Mumbai RBD Palmolein +VAT	457	456	+1
Chennai RBD Palmolein +VAT	457	456	+1
Kakinada RBD Palmolein +VAT	445	445	0
Hyderabad RBD Palmolein +VAT	460	460	0
Delhi RDB Palmolein	NA	470	-

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

Edible Oil	14.04.07	13.04.07	Change
Crude Soy Oil	745	735	+10
Crude Palm Oil	NA	700	-
Sunflower Oil	750	750	0

### Rape/Mustard oil

Spot markets prices of mustard oil improved across domestic markets on good demand. Buying pressure was reported to supportive from stockists amidst low production prospective in current crop year (July-June). Arrivals of mustard seeds remain steady in Rajasthan. Abound arrivals of mustard seeds is expecting from major producing regions would pressure mustard oil ahead.

### Groundnut Oil

Tapering groundnut seeds arrivals in Rajkot markets had bullish supported to groundnut oil. Hyderabad market remained range bound on balance in demand and supply. In Rajkot markets shelled groundnut quoted at 510 per 20 kg with an arrivals of 5,000-7,000 bags. Prevailing handful of crushers with declining crushing margin for groundnut oil is likely to support its prices in coming week.

### Refined Sunflower Oil

Trade activities remained low in physical markets due to Saturday and Ambedkar Jayanti. Already, good stocks sunflower oil stock available in the markets, which keeping control over its prices. CIF rate of sunflower oil remained unchanged on Saturday \$ 750 per tonne for May shipment. Traders are expecting sunflower oil is likely to remains with rising vegetable oil prices in near-term.

### Refined Cottonseeds Oil

Gains in groundnut oil had spill over impact on cottonseeds oil with improved demand. However, current crop year witnessed bumper arrivals of cottonseeds arrivals, which impeded the abrupt increase in oil prices. Due to easy availability in the markets, cottonseeds oil is likely to trade steady to bullish.

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

Centres	14.04.07	13.04.07	Change
Mumbai (Exp. Oil) +VAT	460	457	+3
Kota (Exp. Oil)+VAT	442	435	+7
Jaipur (Exp. Oil)+VAT	452	445	+7
Delhi (Exp. Oil)	466	465	+1
Neewai (Exp. Oil) +VAT	444	442	+2

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

Centres	14.04.07	13.04.07	Change
Mumbai +VAT	585	582	+3
Rajkot +VAT	680	670	+10
Andhra Region +VAT	695	695	0
Chennai +VAT	NA	615	-
Delhi	695	690	+5

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

Centres	14.04.07	13.04.07	Change
Mumbai +VAT	530	532	-2
Chennai +VAT	NA	540	-
Hyderabad +VAT	535	535	0

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

Centres	14.04.07	13.04.07	Change
Mumbai +VAT	464	467	-3
Hyderabad +VAT	465	465	0
Rajkot + VAT	465	460	+5
Delhi	460	455	+5

### Forex Rates

(As on 14.04.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	42.74
European Union	Euro	57.82
Japan	100 Yen	35.84
United Kingdom	Pound Sterling	84.74

## PORT-WATCH (Latest):

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Spring Wind	4,010	CPO	Arrived (13.04.2007)
Kolkata	Pacific Sound	9,307	CPO	Arrived (05.04.2007)
Kandla	Hari Kripa	2,000	CFA*	Expected (15.04.2007)
	Ym Earth	4,103	CDSBO	Expected (14.04.2007)
	Sanmar Majesty	5,000	Palm oil	Expected (16.04.2007)
	Havi Ocean	8,500	Palm oil	Expected (28.04.2007)
	Chemroad Echo	21,000	Palm oil	Expected (25.04.2007)
	Gemini	10,500	Palm oil	Expected (16.04.2007)
	Kamogawa-III	10,101	Palm oil	Expected (14.04.2007)
Mumbai				
New Manglore	Bow Pioneer	9,000	CPO	Arrived (11.04.2007)
	Golden Elezebeth	5,000	CPO	Expected (21.04.2007)
	Maria E	10,000	CPO	Expected (16.04.2007)

\*Crude Fatty Acid

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