

VEGOIL

November 24, 2005

MAJOR ACTIVITY HIGHLIGHTS

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

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX December Contract

Technical Analysis for December Contract:

1. The MACD is moving upward and has crossed the signal line, which indicates medium term bullishness.
2. %K line is about to cross %D line from above. There is no indication from stochastic indicator as confirmation of bearish signal.
3. Close below 9 days EMA and 18 days EMA is indicating bearish market sentiments.

Market Advice: Soyoil prices are expected to remain range bound with some bearish touch.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Dec '05	350.00	349.00	352.10	353.90

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 improving weather reports from South America. January soybean future settled off 10.25 cents at \$5.62 and March off 11.25 cents at \$5.6875 per bushel. December soybean future settled off \$2.9 at \$170.7 per short ton and December soybean off 35 points at 21.63 cents per bushel. Weather is improving in South America. Planting is in progress in South America, so weather is a crucial factor therein. Crush report for October month released on Wednesday also was bit bearish. Census Bureau estimated soybean crush at 158.2 million bushels against earlier expectation of 158.5 million bushels. Stock of meal was estimated at 316,137 tonne against earlier expectations of 250,000 ton and stock of oil was put at 1.864 billion pounds against earlier expectation of 1.820 billion pound. Demand for soybean has slowed due to increasing concern over bird flu.

CBOT Soy oil futures as 23.11.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	21.98	21.92	21.92	21.57	21.63	-0.35
Jan'06	22.13	22.05	22.07	21.73	21.82	-0.31
Mar'06	22.37	22.34	22.34	22.01	22.04	-0.33
May'06	22.67	22.62	22.66	22.32	22.34	-0.33
Jul '06	23.06	22.83	22.88	22.60	22.63	-0.43
Aug'06	23.15	23.00	23.00	22.75	22.75	-0.40

CBOT remains closed on Saturday and Sunday.

South American Soybean Ends Slightly Up

South American soybean futures settled higher notwithstanding downtrend at Chicago Board of Trade. March South American soybean settled 1 cent higher at \$6.06 per bushel. Traders are expecting demand for soybean to improve from South America. China might not be very keen in importing soybean due to rising concern over bird flu. China will prefer to import soybean for their edible oil requirement. There were reports of recently emerging interest of China in Argentina Soy oil. There were rumors that China bought 50,000 ton of soybean from Argentina last week. Trade from Brazil has been slow due to appreciation of reel versus dollar.

BMD Crude Palm Oil Futures Settle Marginally Down

Crude Palm oil futures at Bursa Malaysia Derivatives settled slightly lower amidst dearth of fresh fundamental news. Benchmark February future settled off MYR2 at MYR1412 per ton. Concern over rising stock continued to shadow all kind of speculative optimism. Rising fowl stories in Asian nations have given birth to new equations. Since, crushing of soy is not lucrative business for major importing

nations, they may prefer to import soybean or palm oil than soybean for their edible oil requirement. But as of now, export is slow compared to its pace month back. Cargo Surveyor, SGS will be releasing MPO export for November 1-25 on Friday. Traders are expecting MPO export during November 1-25 to range 8.20-8.50 lakh ton compared to 1.00 million ton during the corresponding period last month.

BMD: CPO Futures (24.11.2005) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Dec '05	1413	1411	1411	1404	1410	-3	170
Jan '06	1414	1411	1412	1404	1412	-2	367
Feb '06	1414	1413	1413	1404	1412	-2	1281
Mar '06	1414	1410	1412	1405	1412	-2	129

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic spot market continued range bound. There were bit higher prices of palm oil in Chennai market yesterday only due to rain. Palm oil prices are low due to 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. Market sentiment expected range bound due to above-mentioned factors.

FOB prices of CPO (December) were last quoted at \$ 360 per tonne and RBD Palmolein at \$ 397.5 per tonne.

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

Centres	24.11.05	23.11.05	Change
Kandla CPO (5 % FFA)	338	340	-2
Kandla RBD Palmolein	360	360	0
Mumbai RBD Palmolein	374	374	0
Chennai RBD Palmolein	378	387	-9
Kakinada RBD Palmolein	379	379	0

Soy oil

Domestic spot market sentiment of soy oil range bound. Total arrivals of soybeans were 1.5-1.75 lakh, 1.5 lakh and 1.5 lakh bags (1 bags= 85 kg) in Madhya Pradesh, Maharashtra and Rajasthan mandies respectively. Arrivals of soybean in Kota mandies were 15000-17000 bags only. December Soy oil price closed lower at the end of the day in NCDEX. Spot market prices of soy oil are expected range bound.

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 \$ 509 per tonne.

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

Centres	24.11.05	23.11.05	Change
Mumbai (Soy Ref oil)	365	364	+1
Indore (Soy Ref oil)	345	345	0
Indore (Solvent Ex. oil)+VAT	322	323	-1
Kota (Soy Ref. Oil)	353	356	-3
Jaipur (Soy Ref. Oil)	357	360	-3
Nagpur (Soy ref. Oil)	345	344	+1

NBOT Soy oil futures as on 24.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Dec 05	350.20	348.70	350.80	348.60	349.90	-0.30	35960
Jan 05	356.40	354.80	356.80	354.70	356.40	0.00	2600

NCDEX Soy oil futures as on 24.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Dec'05	352.10	350.20	352.20	349.90	350.95	6580	19030
Jan 06	357.30	357.65	357.65	355.50	356.95	4490	6880

Rape/Mustard oil

Domestic market sentiments were remain lacklustre. Oil seed sowing acreage (Rabi season) has increased by 3.88 percent. Around 94 percent of normal coverage area has been sown till this week. Mustard seed 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. Current area under cultivation for mustard and rapeseed this season is higher than previous two seasons. Normal area coverage for rapeseed and mustard stands at 51.02 lakh hectares during Rabi season. Mustard Rabi crop sowing in Bihar and West Bengal has not been witnessed yet due to heavy rainfalls in the beginning of this month.

Market sentiment is expected to bearish in coming days.

Spot Market Price (Rs. per 10 kg)

Centres	24.11.05	23.11.05	Change
Mumbai (Rape Expeller Oil)	383	382	+1
Kota (Rape Expeller Oil)	372	372	0
Jaipur (Rape Expeller Oil)	377	376	+1
Delhi (Rape Expeller Oil)	390	392	-2
Neewai (Kacchi Ghani Rape Oil)	385	385	0

Groundnut oil

Domestic spot market prices of groundnut oil were slightly increased. There was higher GN oil prices at Chennai market only due to rain. Harvesting of groundnut is could not take place due to rain and cloudy weather in Chennai and Andhra Pradesh. It was the major factor to increase the GN oil prices in Channai and Andhra region. The market sentiments of Gujarat were also positive only because the consumes are having stock of GN oil during this period due to this reason, demand of GN oil in Gujarat states is slightly increased. 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 in the Gujarat are remain at about 1.5 lakh bags (1 bag= 35 kg).

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

Centres	24.11.05	23.11.05	Change
Mumbai	452	450	+2
Rajkot	460	455	+10
Andhra Region	475	470	+5
Chennai	470	450	+20

LATEST WEATHER WATCH (24.11.2005)**Forecast valid for next 72 hours**

NORTH: Mainly dry weather is likely over the region. However, isolated light rain/snow is likely over Jammu & Kashmir after 36 hours.

EAST: Isolated rain/thundershowers likely over Sub-Himalayan West Bengal & Sikkim and northeastern States. Weather will be mainly dry over the rest region.

SOUTH: Rain/thundershowers likely at many places over Tamil Nadu, Pondicherry, Kerala, South Interior Karnataka and Lakshadweep; at a few places over south Coastal Andhra Pradesh, Rayalaseema and Nicobar Islands and isolated over North Interior Karnataka and Andaman Islands. Mainly dry weather over the rest region. Rainfall over Tamil Nadu & Pondicherry and South Interior Karnataka is likely to decrease after 24 hours whereas it is likely to increase over Andaman & Nicobar Islands.

WEST: Mainly dry weather over the region.

Warning

Isolated heavy rainfall likely over Tamil Nadu, Pondicherry, Kerala and Lakshadweep during next 1-2 days. Isolated heavy rainfall may also occur over Andaman & Nicobar Islands after 24 hours.

Source: IMD,GOI

Forex Rates (As on 24.11.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.72
European Union	Euro	53.99
United Kingdom	Pound Sterling	78.69
Japan	100 Yen	38.46
Malaysia	Ringgit	12.10

PORT-WATCH (Latest) :**Edible Oil**

'Bang Cendra Wasih' from Brazil has berthed at Mundra Port and continues to deliver 23,000 MT of SBO. Mundra Port is receiving 19,500 MT of SBO from the vessel 'Laertis'. The cargo was loaded from Argentina. Interoccean agents is handling these vessels. 'Gemini' is expected at the port to deliver 14,999 MT of palm oil. Taurus agents will be handling the vessel.

Delivery of 6,000 MT of CPO is continuing at Chennai Port from the vessel 'L Star'. Chennai Port is receiving 7,250 MT of palm oil from the vessel 'Spring Glory'. Seaport agents is handling the vessel. Delivery of 1,850 MT of palm oil is expected at Chennai Port from the vessel 'Mega Crown No.1'. Seaport agents will be handling the vessel.

Kolkatta Port is receiving 6,000 MT of CPO from the vessel 'Khadijah'. The vessel is being handled by Seaport agents.

Kandla Port is expecting 'Bunga Cenderawasih' from Brazil to discharge 13,010 MT of SBO. Interocean agents will be 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.

New Manglore Port is receiving 7,000 MT of CPO from the vessel 'Bumik'. The port is expecting 'Laertis' from Argentina to deliver 7,000 MT of SBO. Interocean agents will be handling the vessel.

Kakkanada Port is expecting 'Vernal Grace' to deliver 6,000 MT of CPO. 'MMM Houston' delivered 6,000 MT of CPO at the port and sailed off.

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	Spring Glory	7250	Palm Oil	Arrived
	Mega Crown 1	1850	Palm Oil	Expected
	L-Star	6000	CPO	Arrived
Mumbai	Global Eos	1750	Palm Oil	Expected
Mundra	Bang Cendra Wasih	23000	SBO	Arrived
	Laertis	19500	SBO	Arrived
	Gemini	14999	Palm Oil	Expected
Kakinada	Vernal Grace	6000	CPO	Expected
	MMM Houston	6000	CPO	Arrived
Kolkata	Khadijah	6000	CPO	Arrived
Kandla	Gemini	6000	CPO	Expected
	Bunga Cenderawasih	13010	SBO	Expected
	-	8480	CPO	Expected
Manglore	Bumik	7000	CPO	Arrived
	Laertis	7000	SBO	Arrived
JNPT	Laertis	10000	SBO	Expected

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