

VEGOIL

November 09, 2005

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Moderately Higher
- BMD CPO Futures Settle Down

TECHNICAL ANALYSIS

COMMODITY: SOY OIL
Perspective: Very Short Term
NCDEX October Contract

Technical Analysis for November Contract:

1. The MACD has made a bearish crossover with its signal line and moving Southwards indicating some more weakness.
2. The stochastic has fallen into oversold territory and the %K line is about to signal positive correction by crossing %D line and pointing upwards.
3. Close below 9 days EMA and 18 days EMA is indicating medium term bearishness.
4. Candlesticks has formed opening marubozu pattern indicating slackening in recent bearish trend.

Market Advice: Trend reversal is likely. Go short with tight stop losses.

Resistance & Support Levels (Most Active Contract)

Contract	Contract	Support		Resistance	
		1st	2nd	1st	2nd
NCDEX	Nov'05	349.20	348.50	350.80	351.80

Abbreviations:

ROC - Rate of Change

MA - Moving Average

MACD - Moving Average Convergence Divergence

RSI - Relative Strength Index

% K-Line & % D-Line - Faster & Slower Lines of Stochastic Oscillators



MARKET HIGHLIGHTS & FUNDAMENTAL ANALYSIS

International:

CBOT Soy Futures Settle Moderately Higher

Soy future settled moderately higher at Chicago Board of Trade on Tuesday. November Soybeans settled higher 2.75 cent at \$ 5.7425 per bushel, 1.25 cent off the high and 3.75 cent up from the low and January Soybeans settled up 2.5 cent at \$5.855 per bushel, 3.5 cents up from the low and 1.5 cents off the high. December Soybean Oil settled higher 0.14 cents at 22.81cents per pounds, 0.14 cents off the high and 0.17 cents up from the low. Soy future has taken positive correction on Chicago Board of Trade after a slight over sold condition. There is talk of cancellation of Indian Soybean import from China is also brought positive impact on US soybeans prices. The Brazil statistical arm (IBGE) revealed that Brazil production at 58.7 million tonnes, up from 51.1 million tonnes last year. USDA forecast was 60 million tonnes about the Brazil production of soybean.

CBOT Soy oil futures as 08.11.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	22.67	22.68	22.95	22.64	22.81	+0.14
Jan'06	22.89	22.88	23.17	22.87	23.00	+0.11
Mar'06	23.14	23.13	23.41	23.10	23.25	+0.11
May'06	23.36	23.36	23.57	23.35	23.48	+0.12
Jul '06	23.56	23.60	23.78	23.55	23.66	+0.10
Aug'06	23.63	23.60	23.78	23.60	23.71	+0.08

CBOT remains closed on Saturday and Sunday.

South American Soy Future Settled Down

South American soy future settled down yesterday. November South American soybeans settled lower 9 cents at \$ 6.35 per bushel on Tuesday and March South American soybeans settled lower yesterday 10.75 cents at \$ 6.1325 per bushel. Trade volume was in 53 contracts. There is favourable weather condition for planting of soybean crop in South America due to recent rain in Argentina. There is dry condition in South America after recent rain; it is good for planting of new crop of soybean. The Brazil statistical arm (IBGE) revealed that Brazil production at 58.7 million tonnes, up from 51.1 million tonnes last year. USDA forecast was 60 million tonnes about the Brazil production of soybean. China has cancelled approximately 52000 metric tonnes of Indian Soybean only because low demand of Soybean due to spread of bird flu.

KLCE: CPO Futures (09.11.2005)

(Rinnngit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Nov '05	1439	1444	1446	1435	1435	- 4	445
Dec '05	1434	1438	1441	1429	1429	- 5	209
Jan '06	1433	1435	1441	1426	1427	- 6	1980
Feb '06	1431	1433	1438	1427	1427	- 4	951

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic market range bound. Palm oil future settled down on KLCE today. Palm oil prices expected range bound due to harvesting of soybean crop in major producing states of India. Soybean oil and palm oil both are substitute of each other. Palm oil prices were steady at Chennai market only because low arrival due to heavy rain there. Market sentiment is expected range bound.

FOB prices of CPO (Nov) were last quoted at \$ 367.50 per tonne and RBD Palmolein at \$ 405 per tonne.

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

Centres	09.11.05	08.11.05	Change
Kandla CPO (5 % FFA)	338	338	0
Kandla RBD Palmolein	360	361	-1
Mumbai RBD Palmolein	374	373	+1
Chennai RBD Palmolein	388	383	+5
Kakinada RBD Palmolein	385	380	+5

Soy oil

Soy oil prices at spot market range bound. Harvesting of soybean is on peak in major producing states of India. The arrivals of soybean were 3.00 lakh bags, 1.5 lakh bags and 1.5 lakh bags (1bag=85 Kg) in Madhya Pradesh, Maharashtra and Rajasthan respectively. Soy oil prices at domestic market are declining only due to bumper harvesting of soybean crop and crushing of the same. Soy future on Chicago Board of Trade settled slightly higher yesterday. November and December Soy future at NBOT was positive at the end of the day, it was negative in first session. However it was negative at NCDEX with slight improvement in soy future prices. Soy future may take positive correction.

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

The market sentiment of soy oil is expected range bound.

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

Centres	09.11.05	08.11.05	Change
Mumbai (Soy Ref oil)	364	364	0
Indore (Soy Ref oil)	346	346	0
Indore (Solvent Ex. oil)+VAT	319	320	-1
Kota (Soy Ref. Oil)	358	357	+1
Jaipur (Soy Ref. Oil)	363	363	0
Nagpur (Soy ref. Oil)	345	347	-2

NBOT Soy oil futures as on 09.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Nov 05	347.40	348.40	348.40	347.10	347.50	+0.10	9750
Dec 05	355.20	356.10	356.60	354.80	355.50	+0.30	21500

NCDEX Soy oil futures as on 09.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Nov 05	350.90	351.10	351.10	349.50	349.80	3870	18450
Dec'05	356.30	356.60	357.00	354.40	356.00	8510	24230

Rape/Mustard oil

Mustard oil prices at spot market were mildly low. It may be only because the availability of other edible oil like soybean oil, palm oil and vanaspati oil etc. These are substitute of mustard oil. Harvesting of soybean and groundnut and crushing of the same could cause to decline the mustard oil prices. Mustard oil prices are expected rang bound.

Spot Market Price (Rs. per 10 kg)

Centres	09.11.05	08.11.05	Change
Mumbai (Rape Expeller Oil)	381	382	-1
Kota (Rape Expeller Oil)	370	375	-5
Jaipur (Rape Expeller Oil)	378	378	0
Delhi (Rape Expeller Oil)	390	390	0
Neewai (Kacchi Ghani Rape Oil)	386	385	+1

Groundnut oil

Groundnut oil prices at domestic market were mixed. Groundnut oil prices are sharply declined in Rajkot market only because the harvesting of groundnut is on peak in Gujarat. Gujarat is a major producing state of groundnut. Arrival of Groundnut was more than 2 lakh bags (bags=35 kg) in whole Gujarat and arrival of 40,000 bags were in Rajkot market only. Harvesting of Groundnut in Andhra region is expected in last week of this month or first week of December. Groundnut oil price at Chennai market has sharply jumped only because shortage of supply due to heavy rain in Tamil Nadu today. Groundnut oil prices are expected to decline further.

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

Centres	09.11.05	08.11.05	Change
Mumbai	488	490	-2
Rajkot	455	465	-10
Andhra Region	510	510	0
Chennai	485	470	+15

LATEST WEATHER WATCH (09.11.2005)

There are favorable weather for harvesting of soybean and groundnut in major producing states of India. There is heavy rain in Chennai today.

PORT-WATCH (Latest) :**Current Vessels Positions**

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Global Saturn	7000	CPO	Arrived
	Spring Wind	6000	CPO	Expected
	Megacrown I	1850	CPO	Arrived
	Padang Halaban	4400	CPO	Arrived
	Ocean Ace	6000	CPO	Expected
Kandla	Pacific Sound	12750	CPO	Expected
	Isokaze	16000	Palm Oil	Arrived
	EW Harting	14000	SBO	Arrived
	Marine Champion	4000	CPO	Expected
	Nolowati	4500	CPO	Arrived
JN	Florida	11000	SBO	Expected
	Global Venus	9000	CPO	Arrived
Tuticorin	Mega Crown No.1	1850	Palm Oil	Expected
	Spring Glory	6500	Palm Oil	Arrived
Mumbai	Pacific Sound	1000	Palm Oil	Expected
	Marine Champion	5520	Palm Oil	Expected
	Nolowati	5000	Palm Oil	Expected
	Global Eos	7500	Palm Oil	Expected
Mundra	Tirta Niaga I	5000	CPO	Expected
	Tirta Niaga I	5000	Palm oil	Expected
	Barents Wind	8800	SBO	Arrived
Kakinada	Fair Rainbow	16000	SBO	Expected
	Star Orion	3000	CPO	Expected
	Marine Champion	4000	CPO	Expected
Chennai	EW Harting	4000	SBO	Expected
	EW Harting	8000	Palm Oil	Expected
	Star Orion	3000	Palm Oil	Expected
New mangalore	Aprologue	17000	SBO	Expected
	Bumik	7000	CPO	Expected

Forex Rates**(As on 09.11.2005)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.80
European Union	Euro	53.87
United Kingdom	Pound Sterling	79.79
Japan	100 Yen	39.02
Malaysia	Ringgit	12.10

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