

## VEGOIL

February 07, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Settle Up
- NCDEX February Soy Oil Future Prices Settle Up

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX February Contract

Technical Analysis for February Contract:

1. The MACD is continuously moving upwards in positive zone, which indicates bullish market sentiments.
2. %K line is moving upwards and reached in over bought zone after crossing % D line from below in neutral zone, which indicates bullish market sentiments.
3. Prices closed far above 9 days (348.54) and 18 days EMA (347.53), which indicates bullish market sentiments.
4. Candlestick pattern shows bullish trends.

Technical indicators showed the bullish market sentiments.

**Market Advice:** Market is expected to move range bound. Go long with caution, because there is possibility of trend reversal also. Buy near 353.00 with target near 354.00 and put stop loss at 352.50.

#### Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Feb '06	351.50	350.40	354.40	355.40

#### 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 03.02.2006 (Cents/pound)

Months	Prev. Settle	Open	High	Low	Close	Change
Mar '06	21.95	21.95	22.68	21.93	22.66	+0.71
May'06	22.39	22.39	23.08	22.34	23.07	+0.68
Jul '06	22.74	22.80	23.45	22.70	23.42	+0.68
Aug'06	22.88	22.85	23.54	22.85	23.54	+0.66
Sep'06	22.99	23.00	23.68	23.00	23.68	+0.69
Oct '06	23.12	23.25	23.80	23.25	23.80	+0.68
Dec'06	23.48	23.60	24.15	23.55	24.15	+0.67

CBOT remains closed on Saturday and Sunday.

### BMD CPO Futures Settle Up

Crude palm oil futures prices settled up at the Bursa Malaysia Derivatives on Monday. Palm oil prices followed the higher CBOT Soy future prices. CBOT settled higher only due to speculative buying. The benchmark April CPO contract ended at MYR1451/ton, up MYR13 from previous closing prices. The annual palm oil price outlook conference is due to be held in Kuala Lumpur by Feb. 22-24. Discussion will be on growth of bio fuel sectors in this conference. Palm oil stocks in Malaysia are reached at 1.6 million tons. The Malaysian Palm Oil Board is expected to release official production on Friday, exports and stocks data for January. According to local traders, stocks are still likely to have remained above 1.5 million tons at end of January. Cargo surveyors Intertek Agri Services and SGS (Malaysia) Bhd. are scheduled to issue an estimate for Malaysian palm oil exports in the Feb. 1-10 period on Friday.

BMD: CPO Futures (06.02.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Feb 06	1422	1432	1435	1428	1435	+13	1073
Mar 06	1432	1438	1444	1435	1444	+12	773
Apr 06	1438	1447	1451	1442	1451	+13	2043
May 06	1445	1452	1455	1447	1455	+10	812
Jun 06	1447	1450	1450	1450	1450	+3	2

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 on spot markets, because both are traditional rival of each other. CBOT settled higher only due to speculative buying and BMD CPO futures settled higher today. Soy oil future prices surged on NCDEX brought positive impact on spot markets. Palm oil prices are expected to move range bound in near term.

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

Centres	06.02.06	04.02.06	Change
Kandla CPO (5 % FFA)	337	336	+1
Kandla RBD Palmolein	355	354	+1
Mumbai RBD Palmolein	363	361	+2
Chennai RBD Palmolein	375	374	+1
Kakinada RBD Palmolein	350	350	0
Hyderabad RBD Palmolein	370	370	0

### Soy oil

Today soybean oil prices at physical markets surged in most of the markets. Spot markets prices of soy oil climbed behind Vayda Bazaar. NCDEX and NBOT February soy oil future prices settled higher today as compared to previous closing prices. BMD CPO future prices settled up. Today's arrivals of soybean were 40000-45000, 20000-22000, 12000-15000 bags (1 bags=85 Kg) in Madhya Pradesh, Maharashtra and Rajasthan respectively. Arrivals of soybean are about 2500 bags in Kota only. Prices of soybeans were quoted in range of Rs 1140-1160/mtl on spot market prices in Kota mandi. Soy oil prices are expected to move range bound with positive sentiments.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 326 per 10 kg. CNF prices for soy degum (February Shipment) at Kandla were quoted at \$ 502 per tonne.

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

Centres	06.02.06	04.02.06	Change
Mumbai (Soy Ref oil)+VAT	346	341	+5
Indore (Soy Ref oil)	348	344	+4
Indore (Solvent Ex. Oil)+VAT	325	320	+5
Kota (Soy Ref. Oil)	360	356	+4
Jaipur (Soy Ref. Oil)	364	360	+4
Chennai (Soy Ref Oil)	362	358	+4
Hyderabad (Soy Ref)	360	360	0
Rajkot (Soy Ref)+Tax	342	337	+5

### Rape/Mustard oil

Today mustard oil prices on spot markets range bound in most of the markets. Mustard seed prices in physical markets are slightly improved due to improved in future prices on Hapur and Delhi exchange. Today mustard seeds prices were quoted in range of Rs 1500-1550 and Rs 1710-1720 in Kota and Jaipur mandi respectively. Arrivals of mustard seeds were 2000 bags and 1300-1500 bags in Kota and Jaipur respectively. Arrivals of new mustard seeds in Kota were about 1000 bags in Kota out of 2000 bags, it is 50% of total arrivals in Kota. February future prices of mustard seeds are increased at 339.00 (+3.10) and 344.00 (+2.10) in Delhi and Hapur exchange respectively. Mustard oil prices are expected to move range bound in coming days.

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

Centres	06.02.06	04.02.06	Change
Mumbai (Rape Expeller Oil)	368	369	-1
Kota (Rape Expeller Oil)	362	362	0
Jaipur (Rape Expeller Oil)	365	366	-1
Delhi (Rape Expeller Oil)	391	390	+1
Neewai (Kachchi Ghani Rape Oil)	380	380	0

**Groundnut Refine Oil**

Today groundnut oil prices at spot market moved in up direction in most of the markets. Prices are slightly improved due to increased local demand at retail ends. Higher soy oil prices on NCDEX as well as spot markets brought positive impact on groundnut oil prices. Groundnut seeds improved slightly in Rajkot mandi today as compared to previous trading day. Groundnut prices were quoted at Rs337/20 kg in Rajkot mandi today. Arrivals of groundnut seeds in Gujarat remain at 45000-50000 bags (1bags=35 Kg). GN oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	06.02.06	04.02.06	Change
Mumbai	435	431	+4
Rajkot	447	445	+2
Andhra Region	437	435	+2
Chennai	432	435	-3

**Sunflower Refine Oil**

Sunflower oil prices remain steady in most of the markets in India. There was no fresh fundamental news to push up or pull down its prices. CIF prices for Sunflowers (February Shipment) at Kandla port were quoted at \$ 548 per tonnes. Sunflower oil prices are expected to move range bound with weak sentiments in coming days.

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

Markets	06.02.06	04.02.06	Change
Mumbai +Vat	395	395	0
Chennai	430	430	0
Hyderabad	415	415	0

**Cotton Refine Oil**

Today cotton oil prices on domestic spot market went up slightly in most of the markets. Improvement of vayda bazaar brought positive impact on its prices. Cotton oil prices are followed palm oil and soy oil prices on spot markets. Prices are expected to move range bound with positive sentiments in near term.

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

Markets	06.02.06	04.02.06	Change
Mumbai	353	346	+7
Hyderabad	347	345	+2
Rajkot	348	345	+3

**NBOT Soy oil futures as on 06.02.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Feb '06	348.90	349.80	351.70	349.40	351.70	+2.80	12080
Mar '06	355.30	357.00	358.90	348.30	358.70	+3.40	32800

**NCDEX Soy Oil Futures Settle Up**

Soy oil future prices settled up at NCDEX on Monday. NCDEX February soy oil prices settled up Rs 2.95 at Rs 352.90/10 Kg, it was Rs 0.10 off the high and Rs 2.65 up from the low. February soy oil prices moved in range of Rs 350.25 to Rs 352.90. CBOT settled higher on Friday brought positive impact on NCDEX. Soy oil prices are expected to move range bound in near term.

**NCDEX Soy oil futures as on 06.02.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Feb'06	350.05	350.50	353.00	350.25	352.90	11960	10240
Mar'06	355.35	355.95	360.00	355.95	359.60	18440	15010

**LATEST WEATHER WATCH (06.02.2006)****Forecast valid for next 72 hours**

**NORTHWEST INDIA:** Rain/snow likely at a few places over higher reaches of Jammu & Kashmir and isolated over rest Jammu & Kashmir, Himachal Pradesh and Uttaranchal. Weather will be mainly dry over the rest region.

**EAST INDIA:** Weather will be mainly dry over the region.

**NORTHEAST INDIA:** Weather will be mainly dry over the region.

**SOUTH INDIA:** Isolated rain/thundershowers are likely over Nicobar Islands. Weather will be mainly dry in 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 06.02.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.20
European Union	Euro	53.13
Japan	100 Yen	37.23
United Kingdom	Pound Sterling	77.80
Malaysia	Ringgit	11.82
China	CNY	5.49
Argentina	ARS	14.42
Brazil	BRL	20.15
Indonesia	1000 IDR	4.74

## PORT-WATCH (Latest):

### Edible Oil

Chennai Port is receiving 8,500 MT of CPO from the vessel 'Global Triton'. The vessel is being handled by Patvolk agents. 'Bunga Melati Dua' is expected at the port to discharge 9,000 MT of sun flower oil. GAC agents will be handling the vessel.

'Feng Sheng You' has berthed at Kolkata Port and continues to deliver 5,000 MT of CPO. GAC agents is handling the vessel. The port is receiving 5,800 MT of CPO from the vessel 'Global Pallas'. Seaport agents is handling the vessel. 'Merkur' is expected at Kolkata Port to deliver 13,000 MT of SBO.

Mundra Port is expecting 'Rising One' to load 3,000 MT of SBO. Atlantic agents will be handling the vessel. Delivery of 26,000 MT of SBO is expected at Mundra Port from the vessel 'Champion Vincita'. Interocean agents will be handling the vessel.

Delivery of 6,000 MT of palm oil is expected at Tuticorin Port from the vessel 'Spring Glory'. St. John agents will be handling the vessel.

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Mundra Port	Rising One	3000	SBO	Expected
	Champion Vincita	26000	SBO	Expected
Chennai	Global Triton	8500	CPO	Arrived
	Bunga Melati Dua	9000	SFO	Expected
Kolkata	Merkur	13000	SBO	Expected
	Global Pallas	5800	CPO	Arrived
	Feng Sheng U	5000	CPO	Arrived
Tuticorin	Spring Glory	6000	Palm Oil	Expected

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