

VEGOIL

November 30, 2005

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Lower
- BMD CPO Futures Settle Lower

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX December Contract

Technical Analysis for December Contract:

1. The MACD moving southwards and just touched the signal line from above, which indicates medium term bearish.
2. Stochastic indicator is moving downward and reached in oversold region, which indicates the bearish sentiments.
3. Close below 9 days EMA and 18 days EMA, which shows bearish market sentiments.

4. Candlestick formed evening star pattern, which indicates possible trend reversal.

Market Advice: The market is expected to remain range bound with some upward bias.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Dec '05	347.20	346.00	350.10	351.40

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 Lower

Soy futures at Chicago Board of Trade settled lower as buying dried on Tuesday. January soybean future settled off 4.25 at \$5.54 and March off 4.25 at \$5.615 per bushel. March soybean oil off 34 points at 21.44 cents per pound. There is no friendly change in fundamentals. Fowl stories from Asia kept the market under pressure. News of Taiwan bought 12000 ton of US soybean did not help much. Slowed buying interest of largest buyer, China is very concerning. Weather in South America is improving. In its last report, USDA had estimated the soybean production in Brazil at 58.5 million ton and in Argentina at 40 million ton. So, 98.5 million ton crop due in next four months leaves not space for bulls.

CBOT Soy oil futures as 29.11.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	21.24	21.07	21.15	20.93	20.95	-0.29
Jan'06	21.46	21.31	21.38	21.15	21.17	-0.29
Mar'06	21.78	21.65	21.67	21.42	21.44	-0.34
May'06	22.03	21.95	21.95	21.72	21.73	-0.30
Jul'06	22.29	22.20	22.25	21.96	21.98	-0.31
Aug'06	22.42	22.35	22.35	22.10	22.10	-0.32

CBOT remains closed on Saturday and Sunday.

South American Soybean Settle Higher

South American soybean settled higher. March South American soybean settled up 7.5 cents higher \$5.965 per bushel. Traders are expecting that Chinese will be looking for soyoil from Argentina than soybean owing to bird flu problem in Asia. Weather factor continued to help limiting gains. Planting is in progress in South America. Planting is done nearly 78% in Brazil and 59% in Argentina. If weather goes smooth, Argentina and Brazil collectively will harvest some 98.5 million ton soybean in 2005-06. So, overall outlook is not very promising.

BMD Crude Palm Oil Futures Settle Lower

Crude Palm oil futures settled slightly lower in tandem with decline in soy futures at CBOT. Benchmark February future settled off MYR6 at MYR1390 per ton. Export report confirmed the fear of slowed export of palm oil. Cargo Surveyor, SGS estimated the Malaysian Palm oil export to 1.03 million ton. Traders concern over rising stock kept weighing on values. Though seasonal decline in its production has started, but traders doubt that decline could sop up stock factor. Traders are expecting that stock of

Malaysian palm oil could rise to 1.6 million ton by end of November. All time stock of Malaysian palm oil ever had reached to 1.54 million ton at end of February.

BMD: CPO Futures (30.11.2005) (Rinngit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Dec '05	1396	1396	1399	1388	1389	-7	382
Jan '06	1398	1396	1401	1390	1392	-6	886
Feb '06	1396	1395	1403	1389	1390	-6	2610
Mar '06	1398	1400	1400	1391	1393	-5	557
Apr '06	1399	1399	1399	1394	1394	-5	72

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic spot market were likely unchanged. Export sales of Malaysian palm oil increased to 120653 metric tonnes in month of October from 1195381 metric tonnes of the month of September 2005, it is up 0.9 percent. Stock of Malaysian palm oil increased by 4.2 percent in the month of October as compared with the month of September 2005. Traders are expecting that stock of Malaysian palm oil could rise to 1.6 million ton by end of November. Palm oil prices are expected remains range bound with week market sentiments.

FOB prices of CPO (December) were last quoted at \$ 357.50 per tonne and RBD Palmolein at \$ 392.50 per tonne.

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

Centres	30.11.05	29.11.05	Change
Kandla CPO (5 % FFA)	338	338	0
Kandla RBD Palmolein	360	360	0
Mumbai RBD Palmolein	374	374	0
Chennai RBD Palmolein	378	378	0
Kakinada RBD Palmolein	374	375	-1

Soy oil

Domestic spot market of soy oil prices range bound with week market sentiments. Market sentiments of soyoil are weak due to more arrivals of soybean and low buying demand at retail end. Total arrivals of soybeans were 1.50 - 1.75 lakh, 1.50 lakh and 1.00-1.50 lakh bags (1 bags= 85 kg) in Madhya Pradesh, Maharashtra and Rajasthan mandies respectively. Arrivals of soybean in Kota mandies were 7000-8000 bags only. December Soy oil prices were closed down at the end of the day in NCDEX and NBOT. Soy oil prices at domestic market are expected range bound with week market sentiments due to good arrival of Soybean in Madhya Pradesh mandies.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 332 per 10 kg. CNF prices for soy degum (December Shipment) at Kandla were quoted at \$ 505 per tonne.

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

Centres	30.11.05	29.11.05	Change
Mumbai (Soy Ref oil)	363	365	-2
Indore (Soy Ref oil)	343	344	-1
Indore (Solvent Ex. oil)+VAT	318	322	-4
Kota (Soy Ref. Oil)	348	350	-2
Jaipur (Soy Ref. Oil)	350	355	-5
Nagpur (Soy ref. Oil)	343	343	0

Rape/Mustard oil

Domestic market sentiments of mustard oil marginally declined in most of the markets amidst low buying demands at retail ends. Rape seed acreage (Rabi season) increased by 11% in India. More arrival of soybean and groundnut may be cause for marginally declined in mustard oil prices. Market sentiments of mustard oil prices are expected to weak due to above mentioned factors.

Spot Market Price (Rs. per 10 kg)

Centres	30.11.05	29.11.05	Change
Mumbai (Rape Expeller Oil)	382	383	-1
Kota (Rape Expeller Oil)	372	372	0
Jaipur (Rape Expeller Oil)	375	377	-2
Delhi (Rape Expeller Oil)	380	382	-2
Neewai (Kacchi Ghani Rape Oil)	380	381	-1

Groundnut oil

Domestic spot markets of Groundnut oil prices were continued mildly lower. The GN oil prices declined in Gujarat due to low buying demand at retail end and more arrival of groundnut seeds in the markets. Arrivals of groundnut in Gujarat were remains at 1.50 lakh bags (1 bag=35 kg). GN oil prices in Chennai and Andhra are low only because the harvesting of new crop is started in Tamil Nadu. More supply of groundnut is major factor to decline GN oil prices. Market sentiments of GN Oil are expected to decline further.

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

Centres	30.11.05	29.11.05	Change
Mumbai	458	460	-2
Rajkot	457	458	-1
Andhra Region	455	458	-3
Chennai	440	440	0

NBOT Soy oil futures as on 30.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Dec 05	346.80	346.50	346.90	345.70	346.30	-0.50	20500
Jan '06	353.00	352.80	352.80	351.80	352.50	-0.50	4130

NCDEX Soy oil futures as on 30.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Dec'05	348.50	348.00	348.20	346.85	347.60	6760	18420
Jan 06	353.75	353.10	353.65	352.55	353.05	5250	11470

LATEST WEATHER WATCH (30.11.2005)
Forecast valid for next 72 hours

NORTH: Rainfall/snowfall is likely at a few places over Jammu & Kashmir and Himachal Pradesh and isolated over Uttaranchal. Mainly dry weather is likely over the rest region. Minimum temperature over western Himalayas and adjoining plains of northwest India are likely to fall during next 2-3 days.

EAST: Isolated to scattered rain/thundershowers likely over coastal & south Orissa from tomorrow. Weather will be mainly dry over the rest region.

SOUTH: Rain/thundershowers likely at many places over extreme north Tamil Nadu and Coastal Andhra Pradesh; at a few places over Andaman & Nicobar Islands, rest Tamil Nadu & Pondicherry and Lakshadweep and isolated over Rayalaseema and Kerala. Rainfall activity over Tamil Nadu & Pondicherry, Rayalaseema and Coastal Andhra Pradesh is likely to increase from tomorrow when rains are likely at many places with heavy to very heavy falls at a few places for subsequent 2-3 days.

WEST: Mainly dry weather over the region.

Warning

1. Isolated to scattered heavy to very heavy rainfall likely over north coastal Tamil Nadu & Pondicherry and Coastal Andhra Pradesh from tonight for next 2-3 days.

2. Strong winds with speed reaching 80-90 kmph likely along & off north Tamil Nadu and south Andhra Pradesh coasts from tomorrow. State of sea will be very rough to high. Fishermen are advised not to venture into the sea along the above coasts.

Source: IMD, GOI

PORT-WATCH (Latest) :

Delivery of 8,480 MT of CPO is continuing at Kandla Port from the vessel 'West Gold'. The cargo was carried from Indonesia. InterOcean agents is handling the vessel. 'Global Eos' from Indonesia has berthed at the port and continues to deliver 3,500 MT of CPO. Forbes Gokak agents is handling the vessel. 'Jian She 35' from Malaysia is expected at Kandla Port to deliver 6,000 MT of CPO. The vessel is being handled by Taurus agents.

Delivery of 10,000 MT of SBO is continuing at Kolkata Port from the vessel 'Gulf Dove'. PBSA agents is handling the vessel. Kolkatta Port is receiving 6,000 MT of CPO from the vessel 'Khadijah'. The vessel is being handled by Seaport agents. The port is expecting 'Team Ace' to deliver 8,000 MT of CPO.

Kakkinada Port is expecting 'Ace I' and 'Istana VI' to deliver 6,000 MT and 5,000 MT of CPO respectively. 'Vernal Grace' delivered 6,000 MT of CPO at the port and sailed off.

Mumbai Port received 1,750 MT of palm oil from the vessel 'Global Eos'. Forbes Gokak agents handled the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Mumbai	Global Eos	1750	Palm Oil	Arrived
Kakkinada	Vernal Grace	6000	CPO	Arrived
	Ace 1	6000	CPO	Expected
	Istana VI	5000	CPO	Expected
Kolkata	Khadijah	6000	CPO	Arrived
	Team Ace	8000	CPO	Expected
	Gulf Dove	10000	SBO	Arrived
Kandla	West Gold	8480	CPO	Arrived

	Global Eos	3500	CPO	Arrived
	Jian She 35	6000	CPO	Expected

Forex Rates

(As on 30.11.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.94
European Union	Euro	54.16
United Kingdom	Pound Sterling	79.07
Japan	100 Yen	38.50
Malaysia	Ringgit	12.17

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