

## VEGOIL

February 13, 2006

### MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Lower
- NCDEX March Contract Soy Oil Prices Settle Marginally Lower

### TECHNICAL ANALYSIS

#### COMMODITY: SOY OIL

Perspective: Very Short Term  
NCDEX March Contract

Technical Analysis for March Contract:

1. The MACD is moving in up direction continuously in positive zone, which indicates bullish market sentiments.
2. %K line is moving downwards in overbought zone after crossing % D line from above, which indicates bearish market sentiments.
3. Prices closed far above 9 days (361.76) and 18 days (357.21) EMA, which indicates bullish market sentiments.

4. Candlestick pattern shows slightly bullish market sentiments.

**Market Advice:** Buy near 367.00, target near 368.50, put stop loss at 366.20.

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

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX Mar '06	365.40	363.60	369.50	371.65

#### 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 Lower

Soy futures Settled lower at Chicago Board of Trade on Friday. March Soybeans settle down 5.50 cents at \$5.8225/bushel, 9 cents off the high and 5.25 cents up from the low and May Soybeans settle down 5.75 cents at \$5.96/bushel that was 5.50 cents up from the low and 8 cents off the high. March Soymeal settle down \$1.1 at \$180.5/pound that was \$1.4 up from the low and \$0.9 off the high. March Soybean Oil finished down 0.38 cents at 22.27 cents/pound, 0.21 cents off the high and 0.16 cents up from the low. Record high ending stock of world and US coupled with slow fund buying helped to pull the prices.

#### CBOT Soy oil futures as 10.02.2006 (Cents/pound)

Months	Prev. Settle	Open	High	Low	Close	Change
Mar '06	22.65	22.48	22.48	22.11	22.27	-0.38
May '06	23.08	22.85	22.88	22.52	22.68	-0.40
Jul '06	23.48	23.25	23.27	22.86	23.07	-0.41
Aug '06	23.59	23.35	23.35	23.05	23.20	-0.39
Sep '06	23.74	23.50	23.50	23.20	23.34	-0.40
Oct '06	23.85	23.65	23.65	23.35	23.51	-0.34
Dec '06	24.20	24.00	24.00	23.61	23.82	-0.38

CBOT remains closed on Saturday and Sunday.

#### South American Soybeans Futures Settle Higher

South American soybean futures settled higher on Friday. March South American soybeans settled 9 cents higher at \$6.22/bushel. Heavy rain in recent past hit the Brazil's number one soybean producing state of Mato Grosse. Heavy rain this time is expected to reduce the yield and injure crop. This could also slow the harvest. Talk of new fund buyers entering into the market also supported to boost the market sentiments. Strength in energy market and emphasis on bio-diesel based on soybean oil helped to push up the market sentiments furthers. Recent forecast hike by USDA on Brazil's export is at 26.07 million tonnes for 2005/2006 which reveals that Brazil now hold the top position in the world for export.

#### BMD remain closed on Saturday and Sunday

#### BMD: CPO Futures (10.02.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Feb 06	1452	1455	1458	1450	1458	+6	268
Mar 06	1455	1457	1460	1449	1460	+5	630
Apr 06	1464	1465	1467	1455	1466	+2	2480
May 06	1465	1465	1470	1459	1470	+5	948
Jun 06	1468	1467	1470	1467	1470	+2	15

BMD remains closed on Saturday and Sunday.

#### Palm Oil

Today palm oil prices on spot markets showed lacklustre in most of the markets. Palm oil prices dampen with soy oil

prices on spot markets only because both are substitute of each other. There was no fresh fundamental news to boost up its prices. Palm oil prices are expected to move range bound in near term.

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

Centres	11.02.06	10.02.06	Change
Kandla CPO (5 % FFA)	342	342	0
Kandla RBD Palmolein	359	359	0
Mumbai RBD Palmolein	368	367	+1
Chennai RBD Palmolein	376	376	0
Kakinada RBD Palmolein	358	360	-2
Hyderabad RBD Palmolein	376	376	0

#### Soy oil

Today soybean oil prices on physical markets range bound with weak sentiments in most of the markets. However, NCDEX and NBOT March contract soy oil prices open weak and improved slightly later on today as compared to previous closing prices. There is news that Pakistan may import soybean from India. Today's arrivals of soybean were 60000-70000, 30000-35000, 10000-12000 bags (1 bags=85 Kg) in Madhya Pradesh, Maharashtra, Rajasthan mandi respectively. Arrivals in Kota Mandi were 3000 bags only. Today soybeans prices on spot market were quoted in range of Rs 1130-60/qrtl in Kota mandi, it is low as compared to previous trading day. Soy oil prices are expected to move range bound.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 332 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	11.02.06	10.02.06	Change
Mumbai (Soy Ref oil)+VAT	351	351	0
Indore (Soy Ref oil)	358	360	-2
Indore (Solvent Ex. Oil)+VAT	334	336	-2
Kota (Soy Ref. Oil)	367	370	-3
Jaipur (Soy Ref. Oil)	372	375	-3
Chennai (Soy Ref Oil)	367	367	0
Hyderabad (Soy Ref)	367	367	0
Rajkot (Soy Ref)+Tax	345	346	-1

#### Rape/Mustard oil

Today mustard oil prices on spot markets moved southward slightly in most of the markets. Today mustard seeds prices on spot markets were quoted in range of Rs 1500-1560 and Rs 1750 in Kota and Jaipur mandi respectively; it is down slightly as compared to previous trading day. Arrivals of mustard seeds were 3000 bags and 1500 bags in Kota and Jaipur Mandi respectively. Arrivals of new mustard crop in Kota and lower prices of mustard seeds brought negative impact on its prices. February mustard seeds contract settled lower at 347.00 (-0.35) and 347.00 (-0.20) as compare to previous closing day on NCDEX and Delhi exchange respectively. Mustard oil prices are expected to move range bound in next week.

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

Centres	11.02.06	10.02.06	Change
Mumbai (Rape Expeller Oil)	378	378	0
Kota (Rape Expeller Oil)	367	370	-3
Jaipur (Rape Expeller Oil)	373	375	-2
Delhi (Rape Expeller Oil)	390	393	-3
Neewai (Kachchi Ghani Rape Oil)	386	388	-2

**Groundnut Refine Oil**

Today groundnut oil prices on spot market were uninspiring in most of the markets. GN oil prices are declined slightly in Rajkot markets due to low demand at retail ends. GN oil prices were likely unchanged in other markets only because there was no fresh news in the markets to pull or push its prices. Groundnut prices were quoted at Rs338/20 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	11.02.06	10.02.06	Change
Mumbai	437	437	0
Rajkot	445	448	-3
Andhra Region	438	438	0
Chennai	435	435	0

**Sunflower Refine Oil**

Sunflower oil prices on physical markets showed monotonous sentiments in most of the markets. There was no fresh fundamental news in the markets to pull or push sunflower oil prices. CIF prices for sunflowers (February Shipment) at Kandla port were quoted at \$ 550 per tonnes. Sunflower oil prices are expected to move range bound in coming days.

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

Markets	11.02.06	10.02.06	Change
Mumbai +Vat	405	405	0
Chennai	430	430	0
Hyderabad	425	425	0

**Cotton Refine Oil**

Today cotton oil prices on domestic spot market showed dull trends in most of the markets. Cotton oil prices followed soy oil prices on spot markets. There were 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	11.02.06	10.02.06	Change
Mumbai	365	368	-3
Hyderabad	360	360	0
Rajkot	350	351	-1

**NBOT Soy oil futures as on 11.02.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Change	Volume
Feb '06	358.30	357.50	358.80	357.20	358.20	-0.10	11000
Mar '06	366.70	365.60	368.20	365.30	366.90	+0.20	19590

**NCDEX Soy Oil Futures Settle Lower**

Soy oil futures prices settled lower at NCDEX on Friday. NCDEX March soy oil prices settled lower Rs 0.15 at Rs 367.05/10 Kg, it was Rs 1.45 off the high and Rs 1.90 up from the low after moving in between of Rs 365.15 to Rs 368.50. Soy oil prices are expected to move range bound with positive sentiments in near term.

**NCDEX Soy oil futures as on 11.02.2006 (Rs/10 kg)**

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Feb'06	360.05	359.25	360.00	358.30	359.25	1970	9870
Mar'06	367.20	365.15	368.50	365.15	367.05	7440	19140

**LATEST WEATHER WATCH (11.02.2006)****Forecast valid for next 72 hours**

**NORTHWEST INDIA:** Light to moderate rain/snow likely at a few places over Jammu & Kashmir and at isolated places over Himachal Pradesh. Weather will be mainly dry over the region.

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

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

**SOUTH INDIA:** Weather will be mainly dry over the 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 11.02.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.12
European Union	Euro	52.37
Japan	100 Yen	37.44
United Kingdom	Pound Sterling	77.00
Malaysia	Ringgit	11.80
China	CNY	5.48
Argentina	ARS	14.42
Brazil	BRL	20.45
Indonesia	1000 IDR	4.79

## PORT-WATCH (Latest):

### Edible Oil

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.

'Global Triton' has berthed at Chennai Port and is continuing to discharge 4,930 MT of palm oil. 'Bunga Melati Dua' is expected at Chennai Port to discharge 9,000 MT of sun flower oil. GAC agents will be handling the vessel.

Delivery of 26,000 MT of SBO is continuing at Mundra Port from the vessel 'Champion Vincita'. Interocean agents is handling the vessel.

Delivery of 6,000 MT of palm oil is continuing at Tuticorin Port from the vessel 'Spring Glory'. St. John agents is handling the vessel. The port is expecting 'Global Triton' to deliver 7,299 MT of palm oil. Patvolk agents will be handling the vessel.

'Vernal Grace' has berthed at Kolkata Port and continues to deliver 6,000 MT of CPO. The vessel is being handled by Atlantic agents. The port is receiving 13,000 MT of SBO from the vessel 'Merkur'. Seaport agents is 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.

Delivery of 4,000 MT of CPO is expected at Kakkinada Port from the vessel 'Cheras'.

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

### Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Cochin	Rising One	3000	SBO	Expected
Mundra Port	Champion Vincita	26000	SBO	Arrived
Mormugao	Global Eos	3500	CPO	Expected
Chennai	Bunga Melati Dua	9000	SFO	Expected
	Global Triton	4930	Palm Oil	Arrived
Kolkata	Merkur	13000	SBO	Arrived
	Vernal Grace	6000	CPO	Arrived
Tuticorin	Spring Glory	6000	Palm Oil	Arrived
	Global Triton	7299	Palm Oil	Expected
Kandla	Global Neptune	12250	CPO	Arrived
Kakinada	Cheras	4000	CPO	Expected
Mumbai	Nolowati	11000	CPO	Expected

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