

VEGOIL

December 26, 2005

MAJOR ACTIVITY HIGHLIGHTS

- NCDEX January Soy Oil Settle Marginally Down

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX January Contract

Technical Analysis for January Contract:

1. The MACD has rebounded from its signal line, negating any possible bearish signal.
2. Stochastic moving downwards in negative territory, which indicates bearish sentiments.
3. Close below 5 days and 7 days EMA indicates bearish trend.
4. Candlesticks pattern indicates bearish sentiments.

Market Advice: Market is expected to move range bound with weak sentiments. Go short near 345.80, target near 344.80, Stop loss=346.20.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Jan'06	344.90	344.20	346.50	347.30

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 closed (Due to Christmas Day).

CBOT Soy oil futures as 23.12.2005 (Cents/pound)

Months	Prev. Settle	Open	High	Low	Close	Change
Jan '06	21.40	21.40	21.55	21.17	21.28	-0.12
Mar '06	21.76	21.73	21.87	21.52	21.61	-0.15
May '06	22.11	22.00	22.22	21.86	21.98	-0.13
Jul '06	22.40	22.35	22.56	22.23	22.31	-0.09
Aug '06	22.51	22.55	22.55	22.45	22.45	-0.06
Sep '06	22.61	22.66	22.66	22.50	22.53	-0.08
Oct '06	22.75	22.80	22.80	22.75	22.75	0.00
Dec '06	23.02	23.05	23.05	22.85	23.00	-0.02

CBOT remains closed on Saturday and Sunday.

BMD closed (Due to Christmas Day)

BMD: CPO Futures (23.12.2005) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Jan 06	1398	1400	1410	1397	1403	+5	465
Feb 06	1406	1408	1420	1405	1412	+6	2253
Mar 06	1411	1412	1424	1410	1415	+4	3065
Apr 06	1414	1417	1428	1414	1418	+4	565
May 06	1421	N.A	N.A	N.A	N.A	0	N.A

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic market were likely unchanged. There is huge availability of other edible oils in the market like soy oil and cotton oil. Soy oil prices were slightly declined on spot markets. Soybean oil and Palm oil was in this week. There was no fresh news to boost up the market sentiments. Market sentiments are expected to move range bound.

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

Centres	26.12.05	24.12.05	Change
Kandla CPO (5 % FFA)	336	335	+1
Kandla RBD Palmolein	N.A.	359	-
Mumbai RBD Palmolein	Closed	371	-
Chennai RBD Palmolein	374	374	0
Kakinada RBD Palmolein	370	370	0
Hyderabad RBD Palmolein	380	380	0

Soy oil

Today domestic soy oil prices were range bound. Total arrivals of soybeans were 75,000-80,000, 35,000-40,000 and 65,000, 30,000-35,000 bags (1 bags= 85 kg) in

Madhya Pradesh, Maharashtra, Rajasthan and Gujarat mandies respectively. Arrivals of soybean in Kota mandi were 10,000 bags only. January soyoil prices opened firm and gradually declined on NCDEX and NBOT. Arrivals of Mustard seeds are expected from last week of January, this would bring bearish tone. Market sentiments are expected to move range bound.

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

Centres	26.12.05	24.12.05	Change
Mumbai (Soy Ref oil)+VAT	Closed	345	-
Indore (Soy Ref oil)	342	342	0
Indore (Solvent Ex. Oil)+VAT	N.A.	315	-
Kota (Soy Ref. Oil)	350	348	+2
Jaipur (Soy Ref. Oil)	353	352	+1
Nagpur (Soy ref. Oil)	346	345	+1
Chennai (Soy Ref Oil)	360	360	0

Rape/Mustard oil

Domestic market prices of mustard oil range bound with weak sentiments. Arrivals of mustard seeds were about 500 bags in Neewai market. Mustard/rapeseeds sowing acreage has increased to 70.43 lakh hectares from 65.72 lakh hectare as compared to last year, it is up by 7.17 per cent. There is huge availability of other edible oils at low prices as compared to mustard oil in the market like soy oil, cotton oil and rice bran oil. Mustard/rapeseeds sowing acreage has increased to 70.43 lakh hectares from 65.72 lakh hectare as compared to last year, it is up by 7.17 per cent. Market sentiments are expected to range bound.

Mustard Oil: Spot Market Price (Rs. per 10 kg)

Centres	26.12.05	24.12.05	Change
Mumbai (Rape Expeller Oil)	Closed	370	-
Kota (Rape Expeller Oil)	358	360	-2
Jaipur (Rape Expeller Oil)	362	364	-2
Delhi (Rape Expeller Oil)	385	386	-1
Neewai (Kacchi Ghani Rape Oil)	373	375	-2

Groundnut oil

Domestic market prices of groundnut oil in Gujarat went up slightly due to increasing demands at retail ends. GN oil prices in Gujarat is expected to gradual improvement in coming days due to increasing demands at retail ends during this period. Arrivals in Gujarat were at about 1.00 lakh bags (1 bag=35 kg). There were good arrivals of groundnut and moderate demands of GN oil at retail ends in Andhra and Rajkot mandi. Prices of GN oil were unchanged in Andhra and Chennai market. GN oil prices are expected to remain steady in most of the markets except Gujarat.

Groundnut Oil: Spot Market Price (Rs. Per 10 kg)

Centres	26.12.05	24.12.05	Change
Mumbai	Closed	441	-
Rajkot	462	456	+6
Andhra Region	445	445	0
Chennai	450	450	0

Sunflower Oil

Spot market prices of sunflower oil in Hyderabad slightly declined due to huge availability of other edible oil at low prices in the markets like cotton oil, soybean oil and palm oil. CIF sunflower is also declined \$ 567/ton from \$571/ton at Kandla port. Major producing states of sunflower oil in India are Maharashtra, Karnataka and Andhra Pradesh. Sunflower oil prices are expected to move range bound with weak sentiments in near term.

Sunflower Refine Oil : Spot Market prices (Rs/10 Kg)

Markets	26.12.05	24.12.05	Change
Mumbai	Closed	421	-
Chennai	475	475	0
Hyderabad	435	438	-3

NBOT Soy oil futures as on 26.12.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Jan '06	344.90	345.50	345.90	344.60	344.80	-0.10	17450
Feb '06	347.30	347.50	348.30	347.10	347.10	-0.20	3040

NCDEX Soy oil futures as on 26.12.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Jan 06	345.65	346.20	347.00	345.50	345.60	1660	17220
Feb'06	348.00	349.00	349.60	348.20	348.20	1930	15110

LATEST WEATHER WATCH (26.12.2005)

Forecast valid for next 72 hours

Weather will be mainly dry over the region.

Source: IMD, GOI

PORT-WATCH (Latest):

Delivery of 6,500 MT of palm oil is continuing at Chennai Port from the vessel 'Hua Yun 5'. Seaport agents is handling the vessel.

'Champion Ventura' from Argentina has berthed at Mundra Port and continues to deliver 20,000 MT of SBO. The vessel is being handled by Interocean agents.

Delivery of 6,250 MT of CPO is continuing at Kolkata Port from the vessel 'Khadijah'. Atlantic agents is handling the

vessel. 'Montana Sun' has berthed at Kolatta Port and continues to discharge 21,451 MT of SBO. The vessel is being handled by JM Baxi agents. Kolkata Port is expecting 'MMM Houston' to deliver 6,000 MT of CPO. Seaport agents is handling the vessel.

Kandla Port is expecting 'Champion Ventura' from Argentina to deliver 8,000 MT of SBO. The vessel will be handled by Interocean agents. 'Global Eos' from Indonesia is expected at the port to deliver 5,500 MT of CPO. Forbes Gokak agents will be handling the vessel. The port is expecting 'Gemini' from Dumai to deliver 8,000 MT of CPO. The vessel will be handled by JM Baxi agents.

Mumbai Port is expecting 'Nolowati' to deliver 10,000 MT of palm oil. The vessel will be handled by JM Baxi agents.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Global Eos	5500	CPO	Expected
	Champion Ventura	8000	SBO	Expected
	Gemini	8000	CPO	Expected
Kolkata	MMM Houston	6000	CPO	Expected
	Montana Sun	21451	SBO	Arrived
	Khadijah	6250	CPO	Arrived
Mumbai	Nolowati	10000	Palm Oil	Expected
Cochin	Fima Satu	3000	Palm Oil	Arrived
Chennai	Hua Yun 5	6500	Palm Oil	Arrived
Mundra	Champion Ventura	20000	SBO	Arrived

Forex Rates

(As on 26.12.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.12
European Union	Euro	53.43
Japan	100 Yen	38.73
United Kingdom	Pound Sterling	78.16
Malaysia	Ringgit	11.94

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