

VEGOIL

November 14, 2005

MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures End Slightly Down

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX October Contract

Technical Analysis for December Contract:

1. The MACD moving downward which indicates medium term weakness.
2. The stochastic has just entered in normal region from oversold region and moving upward.
3. Close below 9 days EMA and 18 days EMA is indicating medium term bearishness.
4. Candlestick pattern shows bearish trends and low opening.

Market Advice: Market may open low. Trend reversal is likely. Those who are long should maintain their position. After opening below prices may go up.

Resistance & Support Levels (Most Active Contract)

Contract	Contract	Support		Resistance	
		1st	2nd	1st	2nd
NCDEX	Dec'05	350.30	348.80	354.90	357.80

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 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.

BMD Crude Palm Oil Futures End Slightly Down

Crude Palm Oil Futures at Bursa Malaysia Derivatives settled slightly down on long liquidation. Benchmark January Future settled off MYR7 at MYR1429 per ton. Market in fact had no clear direction and majority opted to stay aside till fresh leads come from export releases due on Tuesday. Cargo Surveyor SGS will be releasing its estimates for MPO export during first 15 days of November on Tuesday. Traders are expecting these numbers to come in the range of 4.5- 4.8 lakh ton, down against 6.3-6.4 lakh ton during the corresponding period last month. The only supportive factor is seasonal decline, which helped cushioning futures. Production of palm oil seasonally shrinks during November to February.

BMD: CPO Futures (14.11.2005) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Nov '05	1442	1440	1441	1436	1438	-4	246
Dec '05	1438	1437	1438	1427	1430	-8	164
Jan '06	1436	1435	1438	1425	1429	-7	1027
Feb '06	1435	1435	1438	1426	1428	-7	668

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices continued to hold steady levels. Traders are expecting demand to emerge from vanaspati industry for the marriage season. In northern India, marriage season has just started. There is no clear direction from the international markets. Traders are looking for fresh leads from the Malaysian export data to be released by SGS tomorrow.

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	14.11.05	12.11.05	Change
Kandla CPO (5 % FFA)	340	338	+2
Kandla RBD Palmolein	360	360	0
Mumbai RBD Palmolein	372	372	0
Chennai RBD Palmolein	388	388	0
Kakinada RBD Palmolein	384	385	-1

Soy oil

Oilseed production figures released at 43rd Oilseed Convention on 11-12 November 2005 was bit bearish for soybean markets. Production of soybean was put at 61.6 lakh ton, up against 58.5 lakh ton harvested last year. Traders in sport markets however, declined to ease their quotes following production report. According to traders, this production factor has already been factored. Harvesting of soybean is mostly done in all the producing states. Game has come to the hands of traders/stockists having wider exposure to the fundamentals. On international front, weather in South America is crucial factor to eye upon. There were reports that Argentine government mulling over abolishment of rebate on export of agriculture commodities including soy oil.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 334 per 10 kg. CNF prices for soy degum (November Shipment) at Kandla were quoted at \$ 510 per tonne.

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

Centres	14.11.05	12.11.05	Change
Mumbai (Soy Ref oil)	364	363	+1
Indore (Soy Ref oil)	345	344	+1
Indore (Solvent Ex. oil)+VAT	322	318	+4
Kota (Soy Ref. Oil)	356	354	+2
Jaipur (Soy Ref. Oil)	359	357	+2
Nagpur (Soy ref. Oil)	345	343	+2

NBOT Soy oil futures as on 14.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Dec 05	355.20	355.90	355.90	351.50	351.50	-3.70	32120
Jan 05	357.50	357.50	357.50	356.30	356.50	-1.00	300

NCDEX Soy oil futures as on 14.11.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Nov 05	348.55	348.80	349.00	345.75	345.80	3320	10640
Dec'05	355.55	356.20	356.20	351.70	351.95	10270	23860
Jan 06	359.90	359.35	359.35	357.00	357.00	1500	3990

Rape/Mustard oil

Rapeseed markets feature lacklustre trading. Weather in major growing areas is a crucial factor for rapeseed to eye upon. However, rapeseed is rainfed crop and quiet insensitive to moderate weather strains. Acreage this year however, is expected to decline owing to a long spell of downtrend. Stock of last year crop of rapeseed is good.

Spot Market Price		(Rs. per 10 kg)	
Centres	14.11.05	12.11.05	Change
Mumbai (Rape Expeller Oil)	385	381	+4
Kota (Rape Expeller Oil)	372	372	0
Jaipur (Rape Expeller Oil)	379	377	+2
Delhi (Rape Expeller Oil)	396	395	+1
Neewai (Kacchi Ghani Rape Oil)	387	387	0

Groundnut oil

Production figures released at Oilseed convention in Indore also was bit bearish. Estimates for groundnut production total (shell) were put at 51 lakh ton up against 44.5 lakh tonnes last year. Estimate for Gujarat states was put at 20 lakh ton as compared with last year harvest of 15 lakh ton. Figures however, had not much impact on its prices in spot markets. Groundnut oil markets continued to see range bound trend. Harvesting of groundnut in Gujarat is done in 60-65% of targeted area. Arrivals of groundnut in the state were reported at about 2 lakh bags (1 bag=35 Kg). Traders rule out big ease in its prices in near term. Arrivals of groundnut in the Gujarat are likely to shrink in the coming days. Markets in southern states were bit easy owing to onset of harvesting in some parts of Andhra Pradesh.

Groundnut oil - Spot Market Price		(Rs. per 10 kg)	
Centres	14.11.05	12.11.05	Change
Mumbai	471	471	0
Rajkot	457	456	+1
Andhra Region	490	490	0
Chennai	470	470	0

LATEST WEATHER WATCH (14.11.2005)

There is dry weather for cross over producing states.

PORT-WATCH (Latest) :

'Belicia' has berthed at Chennai Port and continues to deliver 2,000 MT of palm oil. The vessel is being handled by InterOcean agents. 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.

Kandla Port is receiving 10,900 MT of palm oil from the

vessel 'Pacific Sound'. The cargo was loaded from Malaysia. InterOcean agents is handling the vessel. 'Shimakaze' from Malaysia is expected at the port to deliver 8,500 MT of CPO. The vessel will be handled by InterOcean agents.

'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.

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

Mumbai Port is receiving 7,500 MT of palm oil from the vessel 'Star Dream'. InterOcean agents is handling the vessel. The port is expecting 'Shimakaze' from Malaysia to deliver 5,000 MT of palm oil. The vessel will be handled by InterOcean agents.

Delivery of 6,000 MT of CPO is continuing at Kakkinada Port from the vessel 'Ace I'. 'Star Orion' is expected at Kakkinada Port to discharge 3,000 MT of CPO. The port is expecting 'Victory Prima' to deliver 5,000 MT of CPO.

'Hua Yun 5' is expected at New Mangalore Port to discharge 4,000 MT of CPO.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Belicia	2000	Palm Oil	Arrived
	Star Orion	3000	Palm Oil	Expected
Mumbai	Star Dream	7500	Palm Oil	Arrived
	Shimakaze	5000	Palm Oil	Expected
Mundra	Siam Bhavas	6300	SBO	Expected
Kakinada	Star Orion	3000	CPO	Expected
	Ace 1	6000	CPO	Arrived
	Victory Prima	5000	CPO	Expected
Kolkata	Vernal Grace	6000	CPO	Arrived
	Spring Wind	6000	CPO	Arrived
Kandla	Pacific Sound	10900	Palm Oil	Arrived
	Shimakaze	8500	CPO	Expected
Mangalore	Hua Yun 5	4000	CPO	Expected

Forex Rates

(As on 14.11.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.67
European Union	Euro	53.71
United Kingdom	Pound Sterling	79.68
Japan	100 Yen	38.72
Malaysia	Ringgit	12.09

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