

VEGOIL

November 26, 2005

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Lower

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX December Contract

Technical Analysis for December Contract:

1. The MACD is moving upward above its signal line, which indicates bullishness in medium term.
2. %K line has turned downward but yet to make bearish crossover with %D line. There is no indication of trend reversal from this indicator.
3. Close above 9 days EMA is indicating bullishness in short run however close below 18 days EMA is indicating no change in medium term bearish trend.

Market Advice: Market sentiment is expected to slightly positive. Go remain long with cautiously.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Dec '05	351.90	351.00	353450	355.60

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 Lower

Soy futures at Chicago Board of Trade settled lower on multiple bearish factors. January soybean future settled off 7.75 cents at \$5.5425 and March off 6.5 cents at \$5.6225 per bushel. December Soybean future settled off \$0.6 at \$170.1 per short ton and December soybean oil off 5 points at 21.13 cents per pound. Slow export sale confirmed the worst fear for consequential decline in soybean demand due to bird flu. The US Department of Agriculture estimated the weekly export sale of US soybean for the week ended November 17 at 219,500 ton, significantly down against earlier expectations of 5-7 lakh ton. Export sale of US Soybean was put at 145,500 ton against earlier expectation of 75,000-125,000 ton. Oil sales were estimated at 11,600 ton, up against 4,000-9,000 ton. Improving weather in South America also had negative impact on its prices.

CBOT Soy oil futures as 25.11.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	21.63	21.50	21.53	21.10	21.13	-0.50
Jan'06	21.82	21.70	21.70	21.25	21.28	-0.54
Mar'06	22.04	21.92	21.92	21.56	21.56	-0.48
May'06	22.34	22.18	22.20	21.85	21.88	-0.46
Jul '06	22.63	22.50	22.52	22.10	22.11	-0.52
Aug'06	22.75	22.50	22.50	22.25	22.28	-0.47

CBOT remains closed on Saturday and Sunday.

South American Soy Futures Settle Mixed

South American soy future settled down yesterday. March South American soybeans settled down 10.5 cents at \$ 5.955 per bushel. The US soy market was lower due to improving crops in Brazil and Argentina. There were low cash trade of Brazilian soybean due to strength of Brazilian currency, it is increased about 33% against US \$ as compared to last year. It may bring negative impact on profit of Brazilian soybean producers. Bird flu is the major cause to weak demand of Soybean and oil, it helped to market for bringing bearish tone. In the crush report, oil contents revised higher for the month of October at 11.59 pounds per bushel, it was 11.32 pounds per bushels last year. More oil content would bring bearish picture in the market. The soil conditions in Argentina and Brazil has improved in the past week due to favorable weather. There is more demand of soybean from China, while demand for soybean is declined only because the low demand of Soybean in China due to bird flu. Chinese crusher has no profit margin due to very poor demand of Soybean. There is news that China is going to import more soy oil from Argentina, it was the important factor to push the demand for oil rather than soybeans and meals. Weekly export sales report for soybeans came in at 219,500 tonnes, which was below expectations and down from 644,800 tonnes last

week. Meal sales came in at 145,500 tonnes, which was above expectations, and oil sales amounted to 11,600 tonnes, also better than expected.

BMD: CPO Futures (25.11.2005) (Rinngit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Dec '05	1410	1408	1418	1408	1418	+8	370
Jan '06	1412	1411	1422	1411	1421	+9	837
Feb '06	1412	1410	1421	1410	1419	+7	2477
Mar '06	1412	1410	1422	1410	1421	+9	215
Apr '06	1412	1415	1419	1415	1419	+7	6

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic spot market continued range bound. Oilseeds production estimate for kharif revised higher in India as compared to last year. Sowing acreage of oilseed for Rabi season is estimated higher as compared to last two years. Palm oil prices are expected to bit decline due to good arrival of soybean and groundnut crossover producing and huge stock of mustard seeds with NAFED. These are substitute of each other. Market sentiment is expected to bearish in near future.

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

Centres	26.11.05	25.11.05	Change
Kandla CPO (5 % FFA)	338	339	-1
Kandla RBD Palmolein	360	360	0
Mumbai RBD Palmolein	375	375	0
Chennai RBD Palmolein	378	378	0
Kakinada RBD Palmolein	377	378	-1

Soy oil

Domestic spot market prices of soy oil range bound with positive sentiments. Total arrivals of soybeans were 1.75-2.00 lakh, 1.25-1.50 lakh and 1.25-1.5 lakh bags (1 bags= 85 kg) in Madhya Pradesh, Maharashtra and Rajasthan mandies respectively. Arrivals of soybean in Kota mandies were 17000-18000 bags only. December Soy oil price closed down at the end of the session at NCDEX and NBOT. Spot market prices of soy oil are expected remain range bound.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 334 per 10 kg. CNF prices for soy degum (December Shipment) at Kandla were quoted at \$ 504 per tonne.

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

Centres	26.11.05	25.11.05	Change
Mumbai (Soy Ref oil)	365	365	0
Indore (Soy Ref oil)	348	347	+1
Indore (Solvent Ex. oil)+VAT	322	322	0
Kota (Soy Ref. Oil)	355	354	+1
Jaipur (Soy Ref. Oil)	358	357	+1
Nagpur (Soy ref. Oil)	347	346	+1

NBOT Soy oil futures as on 26.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Dec 05	353.00	352.10	361.60	350.80	350.80	-2.20	21420
Jan 05	359.10	358.00	359.10	357.20	357.30	-1.80	2000

NCDEX Soy oil futures as on 26.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Dec'05	354.60	354.00	354.45	352.15	352.20	9650	19370
Jan 06	359.85	360.90	360.90	358.00	358.20	6890	8740

Rape/Mustard oil

Domestic market sentiments continued lacklustre. The prices of mustard oil range bound only because good arrival of soybean in major producing states. Vanaspati is also available in the market at cheaper rate as compared to mustard oil. There is huge stock of mustard seeds with NAFED and private stockist. Oil seed sowing acreage (Rabi season) has also increased by 3.88 percent. Mustard sowing acreage for this Rabi season till now is up by 11 percent this year i.e. 53.99 lakh hectares from 48.74 lakh hectares last year. The above-mentioned factors indicating towards bearish market sentiments.

Spot Market Price (Rs. per 10 kg)

Centres	26.11.05	25.11.05	Change
Mumbai (Rape Expeller Oil)	384	383	+1
Kota (Rape Expeller Oil)	374	372	+2
Jaipur (Rape Expeller Oil)	377	377	0
Delhi (Rape Expeller Oil)	390	390	0
Neewai (Kacchi Ghani Rape Oil)	386	386	0

Groundnut oil

Groundnut oil prices at domestic spot market range bound. The market sentiments of Gujarat were positive only because good buying demand from consumer at the retail end. Consumers are having the stocks of GN oil during this period for home consumption and prices may slightly increase further in Gujarat. Harvesting of groundnut is likely over in Gujarat. Oilseeds acreage increase at 75.86 lakh hectare from 73.03 lakh hectare last year, it is 3.88 percent up as compared to last year. However, groundnut acreage declined by 19.5 per cent, it is 4.5 lakh hectare till last week as compared to 5.59 lakh hectare during the same period last year. Arrivals of groundnut marginally declined in the Gujarat at 1.30 lakh bags (1 bag= 35 kg). The GN oil prices are expected to decline in next week in Tamil Nadu and Andhra region only because the harvesting of new crop will start.

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

Centres	26.11.05	25.11.05	Change
Mumbai	458	455	+3
Rajkot	465	460	+5
Andhra Region	465	475	-10
Chennai	450	450	0

LATEST WEATHER WATCH (26.11.2005)**Forecast valid for next 72 hours**

NORTH: Scattered rainfall/snowfall activity is likely to commence over Jammu & Kashmir and Himachal Pradesh from tomorrow which is likely to increase and extend into Uttaranchal subsequently. Isolated to scattered rain/thundershowers also likely over Punjab and Haryana (including Chandigarh & Delhi) on 27th & 28th. Mainly dry weather is likely over the rest region.

EAST: Isolated rain/thundershowers likely over northeastern States. Weather will be mainly dry over the rest region.

SOUTH: Rain/thundershowers likely at many places over Andaman & Nicobar Islands and Lakshadweep; at a few places over Kerala and isolated over Tamil Nadu, Pondicherry, Rayalaseema and Coastal & South Interior Karnataka. Mainly dry weather over the rest region.

WEST: Mainly dry weather over the region

Source: IMD,GOI

PORT-WATCH (Latest) :

Kandla Port is receiving 13,010 MT of SBO from the vessel 'Bunga Cenderawasih'. The cargo was loaded from Brazil. Interocean agents is handling the vessel. 'Gemini' is expected at the port to deliver 6,000 MT of CPO. The vessel will be handled by Taurus agents. Delivery of 8,480 MT of CPO is expected at the port from the vessel 8,480 MT of CPO. The cargo was carried from Indonesia. Interocean agents will be handling the vessel.

'Gemini' has berthed at Mundra Port and continues to deliver 14,999 MT of palm oil. Taurus agents is handling the vessel.

Delivery of 1,850 MT of palm oil is continuing at Chennai Port from the vessel 'Mega Crown No.1'. Seaport agents is handling the vessel.

Kolkatta Port is receiving 6,000 MT of CPO from the vessel 'Khadajah'. The vessel is being handled by Seaport agents. The port is expecting 'Team Ace' to deliver 8,000 MT of CPO.

New Manglore Port is receiving 7,000 MT of SBO from the vessel 'Laertis'. The cargo was loaded from Argentina. Interocean agents is handling the vessel.

Kakkinada Port is expecting 'Vernal Grace' to deliver 6,000 MT of CPO.

Delivery of 10,000 MT of SBO is expected at JNPT from the vessel 'Laertis'. The cargo was loaded from Argentina. The vessel will be handled by Interocean agents.

Mumbai Port is expecting 'Global Eos' to deliver 1,750 MT of palm oil. Forbes Gokak agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Mega Crown 1	1850	Palm Oil	Arrived
Mumbai	Global Eos	1750	Palm Oil	Expected
Mundra	Gemini	14999	Palm Oil	Arrived
Kakinada	Vernal Grace	6000	CPO	Expected
Kolkata	Khadijah	6000	CPO	Arrived
	Team Ace	8000	CPO	Expected
Kandla	Gemini	6000	CPO	Expected
	Bunga Cenerawaish	13010	SBO	Arrived
	-	8480	CPO	Expected
Manglore	Laertis	7000	SBO	Arrived
JNPT	Laertis	10000	SBO	Expected

Forex Rates**(As on 26.11.2005)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.78
European Union	Euro	53.88
United Kingdom	Pound Sterling	78.84
Japan	100 Yen	38.40
Malaysia	Ringgit	12.11

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.