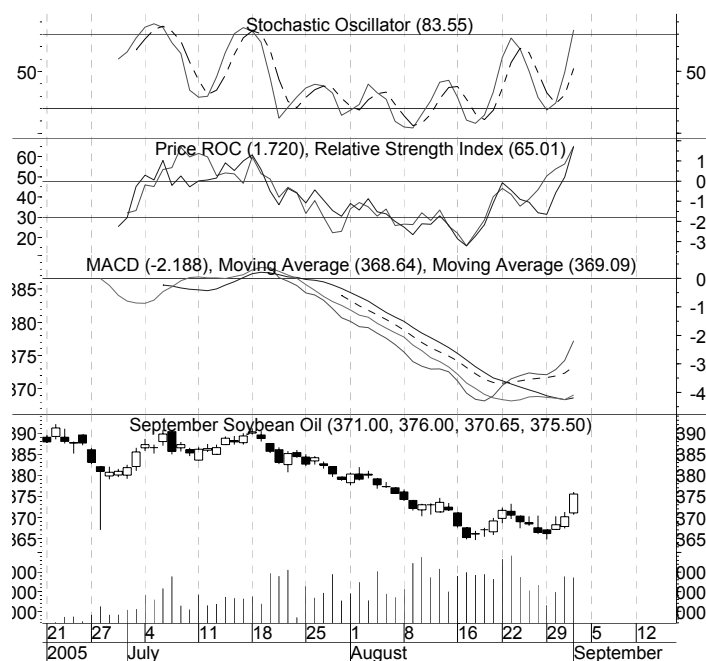


VEGOIL

31<sup>st</sup> August 2005

## MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Surged on Fears of Flooding and Increased Short Coverings
- South American Soybean Improved Amidst Increased Exporting Prospects
- Malaysian Market Closed on National Day Celebrations
- Soybean Oil Prices Moved Further Ahead Amidst Increased Buying Support



## TECHNICAL ANALYSIS

**COMMODITY: SOY OIL**  
**Perspective: Very Short Term**  
**NCDEX September Contract**

The September contract closed at 375.50, which is notably higher than yesterday's close. Market opened firm and improved further for the day amidst slight revival of buyers' interest.

The technical indicators are hinting at the Positive and Firm trade for tomorrow.

### Market advice:

Market is expected to open positive and trade higher for Thursday

Short and medium term buying would yield profit.

### Resistance & Support Levels (Most Active Contract)

Contract	Contract	Support		Resistance	
		1st	2nd	1st	2nd
NBOT	Sept' '05	371.50	370.60	374.20	376.40
NCDEX	Sept' '05	374.80	373.50	377.30	379.10

## MARKET HIGHLIGHTS & FUNDAMENTAL ANALYSIS

### International:

#### CBOT (US Soybean Oil):

Heavy rains for today and tomorrow caused flooding in southeast soybean belt.

Increased buying from China of more than 10 cargoes in the last week added to the more positive tone.

Traders concerned over increased deliveries in September due to the closed ports at the gulf.

The US soybean is expected to continue on the positive side on Wednesday evening amidst closure of major ports.

#### CBOT Soy oil futures as 30.08.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
5-Sep	22.24	22.31	23.20	22.31	+0.62	22.86
5-Oct	22.36	22.45	23.90	22.43	+0.65	23.01
5-Dec	22.58	22.64	23.58	22.64	+0.71	23.29
5-Jan	22.75	22.71	23.75	22.71	+0.67	23.42

CBOT remains closed on Saturday and Sunday.

#### South American Soybean Market

South American exporters gained advantage in export market but hike in freight rates due to surging crude restrained aggressive buying.

Increased Chinese short-term demand sparked enthusiasm in SA soybeans but jump in freight rates this week could cool Chinese traders.

Expected lower soybean planting this season in Brazil ushered bullishness in the market.

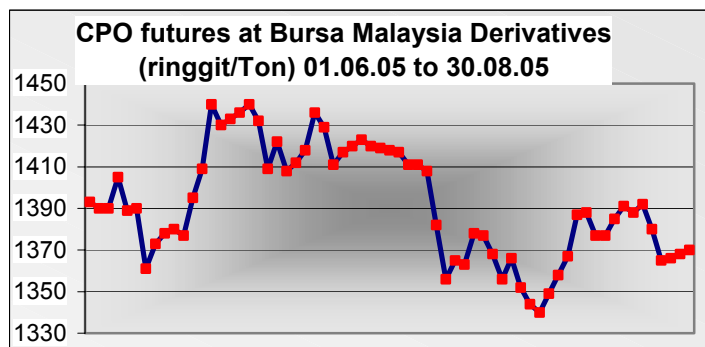
Amidst increasing crude prices, the South American Soybean market is expected to trade marginally on the lower side.

#### KLCE (Malaysian Palm Oil):

Malaysian market was closed on National day celebration. It would reopen tomorrow morning.

#### KLCE CPO Futures (30.08.05) (In Ringgit /T)

Months	Previous	Open	High	Low	Change	Close	Volume (*lots)
Sep '05	1354	1348	1360	1345	+6	1360	591
Oct '05	1364	1358	1369	1354	+4	1368	1046
Nov '05	1368	1364	1373	1356	+2	1370	3206



## Domestic:

### Palm oil

The domestic palm oil market today traded on the high owing to increased retail demand.

In the month of August, till 30.08.05 the country has imported about 3.44 lakh tonnes of palm oil.

CNF prices of CPO (July) were quoted at \$ 357.50 per tonne and RBD Palmolein at \$ 395.00 per tonne.

The price for palm oil in the market is expected to continue range bound on Thursday amidst increased pressure of imports.

#### Palm oil - Spot Market Price (Rs. per 10 kg)

Centres	31.08.05	30.08.05	Change
Kandla CPO (5 % FFA)	324	320	+4
Mumbai CPO (5% FFA)	325	322	+3
Kandla RBD Palmolein	358	356	+2
Mumbai RBD Palmolein	364	362	+2
Chennai RBD Palmolein	358	355	+3
Kakinada RBD Palmolein	359	356	+3

### Soy oil

The domestic market opened firm and continued further on the positive side as the day progressed amidst increased speculative buying support.

In the month of August, India has imported about 2.78 lakh tonnes of soybean oil till 31.08.05. The Hazir markets traded marginally positive amidst improving retail demand.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 332 per 10 kg. CNF prices for soy degum (September Shipment) at Kandla were quoted at \$ 508 per tonne.

The market is expected to continue on the positive side for Thursday amidst increased buyers support Buy with short and medium outlook.

#### Soybean oil - Spot Market Price (Rs. per 10 kg)

Centres	31.08.05	30.08.05	Change
Mumbai (Soy ref)	352	348	+4
Indore (Soy Ref oil)	364	364	0
Indore (Soy Solvent Ex. oil)	340	340	0
Kota (Soy Ref. Oil)	368	366	+2
Jaipur (Soy Ref. Oil)	371	370	+1

#### NBOT Soy oil futures as on 31.08.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Change	Close Price	Volume
Sept'05	368.40	370.10	372.40	369.10	4.00	372.40	16300
Oct '05	372.50	374.20	377.50	373.10	5.00	377.50	11980
Nov '05	0.00	N.A	N.A	N.A	0.00	N.A	N.A

#### NCDEX Soy oil futures as on 30.08.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Sep'05	368.20	367.80	371.25	367.35	370.10	13920	25140
Oct '05	369.95	369.10	374.20	369.10	372.95	17950	26880
Dec '05	368.45	368.65	373.10	368.20	372.00	3800	5960

### Rape oil

The rape oil prices traded range bound amidst increasing support from the demand owing to approach of the festival season.

Today the mustard arrival was 0.12 lakh bags in Rajasthan.

The rape oil exchange market of Delhi, Hissar, Hapur and the Bikaner traded range bound amidst lack of enhanced buyers' support.

The rape market is expected to continue on the higher side on Thursday. Buy with short and medium outlook.

#### Rape oil - Spot Market Price (Rs. per 10 kg)

Centres	31.08.05	30.08.05	Change
Mumbai (Rape Expeller Oil)	392	393	-1
Kota (Rape Expeller Oil)	380	375	+5
Jaipur (Rape Expeller Oil)	380	377	+3
Neewai (Kacchi Ghani Rape Oil)	398	398	0
Delhi (Rape Expeller Oil)	398	398	0

### Groundnut oil

The groundnut market continued improving in various spot market amidst concerns over the declining supplies.

The decline in the groundnut acreage is the main cause of bullishness in the groundnut oil market.

Area under groundnut crop was lower mainly due to lesser coverage in Andhra Pradesh, Gujarat, Maharashtra, Tamil Nadu and Uttar Pradesh. Sowing was however still continuing in Andhra Pradesh, Karnataka and Tamil continued Nadu following widespread rains in the first fortnight of Aug 2005.

The domestic market is expected to continue trading range bound on the higher side on Thursday amidst growing uncertainty in edible oil markets.

#### Groundnut oil - Spot Market Price (Rs. per 10 kg)

Centres	31.08.05	30.08.05	Change
Mumbai (Excluding VAT)	482	481	+1
Rajkot	520	510	+10
Andhra Region	525	522	+3
Chennai	528	525	+3

### LATEST WEATHER WATCH (31.08.2005)

#### Weather Forecast

During last 24 hours, monsoon rainfall activity remained subdued over most parts of the country as break monsoon conditions continue to prevail with the monsoon trough remaining close to foot hills of Himalayas. This condition is likely to prevail with Scattered moderate rainfall over North eastern states and Sub-Himalayan West Bengal & Sikkim and south peninsular India for next two days.

#### Forecast Valid For Next 72 Hours

**NORTH :** Mainly dry weather in the region except western Himalayas where isolated light to moderate rainfall likely on 2<sup>nd</sup> & 3<sup>rd</sup>.

**EAST :** Rain/thundershowers likely at many places over northeastern states, Sub-Himalyan West Bengal & Sikkim; at a few places over Gangetic West Bengal, Orissa and Bihar and isolated in the rest region.

**SOUTH :** Rain/thundershowers likely at many places over Andhra Pradesh, north Tamil Nadu and Interior Karnataka and at a few places in rest region.

**WEST :** Rain/thundershowers likely at a few places over south Konkan & Goa and south Madhya Maharashtra and isolated over north Konkan and north Madhya Maharashtra and Gujarat. Mainly dry weather in the rest region.

#### Warning

Isolated heavy rainfall likely over northeastern States, Sub-Himalayan West Bengal & Sikkim, interior Karnataka and Coastal Andhra Pradesh.

#### Outlook For The Next Two Days

Moderate rainfall activity over south Peninsula and Northeastern States is likely to continue.

Subdued rainfall activity is likely to continue over northwest of India.

Rainfall activity likely to increase over eastcentral and eastern India.

### PORT-WATCH (Latest)

'Global Eos' from Indonesia has berthed at Kandla Port and continues to discharge 9,500 MT of CPO. The vessel is being

handled by Forbes Gokak agents.

Mumbai Port received 1,500 MT of palm oil from the vessel 'Global Eos' and sailed off. Forbes Gokak agents handled the vessel. Delivery of 10,000 MT of palm oil is expected at Mumbai Port from the vessel 'Chemstar Hero'. JM Baxi agents will be handling the vessel.

Delivery of 6,000 MT of CPO is continuing at JN Port from the vessel 'Bunga Kentan Saty'. Interocean agents is handling the vessel.

'Spring Wind' has berthed at Kolkata Port and is continuing to discharge 7,250 MT of CPO. The vessel is being handled by Seaport agents. Kolkata Port is receiving 6,000 MT of SBO from the vessel 'MMM Galvestone'. GAC agents is handling the vessel.

Kakinada Port is receiving 5,000 MT of SBO from the vessel 'Instana 6'. The port is expecting 'Global Venus' to discharge 9,000 MT of CPO.

'Gertrude' and 'Zhong Hua 6' are expected at Chennai Port to discharge 5,000 MT and 4,000 MT of palm oil respectively. Seaport agents will be handling these vessels.

#### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Global Eos	9500	CPO	Arrived
Kakinada	Montana Star	10000	SBO	Arrived
	Global Venus	9000	CPO	Expected
	Istana 6	5000	CPO	Arrived
Mumbai	Chemstar Hero	10000	Palm oil	Expected
	Global Eos	1500	Palm oil	Arrived
Kolkata	MMM Galveston	6000	SBO	Arrived
	Spring Wind	7250	CPO	Arrived
Chennai	Gertrude	5000	Palm oil	Expected
	Zhong Hua 6	4000	Palm oil	Expected
JN	Bunga Ketan Saty	6000	CPO	Arrived

#### Forex Rates

(As on 31.08.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.09
Malaysia	Ringgit	11.71
European Union	Euro	53.90
United Kingdom	GBP	78.77
Japan	100 Yen	39.62

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