

REFINED SOY OIL

Sept 19th, 2007

SPOT MARKET:

Physical prices of refined soy oil firmed up in major trading centres on bullish-trends in CBOT and BMD coupled with firmness in others edible oil. Government kept unchanged the base prices of import edible oil at \$580 per tonne for crude soy oil and \$447/tonne for crude palm oil. This will support farmers to fetch good prices of Kharif oilseeds in coming weeks. The sharp gains in CBOT supported by surge in other commodities and crude oil. Market also borrowed strengthened from the Saturday's frost conditions. This might deteriorate the oil content in new soybeans. The crude soy oil CIF prices of September shipment declined marginally on Tuesday at \$939/ tonne from \$942/tonne on Monday.

FUTURES MARKET:

Despite firm global cues, **NCDEX** refined soy oil futures declined on profit-taking and unclear price direction for short-term. The most active **October** futures contract of refined soy oil opened at Rs. 488.80 per 10 kg to previous closing at Rs. 489.05 per 10 kg. The contract finished down at Rs. 487.15 per 10 kg to previous close.

Bullish global cues remained unsupportive for refined soy oil futures at **MCX**, which settled down on Tuesday. The **October** futures contract opened at Rs. 489.20 per 10kg against yesterday closing of Rs. 489.60 per 10kg. The prices closed down at Rs. 487.75 per 10 Kg to yesterday closing.

PRICE DRIVERS:

- Firmer CBOT and BMD CPO futures
- Arrivals of new soybeans in Indore market
- Government kept unchanged the base prices of edible oil
- Improved demand and tight supplies domestically
- Crude soy oil CIF prices decline marginally by \$3
- Firmness in others edible oil

WEATHER

Weather is conducive for good growth of soybean crop.

TECHNICALS

Refined soy oil chart shows the selling pressure with mild buying at lower level. EMA patterns remain medium term firm. MACD is rising in positive zone. Stochastic is rising, while RSI is declining in neutral region. Prices are likely to trade up with steady to firm opening.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX-Oct.	482	484	487.15	494	495
MCX-Oct.	483	484	487.75	494	496

TRADE RECOMMENDATION:

NCDEX Refined Soy Oil **October** Contract:

BUY Near 487; T1 near 489, T2 near 490 and put stop loss at 486.

MCX Refined Soy Oil **October** Contract:

BUY Near 488; T1 near 490, T2 near 491 and put stop loss at 487.



Agriwatch
DAILY

■ REFINED SOY OIL ■

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

Centres	18.09.07	17.09.07	Change
Mumbai (Soy Ref oil)+VAT	475	472	+3
Indore (Soy Ref oil)	463	461	+2
Kota (Soy Ref. Oil)+VAT	464	464	Nil
Hyderabad (Soy Ref)+VAT	486	485	+1
Rajkot (Soy Ref)+Tax	460	460	Nil

Refined Soybean Oil: Futures Market Prices (Rs/10Kg excluding

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Sept	483.60	484.60	483.10	483.90	485.00	-0.23
NCDEX	Oct	488.80	489.55	486.20	487.15	489.05	-0.40
NCDEX	Nov	487.00	487.70	484.50	485.20	487.00	-0.37
NCDEX	Dec	491.00	491.10	488.75	489.20	491.00	-0.37
MCX	Sep	475.20	476.30	475.15	475.55	474.80	+0.16
MCX	Oct	489.20	490.75	486.90	487.75	489.60	-0.38
MCX	Nov	486.50	487.20	483.95	485.10	486.30	-0.25
MCX	Dec	491.00	491.00	487.50	488.85	491.00	-0.44

CIF Price Basis Kandla Port (\$/MT)

Edible Oil	18.09.07	17.09.07	Change
Crude Soy Oil	939	942	-3
Crude Palm Oil	825	822	+3
Sunflower Oil	1243	1238	+5

■ PALM OIL

International Highlights

BMD CPO Futures Stay in Bullish-Trends

The crude palm oil futures settled up on Tuesday, supported by gains in crude oil and rival soy oil but finished below to psychological barrier of MYR2,620 per tonne. The most active December contract of CPO futures ended MYR 19 at MYR 2,609 per tonne to previous closing level. Traders were reluctant to buy near MYR 2,620 per tonne level and preferred to sell as market lack such strong fundamentals. Trading volume declined at 8,633 lots from 11,534 lots Monday while open interest increased at 55,248 lots vs 54,872 lots yesterday.

Domestic Spot Market Highlights

Spot prices of palm oil stood in bullish trends on improved demand and firmed BMD CPO futures. Traders declined the more firmness in palm oil as sufficient stocks are available in the markets that restricted the upswing in prices. The crude palm oil prices stay higher on Tuesday in Indonesia on strong CBOT and BMD. Current CPO is preferred among traders due to little difference (IDR 500/kg) with palm olein. This is also considered supportive. The CIF prices of crude palm oil for September shipment rose quickly on Tuesday at \$825 per tonne from \$822 per tonne on Monday.

BMD: CPO Futures (18.09.2007)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Oct 07	2604	2621	2633	2616	2627	+23	1598
Nov 07	2595	2617	2625	2603	2612	+17	1639
Dec 07	2590	2605	2614	2592	2609	+19	4927
Jan 08	2575	2601	2607	2585	2600	+25	449
Feb 08	2557	2575	2581	2575	2581	+24	20

*BMD Remains Closed on Saturday and Sunday.

Palm oil – Spot Market Price

(Rs. Per 10 kg)

Centres	18.09.07	17.09.07	Change
Kandla CPO (5 % FFA)	421	421	Nil
Kandla RBD Palmolein +VAT	455	455	Nil
Mumbai RBD Palmolein +VAT	454	452	+2
Chennai RBD Palmolein +VAT	460	465	-5
Kakinada RBD Palmolein +VAT	451	452	-1
Hyderabad RBD Palmolein +VAT	465	465	Nil
Delhi RDB Palmolein	492	490	+2

OTHERS

Rape/Mustard oil

Mustard oil prices continue to stay firm on improved buying interest among traders coupled with firm tone in other edible oil. The rise in mustard seeds prices in physical prices despite weakness in domestic exchanges supported the bulls of mustard oil. In expectation of prices may move further high, stockists hold the supplies and radiated firm support domestically.

Groundnut Oil

The spot prices of groundnut oil remained on softer side on poor demand and weakness in rival refined cottonseeds oil. According to latest trades estimation, in upcoming Kharif season, country is like to receive the nearly 100% better yield of groundnut, which is estimate at 3.3 mmt from 1.8 mmt last year whereas Gujarat alone is expecting at 2.5 mmt from 1.2 mmt a year ago. The prices of groundnut seeds for different qualities stood remained unchanged on Tuesday and trade between Rs. 410-540 per 20 kg in different market in Gujarat.

Refined Sunflower Oil

The steady demand and firmed global cues supported prices of refined sunflower oil domestically. From the last few days', crude oil prices moved quickly that also remain supportive for the gains. The CIF prices of sunflower oil for September shipment improved further at \$1243 per tonne on Tuesday from \$1238 per tonne on Monday. Traders are expecting prices are likely remains steady to slightly firm on tight supplies in near-terms.

Refined Cottonseeds Oil

The weakness in meals prices in domestic markets and weakness in groundnut oil favor the mixed trends in refined cottonseeds oil. Due to prevailing higher prices, demand has been squeezed and to restore at normal level, prices of refined cottonseeds oil must bring down traders added. Due to this further weakness is expecting in short-terms.

Rape Oil: Spot Market Price

(Rs/10 kg)

Centres	18.09.07	17.09.07	Change
Mumbai (Exp. Oil) +VAT	490	486	+4
Kota (Exp. Oil)+VAT	462	460	+2
Jaipur (Exp. Oil)+VAT	472	468	+4
Delhi (Exp. Oil)	495	495	Nil
Neewai (Exp. Oil) +VAT	461	460	+1

Groundnut Oil Spot Market Price

(Rs/10 kg)

Centres	18.09.07	17.09.07	Change
Mumbai +VAT	725	725	Nil
Rajkot +VAT	780	790	-10
Hyderabad +VAT	700	700	Nil
Chennai +VAT	600	685	-25
Delhi	760	750	+10

Refined Sunflower Oil: Spot Market prices

(Rs/10 Kg)

Centres	18.09.07	17.09.07	Change
Mumbai +VAT	570	570	Nil
Chennai +VAT	575	575	Nil
Hyderabad +VAT	560	555	+5

Refined Cotton Oil: Spot Market prices

(Rs/10 Kg)

Centres	18.09.07	17.09.07	Change
Mumbai +VAT	485	485	Nil
Hyderabad +VAT	490	490	Nil
Rajkot + VAT	492	490	+2
Delhi	480	485	-5

Forex Rates

Country/ Continent	Currency	Value in Rupees	
		18.09.07	17.09.07
USA	Dollar	40.59	40.47
European Union	Euro	56.15	56.17
Japan	100 Yen	35.35	35.09
United Kingdom	Pound Sterling	80.74	81.07

■ OTHERS

PORT-WATCH (Latest):

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Global Neptune	11,000	Palm oil Product	Expected (12.09.07)
	Chem Cosmos	20,248	Palm oil	Expected (16.09.07)
	Bow Plata	8,000	CPO	Expected (18.09.07)
	Shintoku	14,000	Palm oil Product	Expected (19.09.07)
	Global Eos	11,000	CPO	Berthed (11.09.07)
	Theresa Pegasus	21,000	Palm oil Product	Expected (14.09.07)
	Histria Azure	22,000	CDSBO	Berthed (09.09.07)
	Pegasus 7	14,250	CPO	Berthed (10.09.07)
Kolkata	L. Star	5,200	CPO	Arrived (04.09.07)
	Sima Kazee	9,300	CPO	Arrived (06.09.07)
Mundra	Therasa Pegasus	13,629	Palm oil Product	Expected (14.09.07)
New Manglore	Global Venus	8,499	CPO	Arrived (12.09.07)
Mumbai	Gloabal Neptune	6,000	Palm oil Product	Expected (14.09.07)
	Global Triton	12,000	Palm oil Product	Expected (23.09.07)

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