

VEGOIL

November 12, 2005

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Mixed

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX October Contract

Technical Analysis for November Contract:

1. The MACD still pointing downward but with gentle slope.
2. The stochastic has just crossed the oversold line and moving upward.
3. Close below 9 days EMA and 18 days EMA is indicating medium term bearishness.

Market Advice: Remain long. Better to avoid new positions.

Resistance & Support Levels (Most Active Contract)

Contract	Contract	Support		Resistance	
		1st	2nd	1st	2nd
NCDEX	Nov'05	347.90	347.30	349.10	349.60

Abbreviations:

MA - Moving Average

MACD - Moving Average Convergence Divergence

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



MARKET HIGHLIGHTS & FUNDAMENTAL ANALYSIS

International:

CBOT Soy Futures Settle Mixed

Soy Futures at Chicago Board of Trade settled mixed, Soybean and meal stronger while soy oil slightly weaker. January soybean future settled 14 cents higher at \$6.05 and March soybean up 2.75 cents at \$6.0675 per bushel. December Soybean future settled higher \$6.2 at \$181.7 per short ton and December soybean off 3 points at 22.74 cents per pound. There were talks of good demand of soybean from China. Traders are expecting that china would buy about 8-10 cargoes of US Soybean with in a week. Even after many clamours over bird flue, demand is good for soy meal in China. Reports of bird flue in fact had not much impact on consumption pattern of chicken therein. Bearish report released by US Department of Agriculture on Thursday continued to knock the enthusiasm in the market. Traders are expecting bearish numbers from NOPA's crush report to be released on Monday.

CBOT Soy oil futures as 11.11.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	22.77	22.75	22.94	22.65	22.74	-0.03
Jan'06	22.94	22.98	23.12	22.85	22.93	-0.01
Mar'06	23.25	23.25	23.35	23.08	23.13	-0.12
May'06	23.45	23.45	23.55	23.28	23.38	-0.07
Jul '06	23.65	23.68	23.70	23.50	23.61	-0.04
Aug'06	23.70	23.63	23.80	23.60	23.66	-0.04

CBOT remains closed on Saturday and Sunday.

South American Soy Futures Settle Unchanged

South American soy future settled mostly unchanged on Friday. March South American soybeans settled unchanged at \$ 6.18 per bushel. The USDA monthly production report released on November 10, which revealed decline in Brazil soybean production to 58.5 million tonnes from 60 million last month's report, helped cushioning the futures. Decline in planted area, strong local currency, higher input cost and limited access to credit were blamed for decline in production. Six crushing Plants were closed in South America due to disparity. Traders were expecting increase in production numbers by USDA, while drop in US soy export was not expected. The USDA cut the export forecast for US soybean by 40 million bushels against its estimates last month. People are sceptical about demand perspective owing to increasing reports of bird flue in china. In nut, both bullish and bearish factors were equally weighing for Brazilians.

KLCE: CPO Futures (11.11.2005)

							(Ringgit/ton)
Months	Previous	Open	High	Low	Close	Change	Volume
Nov '05	1442	1440	1442	1436	1441	-1	199
Dec '05	1436	1437	1439	1436	1438	+2	150
Jan '06	1435	1433	1439	1432	1436	+1	822
Feb '06	1435	1436	1438	1432	1435	0	265
Mar '06	1435	1438	1438	1438	1438	+3	2

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic market range bound. Festival demand is over and low demand of edible oil at retail end. Palm oil prices expected range bound only because huge availability of groundnut and soybean oil. Soybean oil and palm oil both are substitute of each other. Market sentiment is expected range bound.

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

Centres	12.11.05	11.11.05	Change
Kandla CPO (5 % FFA)	338	338	0
Kandla RBD Palmolein	360	360	0
Mumbai RBD Palmolein	372	373	-1
Chennai RBD Palmolein	388	388	0
Kakinada RBD Palmolein	385	385	0

Soy oil

Harvesting of soybean is over in most of the producing states. Demand remained subdued after festival season. Processors are not optimistic about improvement in demand for soy products. Heavy import in last Marketing Year has been blamed for this depression in soy markets. We imported 1,843,898 ton of soy oil during Nov 04-Sept 05 against import of 728,538 ton during the corresponding period in the previous year. The arrivals of soybean were 2.00 lakh bags, 1.5 lakh bags and 1.5 lakh bags (1bag=85 Kg) in Madhya Pradesh, Maharashtra and Rajasthan respectively. Arrival of 25, 000 bags in Kota market only. November Soy future at NBOT and NCDEX were positive at end of the session. The market sentiment of soybean is expected range bound.

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 \$ 510per tonne.

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

Centres	12.11.05	11.11.05	Change
Mumbai (Soy Ref oil)	363	363	0
Indore (Soy Ref oil)	344	344	0
Indore (Solvent Ex. oil)+VAT	318	317	+1
Kota (Soy Ref. Oil)	354	353	+1
Jaipur (Soy Ref. Oil)	357	357	0
Nagpur (Soy ref. Oil)	343	343	0

NBOT Soy oil futures as on 12.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Nov 05	344.50	344.80	345.60	344.70	345.40	+0.90	1360
Dec 05	353.50	354.30	355.60	353.90	355.50	+2.00	11150

NCDEX Soy oil futures as on 12.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Nov 05	347.75	347.90	348.90	347.75	348.60	1240	12110
Dec'05	354.25	354.50	355.90	354.30	355.40	4530	23760

Rape/Mustard oil

Traders are expecting improvement in rapeseed prices with ease in harvest pressure of other oilseed crops. Sowing of rapeseed is almost done in most of the producing states. Now, traders are eyeing crop figures to be released in SOPA convention 12-13 November 2005 at Indore. Prices of mustard seeds range bound due to heavy stock of rapeseed with private and government institutes. Harvesting of groundnut is near about 75-80 per cent is over in Gujarat states. Mustard seeds future prices at Delhi, Hapur and Bikaner market were quoted positive. Mustard oil prices are expected range bound further.

Spot Market Price (Rs. per 10 kg)

Centres	12.11.05	11.11.05	Change
Mumbai (Rape Expeller Oil)	381	381	0
Kota (Rape Expeller Oil)	372	372	0
Jaipur (Rape Expeller Oil)	377	378	-1
Delhi (Rape Expeller Oil)	395	394	+1
Neewai (Kacchi Ghani Rape Oil)	387	387	0

Groundnut oil

Harvesting of groundnut is done approximately 80% of the targeted area in Gujarat. Arrivals of groundnut in Gujarat were reported about 2 lakh bags (1 bag=35 Kg). Traders are expecting demand for GN oil from retail end to improve in coming days for festival season ahead. Groundnut oil prices South Indian markets slightly declined only because harvesting started in some parts of Andhra states. According to local traders, the groundnut oil prices would decline further in Andhra region and Chennai, not in Gujarat states. Market sentiment is expected range bound.

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

Centres	12.11.05	11.11.05	Change
Mumbai	471	472	-1
Rajkot	455	453	+2
Andhra Region	490	500	-10
Chennai	470	472	-2

LATEST WEATHER WATCH (11.11.2005)

There is favorable weather for cross over producing states.

PORT-WATCH (Latest) :

Delivery of 3,000 MT of palm oil is expected at Chennai Port from the vessel 'Star Orion'. Seaport agents will be handling the vessel. 'Belicia' is expected at the port to deliver 2,000 MT of palm oil. The vessel will be handled by InterOcean agents.

Kandla Port is expecting 'Pacific Sound' from Malaysia to discharge 10,900 MT of palm oil. InterOcean agents will be handling the vessel.

'Vernal Grace' has berthed at Kolkata Port and continues to discharge 6,000 MT of CPO. GAC agents is handling these vessels. 'Spring Wind' has berthed at Kolkata Port and continues to deliver 6,000 MT of CPO. Delivery of 7,000 MT of CPO is continuing at Kolkata Port from the vessel 'Global Saturn'.

Mundra Port is expecting the loading of 6,300 MT of SBO from the vessel 'Siam Bhavas'.

Mumbai Port is expecting 'Star Dream' to discharge 7,500 MT of palm oil. InterOcean agents is handling the vessel.

'Star Orion' is expected at Kakkinada Port to discharge 3,000 MT of CPO.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Global Saturn	7000	CPO	Arrived
	Spring Wind	6000	CPO	Arrived
	Vernal Grace	6000	CPO	Arrived
Mumbai	Star Dream	7500	Palm Oil	Expected
Mundra	Siam Bhavas	6300	SBO	Expected
Kakinada	Star Orion	3000	CPO	Expected
Chennai	Star Orion	3000	Palm Oil	Arrived
	Belecia	2000	Palm Oil	Expected
Kandla	Pacific Sound	10900	Palm Oil	Expected

Forex Rates (As on 12.11.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.77
European Union	Euro	53.51
United Kingdom	Pound Sterling	79.74
Japan	100 Yen	38.90
Malaysia	Ringgit	12.08

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