

VEGOIL

January 30, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Higher
- NCDEX February Soy Oil Future Prices Settle Marginally Lower

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX February Contract

Technical Analysis for February Contract:

1. The MACD is moving upwards continuously after crossing its signal line, which indicates medium term bullish trends.
2. %K line has just turned flatly upwards and touched % D line from below in neutral zone, which hinting bullish market sentiments.
3. Close far above 9 days (346.36) and 18 days EMA (346.22), which indicates bullish market sentiments.
4. Candlestick pattern indicates likely trend reversal.

Market Advice: Go short with cautions. Sell near 347.10, target near 346.00 and put stop loss at 347.60.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Feb '06	346.70	345.40	348.40	349.20

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 Higher

Soy future settled high at Chicago Boards of Trades on Friday. March Soybeans settled high 16.25 cents at \$5.8925/bushel, 1.25 cents off the high and 15.25 cents up from the low. May Soybeans settled up 15.25 at \$5.9975/bushel, which was 14.25 cents up from the low and 1.75 cents off the high. March Soybean meal settled up \$6.1 at \$186.4/ton, which was \$4.1 up from the low and \$0.4 off the high. March Soybean Oil settled up 0.54 cent at 22.05 cent/pound, 0.05 cent off the high and 0.3 cent up from the low. March soybean is closed at its highest level since 10th January due to forecast of hot and dry weather in Argentina for next week. Traders also expect fund buying which also helps to spurt the market.

CBOT Soy oil futures as 27.01.2006 (Cents/pound)

Months	Prev. Settle	Open	High	Low	Close	Change
Mar '06	21.51	21.83	22.10	21.75	22.05	+0.54
May '06	21.88	22.15	22.45	22.12	22.39	+0.51
Jul '06	22.24	22.55	22.83	22.53	22.79	+0.55
Aug '06	22.35	22.70	22.95	22.70	22.91	+0.56
Sep '06	22.50	22.85	23.03	22.85	23.03	+0.53
Oct '06	22.65	22.90	23.20	22.90	23.17	+0.52
Dec '06	22.98	23.25	23.52	23.20	23.49	+0.51

CBOT remains closed on Saturday and Sunday.

South American Soybeans Futures Settle Higher

South American soybeans future settled high on Friday. March South American soybeans closed 5.50 cents higher at \$6.0450/bushel as compared to previous closing. The weather forecast for hot and dry weather in middle of next week and meagre chance of rains in the middle of next week, helped to support a surge higher in prices. If the forecast would be favourable for crops on Monday, then market could show weak tone.

BMD remains closed Saturday and Sunday

BMD: CPO Futures (27.01.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Feb 06	1426	1427	1430	1425	1425	-1	463
Mar 06	1432	1435	1437	1435	1436	+4	307
Apr 06	1439	1442	1445	1441	1443	+4	1287
May 06	1443	1446	1449	1446	1448	+5	420
Jun 06	1446	1449	1452	1449	1451	+5	85

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices at physical markets were range bound. BMD was closed today. There was no fresh fundamental news to boost up or decline the prices. Harvesting pressure of groundnut in Andhra Pradesh

brought negative impact on palm oil prices. Palm oil prices are expected to move range bound.

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

Centres	28.01.06	27.01.06	Change
Kandla CPO (5 % FFA)	336	334	+2
Kandla RBD Palmolein	353	353	0
Mumbai RBD Palmolein	358	357	-1
Chennai RBD Palmolein	373	372	+1
Kakinada RBD Palmolein	350	349	+1
Hyderabad RBD Palmolein+Tax	360	362	-2

Soy oil

Today soybean oil prices at physical markets range bound in most of the markets. NCDEX February soy oil future prices were open firmly and declined slightly later on at the end of the session today as compared to previous closing prices. Today's arrivals of soybean were in range of 65000-70000,30000,15000 bags (1 bags=85 Kg) in Madhya Pradesh, Maharashtra and Rajasthan respectively. Soy oil prices are expected to move range bound. Soy oil prices are expected to move range bound.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 321 per 10 kg. CNF prices for soy degum (February Shipment) at Kandla were quoted at \$ 487 per tonne.

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

Centres	28.01.06	27.01.06	Change
Mumbai (Soy Ref oil)+VAT	340	340	0
Indore (Soy Ref oil)	345	344	+1
Indore (Solvent Ex. Oil)+VAT	321	320	+1
Kota (Soy Ref. Oil)	353	353	0
Jaipur (Soy Ref. Oil)	357	357	0
Chennai (Soy Ref Oil)	356	356	0
Hyderabad (Soy Ref)+Tax	347	349	-2
Rajkot (Soy Ref)+Tax	334	334	0

Rape/Mustard oil

Today mustard oil prices on physical markets were steady in most of the markets. Mustard seeds prices are marginally declined at spot markets. Harvesting of new mustards crop begins in some parts of Kota and Neemuch areas. Mustard seed prices in physical market were quoted in range of Rs 1500-1550 and 1715 per quintal in Kota and Jaipur respectively. Arrivals of mustard seeds were 1500 bags and 1000-1100 bags in Kota and Jaipur respectively. February mustard seed future prices were settled remain the same at 334.5 and 330.5 per 20 kg on Delhi and Bikaner exchange respectively as compared to previous closing prices. However, mustard seed future prices settled at 338.50/20 kg (-0.60) on Hapur exchange, it is slightly down as compared to previous closing prices. Mustard oil prices are expected to move range bound in near term.

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

Centres	28.01.06	27.01.06	Change
Mumbai (Rape Expeller Oil)	374	374	0
Kota (Rape Expeller Oil)	360	360	0
Jaipur (Rape Expeller Oil)	363	363	0
Delhi (Rape Expeller Oil)	395	395	0
Neewai (Kachchi Ghani Rape Oil)	381	380	+1

Groundnut Refine Oil

Today groundnut oil prices at spot market were range bound with positive sentiments in most of the markets. Harvesting of groundnut crop is over in Gujarat in the last week of December. Low supply of groundnut in Gujarat and Vayda Bazar open firmly in the beginning brought positive impacts on all edible oil in the markets. Arrivals of groundnut seeds in Gujarat were about 55000-60000 bags (1bags=35 Kg). Groundnut seed prices are slightly improved today and its prices were quoted Rs 337/20 Kg in Gujarat Mandi today. GN oil prices are expected to move range bound in near term.

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

Centres	28.01.06	27.01.06	Change
Mumbai	435	435	0
Rajkot	447	446	+1
Andhra Region	436	435	+1
Chennai	440	438	+2

Sunflower Refine Oil

Sunflower oil prices were showed mix trends in most of the physical markets today. Sunflower oil prices are declined slightly today in Andhra regions due to harvesting pressure of sunflowers and groundnut seeds in Andhra Pradesh. CIF prices for Sunflowers (February Shipment) at Kandla port were quoted at \$ 537 per tonnes. Sunflower oil prices are expected to move range bound in coming days.

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

Markets	28.01.06	27.01.06	Change
Mumbai +Vat	405	403	+2
Chennai	430	430	0
Hyderabad +VAT	403	406	-3

Cotton Refine Oil

Today Cotton oil prices were slightly improved in Gujarat mandi in tandem with higher prices of groundnut seeds and oil in Gujarat. On the other hands, cotton oil prices are declined slightly due to more arrivals of groundnut seeds in Andhra regions and brought negative impact on cotton oil prices. Prices are expected to move range bound in near term.

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

Markets	28.01.06	27.01.06	Change
Mumbai	345	344	+1
Hyderabad	347	350	-3
Rajkot	343	340	+3

NBOT Soy oil futures as on 28.01.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Feb '06	346.90	348.00	348.00	346.50	346.40	-0.50	17120
Mar '06	350.00	350.70	350.80	349.10	349.20	-0.80	4030

NCDEX Soy Futures Settle Marginally Down

Soy oil future prices settled marginally down at NCDEX on Saturday. NCDEX February soy oil prices opened firm in the beginning and finally settled marginally down Rs 0.20 at Rs 347.20 per 10 Kg, it was Rs 1.30 off the high and Rs 0.20 up from the low. Soy oil prices are expected to move range bound in near term.

NCDEX Soy oil futures as on 28.01.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Feb'06	347.40	347.90	348.50	347.00	347.20	2610	19890
Mar'06	350.10	351.00	351.70	348.90	349.25	2470	14410

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

'Florida' from Argentina has berthed at Kandla Port and continues to deliver 5,000 MT of SBO. The vessel is being handled by Intercean agents.

Delivery of 5,000 MT of palm oil is continuing at Chennai Port from the vessel 'Merkur'.

Mundra Port is expecting 'Rising One' to load 3,000 MT of SBO. Atlantic agents will be handling the vessel.

Marmugao Port is expecting 'Global Neptune' from Indonesia to discharge 3,478 MT of palm oil. Patvolk agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kandla	Florida	5000	SBO	Arrived
Mundra Port	Rising One	3000	SBO	Expected
Chennai	Merkur	5000	Palm Oil	Arrived
Marmugao	Global Neptune	3478	Palm Oil	Expected

LATEST WEATHER WATCH (28.01.2006)**Forecast valid for next 72 hours**

NORTH : Rain/snow is likely **at many places** over Jammu & Kashmir and Himachal Pradesh; **at a few Places** over Uttaranchal. **Isolated rain/thundershowers** also likely over Punjab and north Rajasthan. Weather will be mainly dry over the rest region.

EAST : Weather will be mainly dry over the region.

SOUTH : **Isolated rain/thundershowers likely over south coastal Tamil Nadu** and Kerala. Weather will be **Mainly dry** in the rest region.

WEST : Weather will be **mainly dry** over the region.

Source: IMD, GOI

Forex Rates (As on 28.01.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.01
European Union	Euro	53.38
Japan	100 Yen	37.52
United Kingdom	Pound Sterling	78.04
Malaysia	Ringgit	11.69
China	CNY	5.46
Argentina	ARS	14.34
Brazil	BRL	19.67
Indonesia	1000 IDR	4.69

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