

VEGOIL

January 31, 2006

MAJOR ACTIVITY HIGHLIGHTS

- 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 moving upwards continuously after crossing its signal line, which indicates medium term bullish trends.
2. %K line is moving slightly downwards just below % D line in neutral zone, which indicates bearish market sentiments.
3. Prices close above 9 days (346.45) and 18 days EMA (346.25), which indicates bullish market sentiments.
4. Candlestick pattern shows bearish market sentiments.

Market Advice: Go short with cautions. Sell near 347.20, target near 346.00 and put stop loss at 347.70.

Resistance & Support Levels (Most Active Contract)

| Contract | Supp 1 | Supp 2 | Res 1 | Res 2 |
|---------------|--------|--------|--------|--------|
| NCDEX Feb '06 | 345.50 | 344.90 | 347.90 | 349.10 |

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 Saturday and Sunday

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.

BMD closed upto February 2,2006

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 steady in most of the markets. BMD are closed till February 2,2006. BMD will open only on February in this week. Palm oil prices could not improve due to weak sentiments of soy oil on spot markets and low demands at retail ends. Palm oil and soy oil both are substitute of each others. There was no fresh news to push up the palm oil the prices in local markets. Palm oil prices are expected to move range bound.

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

| Centres | 30.01.06 | 28.01.06 | Change |
|-----------------------------|----------|----------|--------|
| Kandla CPO (5 % FFA) | 334 | 336 | -2 |
| Kandla RBD Palmolein | 353 | 353 | 0 |
| Mumbai RBD Palmolein | 359 | 358 | +1 |
| Chennai RBD Palmolein | 373 | 373 | 0 |
| Kakinada RBD Palmolein | 350 | 350 | 0 |
| Hyderabad RBD Palmolein+Tax | 360 | 360 | 0 |

Soy oil

Today soybean oil prices at physical markets range bound with weak sentiments in most of the markets amidst low demand at retail ends. NCDEX February soy oil future

prices settled marginally lower today as compared to previous closing prices. Today's arrivals of soybean were in range of 60000-65000,25000-30000,15000-18000 bags (1 bags=85 Kg) in Madhya Pradesh, Maharashtra and Rajasthan respectively. Arrivals of soybeans are 5000-6000 bags in Kota only. Soy oil prices are expected to move range bound with weak sentiments.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 323 per 10 kg. CNF prices for soy degum (February Shipment) at Kandla were quoted at \$ 490 per tonne.

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

| Centres | 30.01.06 | 28.01.06 | Change |
|------------------------------|----------|----------|--------|
| Mumbai (Soy Ref oil)+VAT | 339 | 340 | -1 |
| Indore (Soy Ref oil) | 345 | 345 | 0 |
| Indore (Solvent Ex. Oil)+VAT | 320 | 321 | -1 |
| Kota (Soy Ref. Oil) | 352 | 353 | -1 |
| Jaipur (Soy Ref. Oil) | 355 | 357 | -2 |
| Chennai (Soy Ref Oil) | 356 | 356 | 0 |
| Hyderabad (Soy Ref)+Tax | 347 | 347 | 0 |
| Rajkot (Soy Ref)+Tax | 336 | 334 | +2 |

Rape/Mustard oil

Today mustard oil prices on physical markets were with mixed sentiments. Mustard oil prices are marginally declined in Delhi and Neewai markets. However, mustard oil prices are slightly improved in Kota and Jaipur. Harvesting of new mustards crop begins in some parts of Kota and Neemuch areas. New mustard seeds are not fit for crushing right now due to more moisture contents. Mustard seed prices in physical market were quoted in range of Rs 1470-1515 and 1715 per quintal in Kota and Jaipur respectively. Arrivals of mustard seeds were 1600 bags and 1000-1100 bags in Kota and Jaipur respectively. There was arrivals of new crop of mustard seeds was about 800 bags out of 1600 bags in Kota mandi. Mustard oil prices are expected to move range bound with weak sentiments in near term.

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

| Centres | 30.01.06 | 28.01.06 | Change |
|---------------------------------|----------|----------|--------|
| Mumbai (Rape Expeller Oil) | 374 | 374 | 0 |
| Kota (Rape Expeller Oil) | 362 | 360 | +2 |
| Jaipur (Rape Expeller Oil) | 365 | 363 | +2 |
| Delhi (Rape Expeller Oil) | 388 | 395 | -7 |
| Neewai (Kachchi Ghani Rape Oil) | 380 | 381 | -1 |

Groundnut Refine Oil

Today groundnut oil prices at spot market were likely unchanged in most of the markets. Groundnut prices were remains quoted Rs 337/20 kg in Rajkot mandi today. Arrivals of groundnut seeds in Gujarat were about 60000-65000 bags (1bags=35 Kg). Harvesting of new crop is going on in Andhra regions. GN oil prices are expected to move range bound in near term.

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

| Centres | 30.01.06 | 28.01.06 | Change |
|---------------|----------|----------|--------|
| Mumbai | 435 | 435 | 0 |
| Rajkot | 447 | 447 | 0 |
| Andhra Region | 435 | 436 | -1 |
| Chennai | 440 | 440 | 0 |

Sunflower Refine Oil

Sunflower oil prices were weak slightly in Mumbai market and sunflower oil prices were remain the same in Chennai and Andhra Regions. CIF prices for Sunflowers (February Shipment) at Kandla port were quoted at \$ 540 per tonnes, it increased to Rs \$3 per ton as compared to previous trading day. Sunflower oil prices are expected to move range bound in coming days.

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

| Markets | 30.01.06 | 28.01.06 | Change |
|----------------|----------|----------|--------|
| Mumbai +Vat | 400 | 405 | -5 |
| Chennai | 430 | 430 | 0 |
| Hyderabad +VAT | 403 | 403 | 0 |

Cotton Refine Oil

Today Cotton oil prices were steady in most of the markets. There were no fresh new to boost up its prices. There is good stock of edible oil in the markets. Prices are expected to move range bound in near term.

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

| Markets | 30.01.06 | 28.01.06 | Change |
|-----------|----------|----------|--------|
| Mumbai | 345 | 345 | 0 |
| Hyderabad | 347 | 347 | 0 |
| Rajkot | 343 | 343 | 0 |

NBOT Soy oil futures as on 30.01.2006 (Rs/10 kg)

| Months | Previous Closing | Open Price | High Price | Low Price | Close Price | Change | Volume |
|---------|------------------|------------|------------|-----------|-------------|--------|--------|
| Feb '06 | 346.60 | 347.50 | 347.50 | 345.90 | 346.10 | -0.50 | 12240 |
| Mar '06 | 349.20 | 350.30 | 350.40 | 348.80 | 349.10 | -0.10 | 3800 |

NCDEX Soy Futures Settle Marginally Down

Soy oil future prices settled marginally down at NCDEX on Monday. NCDEX February soy oil prices opened firm in the beginning and finally settled marginally down Rs 0.20 at Rs 346.90 per 10 Kg, it was Rs 2.20 off the high and Rs 0.25 up from the low. Soy oil prices are expected to move range bound with weak sentiments in near term.

NCDEX Soy oil futures as on 30.01.2006 (Rs/10 kg)

| Months | Previous Closing | Open Price | High Price | Low Price | Close Price | Volume | Open Interest |
|--------|------------------|------------|------------|-----------|-------------|--------|---------------|
| Feb'06 | 347.10 | 347.85 | 348.10 | 346.65 | 346.90 | 3090 | 19000 |
| Mar'06 | 349.15 | 350.00 | 350.85 | 349.05 | 349.50 | 3700 | 14930 |

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 (30.01.2006)

Forecast valid for next 72 hours

NORTH : Rain/snow is likely at a few places over higher reaches of Jammu & Kashmir and at isolated places over rest Jammu & Kashmir, Himachal Pradesh and Uttaranchal. 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 Tamil Nadu. 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 30.01.2006)

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------------|-----------------|
| USA | Dollar | 44.14 |
| European Union | Euro | 53.43 |
| Japan | 100 Yen | 37.61 |
| United Kingdom | Pound Sterling | 78.03 |
| Malaysia | Ringgit | 11.76 |
| China | CNY | 5.47 |
| Argentina | ARS | 14.44 |
| Brazil | BRL | 20.00 |
| Indonesia | 1000 IDR | 4.69 |

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