

## VEGOIL DAILY

May 3rd, 2007

### REFINED SOY OIL

#### SPOT MARKET:

Lack of fresh fundamentals and stagnant demand witnessed range bound prices of refined soy oil across domestic markets. As per media sources nearly 95% soybeans harvest completed in Brazil as on April 27. Only 59% soybeans of totaled harvest have been sold off so far because low prices of soybeans in April month impeded farmers to unload their produce. Agriculture Secretariat of Argentina highlighted soybeans crush in March month rose by 4% at 2,362,293 metric tons against 2,272,583 metric tons same period a year ago while soy oil production increased by 5.38% at 457,221 metric tons in March as compared to 433,878 metric tons in March 2006. CBOT soy futures gained bullish momentum from surge in corn on concerns of delay plantation and disinterest of sellers. The CIF prices of crude soy oil for May shipment increased on Wednesday at \$755 per tonne against \$750 per tonne on Tuesday. After couple of holiday BMD CPO futures is expect to open firm on Thursday amidst bullish support from industrial conference in Indonesia with spill over impact in domestic market.

#### FUTURES MARKET:

**NCDEX** refined soy oil most active June contract traded firm on Wednesday. The futures opened at Rs. 481.7 per 10kg against previous closing of Rs 481.5 per 10 Kg. Tracking overnight firmed CBOT and improve prospects for long term demand winged the futures and closed at Rs 485.1 per 10 Kg recouping previous loss. The contract touched a high of Rs 485.3 per 10 Kg during trading session.

**MCX** refined soy oil futures May contract traded bullish on Thursday well supported by Tuesday soy futures at CBOT and contract closed at Rs 485.15 per 10 Kg. The contract opened at Rs 481.2 per 10 Kg against previous closing of Rs 481.3 per 10 Kg. The contract touched a high of Rs 486 per 10 Kg.

#### PRICE DRIVERS:

- 95% harvest of soybeans completed in Brazil
- Bullish overnight CBOT soy futures
- Slow plantation of US Soybeans
- Within line soybeans crush in USDA weekly experts reports

#### Weather

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

#### TECHNICALS

Refined soy oil chart shows the firmness at higher level and market recouped from Tuesday's loose. Prices rebound and closed well above the 9 days and 18 days EMA. MACD is rising in positive territory. Stochastic and RSI remains move up in neutral zone. Both the Volume and Open interest increased.

Soy Oil Refined 0706(NCRSOM7)2007/05/02 - Daily B:485.05 A:485.05 O 481.70 H 485.30 L 480.80 C 485.10 V 25,200 I 53,050 +3



#### SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-June	477	479	485.1	490	494
MCX-June	477	479	485.15	490	493

#### TRADE RECOMMENDATION:

**NCDEX** Refined Soy Oil June Contract:

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

**MCX** Refined Soy Oil June Contract:

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

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

Centres	0205.07	01.05.07	Change
Mumbai (Soy Ref oil)+VAT	468	NA	-
Indore (Soy Ref oil)	471	471	0
Kota (Soy Ref. Oil)+VAT	468	468	0
Hyderabad (Soy Ref)+VAT	482	MC	-
Rajkot (Soy Ref)+Tax	460	460	0

## PALM OIL

### International Highlights

**BMD Crude Palm oil Remained Closed on Wednesday.**

### Domestic Spot Market Highlights

Firmed CBOT soy futures and high prices of CPO in Indonesia helped domestic market to trade in bullish tone despite sluggish demand. However, currently high prices of palm oil remained unfavorable to support aggressive buying, thus a correction is required to ignite fresh buying in coming days. Crude soy oil CIF prices for May shipment dropped on Wednesday at \$735 per tonne against \$ 724 per tonne on Tuesday. Traders are anticipating for further improvement in palm oil prices amidst Industrial conference in Indonesia.

#### BMD: CPO Futures (30.04.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May07	2320	2320	2340	2312	2326	+6	352
Jun.07	2250	2253	2285	2253	2257	+7	970
Jul.07	2205	2205	2245	2203	2214	+9	6679
Aug.07	2185	2183	2216	2179	2189	+4	2063
Sep.07	2150	2181	2288	2170	2185	+35	68

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

#### Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	02.05.07	01.05.07	Change
Kandla CPO (5 % FFA)	421	420	+1
Kandla RBD Palmolein +VAT	445	NA	-
Mumbai RBD Palmolein +VAT	458	NA	-
Chennai RBD Palmolein +VAT	460	MC	-
Kakinada RBD Palmolein +VAT	438	NA	-
Hyderabad RBD Palmolein +VAT	457	MC	-
Delhi RDB Palmolein	490	490	0

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

Edible Oil	02.05.07	01.05.07	Change
Crude Soy Oil	755	750	+5
Crude Palm Oil	735	740	-5
Sunflower Oil	NA	NA	-

### Rape/Mustard oil

Spot market sentiments for expeller oil showed steady to weak sentiments despite firm sentiments for seeds across spot markets. Demand for oil retail end remained subdued. However, hoarding of seeds by stockists and farmers alike may induce firmness in short to medium term.

### Groundnut Oil

Groundnut oil traded weak across domestic markets. Rates remained range bound in Andhra region as most of the nuts have been stockpiled up with the stockists and processing units. The market seemed to have tracked general bearishness in edible oil sentiments. Harvest of groundnut is almost complete and arrivals are likely to be witnessed from next month onwards.

### Refined Sunflower Oil

Refined sunflower oil traded almost range bound on steady demand/supply. Agriculture Secretariat of Argentina highlighted sunflower seeds crush dropped in March month by 6.73% at 521,222 metric tons against 558,842 metric tons same period a year ago. Sunflower oil production plunged by 12.08% at 209,053 metric tons in March as compared to 237,774 metric tons in March 2006.

### Refined Cottonseeds Oil

The demand for cottonseed oil remained sluggish at most of the places on account of weak demand at retail end. The cottonseeds oil consumption in current oil year (Nov-Oct) is expecting at 9.12 lakh tonne. Traders are expecting cottonseeds oil is likely to move in tandem with soy oil ahead.

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

Centres	02.05.07	01.05.07	Change
Mumbai (Exp. Oil) +VAT	470	NA	-
Kota (Exp. Oil)+VAT	440	440	0
Jaipur (Exp. Oil)+VAT	450	450	0
Delhi (Exp. Oil)	455	462	-7
Neewai (Exp. Oil) +VAT	437	437	0

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

Centres	02.05.07	01.05.07	Change
Mumbai +VAT	640	NA	-
Rajkot +VAT	662	665	-3
Andhra Region +VAT	685	MC	-
Chennai +VAT	600	MC	-
Delhi	700	705	-5

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

Centres	02.05.07	01.05.07	Change
Mumbai +VAT	527	NA	-
Chennai +VAT	535	MC	-
Hyderabad +VAT	535	MC	0

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

Centres	02.05.07	01.05.07	Change
Mumbai +VAT	474	NA	-
Hyderabad +VAT	475	MC	-
Rajkot + VAT	465	466	-1
Delhi	462	462	0

### Forex Rates

(As on 02.05.07)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	41.19
European Union	Euro	55.87
Japan	100 Yen	34.26
United Kingdom	Pound Sterling	81.94

## PORT-WATCH (Latest):

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Spring Wind	4,010	CPO	Arrived (13.04.2007)
Kandla	Sanmar Majesty	5,000	Palm oil	Berthed (16.04.2007)
	Royal Emerald	6,110	CPO	Expected (19.04.2007)
	Havi Ocean	8,500	Palm oil	Expected (28.04.2007)
Mumbai	Kamogawa-III	10,101	Palm oil	Arrived (14.04.2007)
	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 (21.04.2007)
	Maria E	10,000	CPO	Arrived (16.04.2007)
Kolkata	Sima Kazee	9,286	CPO	Arrived (16.04.2007)
	Marida Princess	10,110	CPO	Arrived (14.04.2007)

\*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.