

VEGOIL

December 05, 2005

MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Settle Slightly Up

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX December Contract

Technical Analysis for December Contract:

1. The MACD is moving downwards and crossed signal line from above, which is indicating medium term bearish sentiments.
2. %K line has made a bearish crossover with %D line in the oversold region which indicates bearish sentiments.
3. Close far below 9 days and 18 days EMA, which shows bearish market sentiments.

Market Advice: The market is likely to open bearish and it may improve later on.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Dec '05	344.70	343.80	346.80	347.90

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: remains closed on Saturday and Sunday

CBOT Soy oil futures as 02.12.2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Close	Change
Dec'05	21.04	21.02	21.29	21.02	21.29	+0.25
Jan'06	21.27	21.27	21.60	21.27	21.56	+0.29
Mar'06	21.66	21.68	21.93	21.66	21.91	+0.25
May'06	21.96	21.98	22.20	21.98	22.20	+0.24
Jul'06	22.25	22.30	22.52	22.28	22.52	+0.27
Aug'06	22.37	22.49	22.60	22.44	22.60	+0.23

CBOT remains closed on Saturday and Sunday.

BMD: CPO Futures (05.12.2005) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Dec '05	1393	1390	1399	1390	1397	+4	226
Jan '06	1395	1399	1404	1394	1401	+6	486
Feb '06	1397	1402	1407	1394	1402	+5	3138
Mar '06	1397	1400	1407	1395	1401	+4	827
Apr '06	1398	1398	1398	1398	1398	0	1

BMD remains closed on Saturday and Sunday.

Palm Oil

Palm oil prices at domestic spot market were range bound. Stock of palm oil is increasing, in spite of that Palm oil prices are not going down only because soy oil future settled higher on Chicago Board of Trade on Friday. An other important reason is that the traders hopes that the demand of palm oil may go up in near future due to increasing demand of bio fuel. Palm oil prices are expected range bound.

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	05.12.05	03.12.05	Change
Kandla CPO (5 % FFA)	338	338	0
Kandla RBD Palmolein	360	359	+1
Mumbai RBD Palmolein	373	374	-1
Chennai RBD Palmolein	376	377	-1
Kakinada RBD Palmolein	375	375	0

Soy oil

Domestic spot markets of soy oil prices range bound with weak market sentiments. Arrivals of soybean are moderately increased in Madhya Pradesh. Total arrivals of soybeans were 1.75 -2.00 lakh, 1.00 lakh and 1.00 lakh bags (1 bags= 85 kg) in Madhya Pradesh, Maharashtra and Rajasthan mandies respectively. Arrivals of soybean in Kota mandi were 8000-10000 bags only. There were low buying demands of soy oil at retail end. December soy oil prices were settled down at NCDEX and NBOT. The above-mentioned factors may be cause of declined the prices at spot market.

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 \$ 506 per tonne.

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

Centres	05.12.05	03.12.05	Change
Mumbai (Soy Ref oil)	362	363	-1
Indore (Soy Ref oil)	342	344	-2
Indore (Solvent Ex. oil)+VAT	318	318	0
Kota (Soy Ref. Oil)	346	350	-4
Jaipur (Soy Ref. Oil)	350	353	-3
Nagpur (Soy ref. Oil)	343	344	-1

Rape/Mustard oil

Domestic market sentiments of mustard oil marginally declined in most of the markets amidst low buying demands at retail ends except Delhi market. Mustard seed prices are marginally declined due to huge stock of mustard seeds with NAFED and private stockist. Sowing acreage of mustard is increased as compared to last two years. Soy oil prices are declined may cause to decline mustard oil prices, because the both are substitute of each other. According to local traders of Delhi market, demand of mustard oil is slightly increased in winter season because vanaspati ghee 's solidify in this season. Vanaspati ghee is not convenient to use for home consumption in during this season. Market sentiments of mustard oil prices are expected to weak in coming days.

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

Centres	05.12.05	03.12.05	Change
Mumbai (Rape Expeller Oil)	382	382	0
Kota (Rape Expeller Oil)	358	362	-4
Jaipur (Rape Expeller Oil)	362	365	-3
Delhi (Rape Expeller Oil)	378	372	+6
Neewai (Kacchi Ghani Rape Oil)	373	376	-3

Groundnut oil

Domestic spot markets prices of groundnut oil were range bound. Arrivals of groundnut in Gujarat were continued at 1.35 - 1.40 lakh bags (1 bag=35 kg). Harvesting of groundnut is likely over in Gujarat. Harvesting of groundnut is started in Andhra and Chennai. It is expected to increase of GN oil demand in Gujarat, if buying demand will increase at retail end then GN oil prices may slightly increase in Gujarat only. GN oil prices are expected to mildly decline except Gujarat state due to harvesting pressure in Andhra and Tamil Nadu.

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

Centres	05.12.05	03.12.05	Change
Mumbai	457	458	-1
Rajkot	460	459	+1
Andhra Region	459	460	-1
Chennai	450	450	0

NBOT Soy oil futures as on 05.12.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Dec 05	346.30	346.00	346.10	343.50	344.50	-1.80	13310.00
Jan '06	353.60	353.00	353.20	350.70	352.10	-1.50	11910.00

NCDEX Soy oil futures as on 05.12.2005 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Dec'05	347.90	347.00	347.05	345.00	345.55	3560	17810
Jan 06	354.15	354.30	354.35	351.30	352.70	5100	13800

LATEST WEATHER WATCH (05.12.2005)

Forecast valid for next 72 hours

NORTH: Mainly dry weather is likely over the region.

EAST: Weather will be mainly dry over the region.

SOUTH: Rain/thundershowers likely at many places over Andaman & Nicobar Islands; at a few places over coastal Tamil Nadu & Pondicherry and Kerala and isolated over interior Tamil Nadu and Lakshadweep. Mainly dry weather in the rest region.

WEST: Mainly dry weather over the region.

Source: IMD, GOI

PORT-WATCH (Latest):

'Jian She 35' from Malaysia has berthed at Kandla Port and continues to deliver 8,000 MT of CPO. The vessel is being handled by Taurus agents.

Kolkatta Port is receiving 4,500 MT of CPO from the vessel 'Team Ace'. The vessel is being handled by Atlantic agents.

Delivery of 8,000 MT of SBO is continuing at JN Port from the vessel 'Global Venus'. Patvolk agents is handling the vessel.

'Tirta Niaga 2' has berthed at Chennai Port and is continuing to discharge 4,600 MT of CPO. The vessel is being handled by Interoccean agents.

Kakkinada Port is expecting 'Istana VI' to deliver 5,000 MT of CPO.

New Manglore Port is receiving 7,211 MT of CPO from the vessel 'Spring Wind'. Seaport agents is handling the vessel. Delivery of 5,500 MT of CPO is continuing at the port from the vessel 'Hua Yun 5'. The vessel is being handled by Patvolk agents.

'MMM Jackson' and 'MMM Houston' are expected at Chennai Port to deliver 6,000 MT and 3,500 MT of palm oil respectively. Seaport and JM Baxi agents will be handling these vessels.

Delivery of 5,045 MT of palm oil is expected at Mumbai Port from the vessel 'Global Trader' shortly. Canopus agents will be handling the vessel. The port is expecting 'Isokaze' to deliver 3,500 MT of palm oil. The vessel will be handled by Interoccean agents.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kakkinada	Istana VI	5000	CPO	Arrived
Kolkata	Team Ace	4500	CPO	Arrived
Kandla	Jian She 35	8000	CPO	Arrived
Chennai	Tirta Niaga 2	4600	CPO	Arrived
	MMM Houston	3500	Palm Oil	Expected
	MMM Jackson	6000	Palm Oil	Expected
Mumbai	Global Trader	5045	Palm Oil	Expected
	Iso kaze	3500	Palm Oil	Expected
JN	Global Venus	8000	SBO	Arrived
New Manglore	Spring Wind	7211	CPO	Arrived
	Hua Yun 5	5500	CPO	Arrived

Forex Rates (As on 05.12.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.28
European Union	Euro	54.18
United Kingdom	Pound Sterling	80.15
Japan	100 Yen	38.18
Malaysia	Ringgit	12.26

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