

VEGOIL

February 15, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Mixed
- BMD CPO Futures Settle Up Ahead of Export data
- NCDEX March Contract Soy Oil Prices Settle Up

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX March Contract

Technical Analysis for March Contract:

1. The MACD is moving northwards in positive zone, which indicates bullish market sentiments.
2. %K line is moving southwards flatly in neutral zone and % D line is also moving downwards, which indicates slightly bearish market sentiments.
3. Prices closed far above 9 days (363.48) and 18 days (359.05) EMA, which indicates bullish market sentiments.

4. Candlestick pattern shows bullish market sentiments.

Market Advice: Buy near 367.80, target near 369.20, put stop loss at 367.10.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Mar '06	365.35	363.30	369.70	371.10

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 Soy Futures Settle Mixed.

Soy futures at Chicago Board of Trade settled mixed on Monday. March soybeans settled up 2 cents at \$5.8425/bushel, 4.75 cents off the high and 6 cents up from the low. May soybeans settled up 1.75 cents at \$5.9775, which was 6.25 cents up from the low and 4.25 cents off the high. March Soymeal settled up \$2.2 at \$182.7/ton that was \$3.5 up from the low and \$0.7 off the high. March Soybean Oil settled down 0.05 cents at 22.22 cents/pound, 0.2 cents off the high and 0.08 cents up from the low. The prices were high riding on the back of fund buying helped to support the market up. Gulf areas have showing interests in soybeans on cash basis, which further helped to support the market. South American weather looks somewhat adverse as the crop is in its critical pod-filling stage. Dry weather forecast for early this week and hotter weather may lead to crop stress again with fast depleting moisture. Weekly export report released recently showing improvement in export at 34.09 million bushels compared to the expected 19-24 million bushels.

CBOT Soy oil futures as 13.02.2006 (Cents/pound)

Months	Prev. Settle	Open	High	Low	Close	Change
Mar '06	22.27	22.20	22.42	22.14	22.22	-0.05
May '06	22.68	22.62	22.83	22.54	22.63	-0.05
Jul '06	23.07	23.00	23.17	22.91	23.03	-0.04
Aug '06	23.20	23.10	23.32	23.08	23.15	-0.05
Sep '06	23.34	23.25	23.47	23.20	23.29	-0.05
Oct '06	23.51	23.55	23.63	23.33	23.46	-0.05
Dec '06	23.82	23.65	23.90	23.65	23.70	-0.12

CBOT remains closed on Saturday and Sunday.

South American Soybean Futures Settle Higher

South American soybean futures settled higher on Monday. March South American soybeans settled higher 3 cents at \$6.25/bushel. March contract of South American soybeans have improved due to weather concerns and firmness in old crop, which registered positive impact. The South American premium to US jumped from 20 cents to 43 cents at its highest point since August. Harvesting in Brazil is not yet started with a pace as against trader's expectation to get the crop early. Southern Brazil and Argentina weather condition looks adverse for the crop and expected to remain dry for few days and later on hotter in the end of the week. USDA release on planted acreage for soybeans shows increase of 1 million acres, which was less than traders' speculation. Talk of rushing crushers for storing oil helped the market to boost further. It can be viewed from the report of commitment of traders, the market is in oversold condition with net short over 44,000 contracts of soybeans.

BMD CPO Futures Settle Up Ahead of Export Data

Crude Palm oil futures at Bursa Malaysia Derivatives settled higher ahead of export report. Benchmark April contract settled up MYR10 at MYR1477 per ton. People are of the view that its prices already have bottomed out. People also are looking at bullish crop reports from South American continent, where weather is bit worrisome. Further, concern over MPO stocks are mitigating as seasonal decline in its production is on. Production of palm oil seasonally declines during November to February. Further, traders are expecting fresh leads from SGS data scheduled to be released by SGS on Wednesday. Traders are expecting export figures to come in the range of 5.0-5.2 lakh ton, compared to 4.8 lakh ton exported during the corresponding period last month. Traders further are hoping likely boost to come out of articulations on its perspectives during three days annual price outlook event, which is to start on February 22.

BMD: CPO Futures (14.02.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Feb 06	1460	1460	1461	1458	1461	+1	195
Mar 06	1460	1461	1469	1460	1469	+9	1075
Apr 06	1467	1468	1478	1466	1477	+10	3145
May 06	1472	1471	1481	1469	1481	+9	1393
Jun 06	1475	1477	1483	1476	1483	+8	99

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets range bound with positive sentiments in most of the markets. Palm oil prices followed soy oil prices futures as well as spot markets only because both are substitute of each other. Landed cost of crude palm oil has risen to \$ 749/metric ton from \$692/metric ton as compared to last year. Solvent Extraction Association of India revealed the import of palm oil is declined in India, which brought positive impact on its prices. Palm oil prices are expected to move range bound in near term.

FOB prices of CPO (February) were quoted at \$ 392.00 per tonnes and February RBD Palmolein at \$ 407.50 per tonnes.

Palm oil - Spot Market Price

(Rs. per 10 kg)

Centres	14.02.06	13.02.06	Change
Kandla CPO (5 % FFA)	343	342	+1
Kandla RBD Palmolein	359	359	0
Mumbai RBD Palmolein	369	368	+1
Chennai RBD Palmolein	376	376	0
Kakinada RBD Palmolein	360	359	+1
Hyderabad RBD Palmolein	376	374	+2

Soy oil

Today soybean oil prices on domestic spot markets range bound with positive sentiments. NCDEX and NBOT March contract soy oil prices open weak and it is improved sharply and finally settled higher as compared to previous close prices due to rumour that GOI is going to revise higher tariff duty on import oil today or tomorrow. Today's arrivals of soybean were 95000-100000 bags (1 bags=85 Kg) in major

markets of India. Arrivals in Kota Mandi were 3000 bags only. Today soybeans prices on spot market were quoted in range of Rs 1120-35/qrtl in Kota mandi. Soy oil prices are expected to move range bound with positive sentiments due to rumour of revise of higher tariff by GOI.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 329 per 10 kg. CNF prices for soy degum (February Shipment) at Kandla were quoted at \$ 503 per tonne.

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

Centres	14.02.06	13.02.06	Change
Mumbai (Soy Ref oil)+VAT	352	351	+1
Indore (Soy Ref oil)	358	358	0
Indore (Solvent Ex. Oil)+VAT	337	336	+1
Kota (Soy Ref. Oil)	365	365	0
Jaipur (Soy Ref. Oil)	368	368	0
Chennai (Soy Ref Oil)	367	367	0
Hyderabad (Soy Ref)	362	361	+1
Rajkot (Soy Ref)+Tax	344	345	-1

Rape/Mustard oil

Today mustard oil prices on spot markets range bound with weak sentiments in most of the markets. Today mustard seeds prices on spot markets were quoted in range of Rs 1460-1500 and Rs 1730 in Kota and Jaipur mandi respectively; it is down slightly as compared to previous trading day due to more supply of new mustard crop in Kota region. Arrivals of mustard seeds were 10,000 bags and 4,000 bags in Kota and Jaipur mandi respectively, it is higher supply from previous trading day. More arrivals of new mustard crop in Kota and lower prices of mustard seeds brought negative impact on mustard oil prices. Mustard oil prices are expected to move range bound with weak sentiments.

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

Centres	14.02.06	13.02.06	Change
Mumbai (Rape Expeller Oil)	375	376	-1
Kota (Rape Expeller Oil)	365	365	0
Jaipur (Rape Expeller Oil)	368	370	-2
Delhi (Rape Expeller Oil)	391	391	0
Neewai (Kachchi Ghani Rape Oil)	380	385	-5

Groundnut Refine Oil

Today groundnut oil prices on spot market showed dull trends in most of the markets except Chennai markets. GN oil prices improved slightly in Chennai markets amidst good demands at retail ends and GN oil prices were already low as compared to other markets. Groundnut oil prices are declined in most of markets only due to low demands at retail ends. Groundnut prices were quoted at Rs336/20 kg in Rajkot mandi today. Arrivals of groundnut seeds in Gujarat remain at 40000-45000 bags (1bags=35 Kg). GN oil prices are expected to move range bound in near term.

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

Centres	14.02.06	13.02.06	Change
Mumbai	435	436	-1
Rajkot	440	445	-5
Andhra Region	440	443	-3
Chennai	437	435	+2

Sunflower Refine Oil

Sunflower oil prices on physical markets were likely steady amid weak market sentiments in most of the markets. There was no fresh fundamental news in the markets to boost of sunflower oil prices. CIF prices for sunflowers (February Shipment) at Kandla port were quoted at \$ 549 per tonnes. Sunflower oil prices are expected to move range bound in coming days.

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

Markets	14.02.06	13.02.06	Change
Mumbai +Vat	405	405	0
Chennai	430	430	0
Hyderabad	422	425	-3

Cotton Refine Oil

Today cotton oil prices on domestic spot market range bound with weak sentiments in most of the markets amidst low demands at retail ends. Another reason to decline the cotton oil prices due to good arrivals of cottonseeds in Maharashtra. Prices are expected to move range bound in near term.

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

Markets	14.02.06	13.02.06	Change
Mumbai	363	365	-2
Hyderabad	360	360	0
Rajkot	348	350	-2

NBOT Soy oil futures as on 14.02.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Feb '06	358.3	0.0	358.4	0.0	358.4	0.1	0
Mar '06	365.4	366.0	368.7	365.6	367.5	2.1	25960
Apr '06	0.0	371.0	371.0	370.1	370.3	370.3	0

NCDEX Soy Oil Futures Settle Higher

Soy oil futures prices settled higher at NCDEX on Tuesday. NCDEX March soy oil contract prices settled higher Rs 2.65 at Rs 367.75/10 Kg, it was Rs 1.15 off the high and Rs 2.75 up from the low after moving in between of Rs 365.00 to Rs 368.90. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 14.02.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Feb'06	358.40	356.50	360.80	356.50	360.40	2250	7620
Mar'06	365.10	366.50	368.90	365.00	367.75	8410	19190

LATEST WEATHER WATCH (14.02.2006)

Forecast valid for next 72 hours

NORTH WEST INDIA: Rain/snow likely at many places over higher reaches of Jammu & Kashmir and at a few places over rest Jammu & Kashmir, Himachal Pradesh and isolated over Uttaranchal. Isolated rain/thundershowers also likely over Punjab and Haryana. Weather will be mainly dry over the rest region.

EAST INDIA: Isolated rain/thundershowers is likely over Sub- Himalayan West Bengal & Sikkim. Weather will be mainly dry over the rest region.

NORTHEAST INDIA: Rain/thundershowers are likely over at a few places over Assam and Arunachal Pradesh. Weather will be mainly dry over the rest region.

SOUTH INDIA: Isolated rain/thundershowers likely over Nicobar Islands. Weather will be mainly dry over the rest region.

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

CENTRAL INDIA: Weather will be mainly dry over the region.

Source: IMD, GOI

Forex Rates (As on 14.02.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.22
European Union	Euro	52.70
Japan	100 Yen	37.73
United Kingdom	Pound Sterling	77.07
Malaysia	Ringgit	11.88
China	CNY	5.50
Argentina	ARS	14.41
Brazil	BRL	20.57
Indonesia	1000 IDR	4.79

PORT-WATCH (Latest):

Edible Oil

JN Port is receiving 10,000 MT of SBO from the vessel 'Champion Vincita'. The cargo was loaded from Brazil. Interocean agents is handling the vessel.

Kandla Port is receiving 12,250 MT of CPO from the vessel 'Global Neptune'. The cargo was loaded from Malaysia. Forbes Gokak agents is handling the vessel.

Kolkata Port is receiving 5,500 MT of SBO from the vessel 'Rising One'. Atlantic agents is handling the vessel. 'Tirta Niaga 2' has berthed at the port and continues to deliver 6,000 MT of CPO. The vessel is being handled by GAC agents. 'Vernal Grace' has berthed at Kolkata Port and continues to deliver 6,000 MT of CPO. The vessel is being handled by Atlantic agents.

Delivery of 7,299 MT of palm oil is continuing at Tuticorin Port from the vessel 'Global Triton'. Patvolk agents is handling the vessel.

Kakkinada Port is expecting 'Mountain Blossom' to discharge 3,000 MT of SBO.

'Bunga Melati Dua' is expected at Chennai Port to discharge 9,000 MT of sun flower oil. GAC agents will be handling the vessel.

Mormugao Port is expecting 'Global Eos' to deliver 3,500 MT of CPO. The cargo was loaded from Indonesia. Patvolk agents will be handling the vessel.

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

'Nolowati' is expected at Mumbai Port to discharge 11,000 MT of CPO.

'Champion Vincita' is expected at New Mangalore Port to deliver 5,000 MT of SBO. Interocean agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Cochin	Rising One	3000	SBO	Expected
Mormugao	Global Eos	3500	CPO	Expected
Chennai	Bunga Melati Dua	9000	SFO	Expected
Kolkata	Rising One	5500	SBO	Arrived
	Tirta Niaga 2	6000	CPO	Arrived
	Vernal Grace	6000	CPO	Arrived
Tuticorin	Global Triton	7299	Palm Oil	Arrived
Kandla	Global Neptune	12250	CPO	Arrived
Kakinada	Mountain Blossom	3000	SBO	Arrived
JN Port	Champion Vincita	10000	SBO	Arrived
Mumbai	Nolowati	11000	CPO	Expected
New Mangalore	Champion Vincita	5000	SBO	Expected

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