

VEGOIL

April 4, 2006

MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Settle Sharply Down
- NCDEX April Contract Soy Oil Prices Settle Marginally Up

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX April Contract

Technical Analysis for April Contract:

1. The MACD continued to move downwards in negative zone, which indicates bearish sentiments.
2. %K line has just turned up in oversold zone and crossed % D line from below in oversold region, which indicates bullish trends.
3. Prices closed below 9 days and 18 days EMA (376.15) and (377.11), which indicates slightly bearish market.

4. Candlestick formed like spinning top pattern, which shows both bulls and bear were active during the session and market is indecisive.

Market Advice: Market has no clear-cut direction, but it is expected to improve following weak opening. Go long with cautions. Buy near 373.60 targets near 375.50 and stop loss at 372.50.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX April '06	373.30	371.80	375.90	377.50

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 31.03.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	23.17	22.95	23.25	22.75	22.79	-0.38
Jul '06	23.57	23.41	23.69	23.25	23.27	-0.30
Aug'06	23.73	23.65	23.73	23.45	23.50	-0.23
Sep'06	23.89	23.90	23.92	23.65	23.73	-0.16
Oct '06	24.17	24.05	24.10	23.90	23.90	-0.27
Dec'06	24.41	24.30	24.55	24.16	24.21	-0.20
Jan'07	24.59	24.55	24.60	24.40	24.40	-0.19

CBOT remains closed on Saturday and Sunday.

BMD CPO Futures Settle Down Sharply

Crude palm oil futures at Bursa Malaysia Derivatives settled sharply lower on Monday notwithstanding friendly export data. Bulls gave up on persistent concerns over sluggish consumer demand and rising supply. Benchmark June CPO contract Settled off MYR 16 at MYR1,421 a metric ton. Trading activity was seen subdued on BMD today. Strengthening Malaysian Ringgit also was taken as a negative item. Weaker CBOT soy futures also had additional bearish impact. Market just ignored the friendly export data released by cargo Surveyor SGS. SGS (Malaysia) Bhd. estimated Malaysian palm oil exports in March at 1,057,879 metric tonnes, up 14.89% from 920,806 metric tonnes in February. People still fears that stocks might rise further to the burdensome level due to more productions despite friendly export sales in March.

BMD: CPO Futures (03.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1390	1388	1388	1370	1370	-20	259
May 06	1420	1418	1418	1404	1404	-16	1008
Jun 06	1437	1434	1437	1420	1421	-16	2758
Jul 06	1448	1448	1448	1435	1435	-13	774
Aug 06	1454	1450	1454	1440	1440	-14	218

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets were steady to positive sentiments in the markets due to \$18/ton increased in tariff value by government of Indonesia on RBD palmolein. BMD exchange ends down sharply amid higher stock of Malaysia's palm oil. There was nothing fundamentals to boost its prices. Palm oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	3.04.06	01.04.06	Change
Kandla CPO (5 % FFA)	354	354	0
Kandla RBD Palmolein	370	370	0
Mumbai RBD Palmolein	375	375	0
Chennai RBD Palmolein	385	385	0
Kakinada RBD Palmolein	375	373	+2
Hyderabad RBD Palmolein	400	395	+5

Soy oil

Today soybean oil prices on domestic spot markets showed mixed sentiments. Prices improved in some markets due to implementation of VAT in Madhya Pradesh and Rajasthan. However, prices declined in Gujarat despite VAT imposition only due to lower demands at retail ends. NCDEX and NBOT April contract refined soy oil price ends slightly up as compared to previous closing price. Total arrivals were about 50000-60000 bags in major markets. Refined soy oil prices were quoted at Rs 362 and 363 per 10 kg + VAT in Kota and Jaipur respectively, its higher as compared to previous trading. Prices are expected to improve slightly in near term due to depleting stock and VAT implementation in Rajasthan and Madhya Pradesh.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 352/53 per 10 kg. CIF prices for soy degum (April Shipment) at Kandla were quoted at \$ 496 per tonne, it is declined slightly as compared to Friday.

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

Centres	3.04.06	01.04.06	Change
Mumbai (Soy Ref oil)+VAT	367	367	0
Indore (Soy Ref oil)	370	369	+1
Indore (Solvent Ex. Oil)+VAT	333	NA	-
Kota (Soy Ref. Oil)	376	Closed	-
Jaipur (Soy Ref. Oil)	377	Closed	-
Hyderabad (Soy Ref)	381	380	+1
Chennai	377	377	0
Rajkot (Soy Ref)+Tax	365	370	-5

Rape/Mustard oil

Mustard oil prices on domestic spot markets showed mixed sentiments in most of the markets. Arrivals of mustard seeds were about 3.00 lakh bags in different mandis of Rajasthan. Arrivals in Madhya Pradesh were about 70,000-80,000 bags. Mustard seeds prices were quoted Rs1380-1410 per quintal in Kota and Rs 1600/qlt in Jaipur mandi. Mustard oil prices improved in Kota and Jaipur only due to VAT implementations. Prices decline in Neewai due to lower local demands and harvesting pressure in the markets. Mustard oil prices are expected to move range bound with weak sentiments in near term due to harvesting pressure in major producing areas.

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

Centres	3.04.06	01.04.06	Change
Mumbai (Rape Expeller Oil)	369	369	0
Kota (Rape Expeller Oil)	355	Closed	-
Jaipur (Rape Expeller Oil)	358	Closed	-
Delhi (Rape Expeller Oil)	368	368	0
Neewai (Kachchi Ghani Rape Oil)	357	360	-3

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets were showed mixed sentiments, the prices declined slightly in Rajkot due to lower demands at retail ends especially for premium oil. Gn oil prices of Andhra regions were increased local buying demands at retail ends due to festivals are ahead. Groundnut seeds were quoted Rs334/20 kg in Rajkot Mandi. GN oil prices are expected to improve slightly in near term.

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

Centres	3.04.06	01.04.06	Change
Mumbai	440	440	0
Rajkot	446	449	-3
Andhra Region	448	442	+6
Chennai	450	450	0

Sunflower Refine Oil

Sunflower oil prices on physical markets were steady in most market. Harvesting is in progress in major producing states. CIF prices for sunflowers (April Shipment) at Kandla port remain quoted to \$ 586 per tonnes. Sunflower oil prices are expected to move range bound with weak sentiments due to harvesting pressure.

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

Markets	3.04.06	01.04.06	Change
Mumbai +Vat	413	413	0
Chennai	432	432	0
Hyderabad	425	424	+1

Cotton Refine Oil

Today cotton oil prices on spot markets range bound with weak sentiments in most of markets amid lower demands at retail ends. Cotton oil prices are expected to move range bound in near term.

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

Markets	3.04.06	01.04.06	Change
Mumbai	378	378	0
Hyderabad	380	385	-5
Rajkot	369	370	-1

NBOT Soy oil futures as on 3.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	373.00	373.20	374.30	372.80	373.30	+0.30	10780
May '06	379.40	379.00	381.30	378.80	379.40	0.00	5180

NCDEX Soy Oil Futures Ends Marginally Up

NCDEX April soy oil contract prices settled marginally up on Monday. Market improved slightly on short covering and technical correction. Implementations of VAT in major producing states added positive sentiments in markets. Soy oil futures prices settled up Rs 0.80 trading at Rs 374.60/10 Kg, Rs 1.25 off the high and Rs 1.30 up from the low. The prices moved in a range of Rs 373.30 to Rs 374.60. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 3.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	373.80	374.25	375.85	373.30	374.60	4500	16830
May'06	380.05	380.80	382.10	379.70	381.20	3390	10720
Jun'06	385.60	386.00	388.50	386.00	386.15	380	2550

Forex Rates**(As on 03.04.2006)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.61
European Union	Euro	53.77
Japan	100 Yen	37.62
United Kingdom	Pound Sterling	77.15
Malaysia	Ringgit	12.11
China	CNY	5.56
Argentina	ARS	14.46
Brazil	BRL	20.62
Indonesia	1000 IDR	4.91

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

Kandla Port is receiving 9,600 MT of SBO from the vessel 'Alexandros'. The cargo was loaded from Argentina. 'Isokaze' from Dumai has berthed at the port and is continuing to discharge 9,600 MT of CPO. These vessels are being handled by Interocean agents. Delivery of 9,000 MT of CPO is continuing at the port from the vessel 'Madura'. The cargo was loaded from Indonesia. Taurus agents is handling the vessel. The port is expecting 'Golden Glory' from Indonesia to discharge 8,000 MT of CPO. Forbes Gokak agents will be handling the vessel.

'Samho Jewellery' has berthed at Mumbai Port and continues to discharge 11,000 MT of CPO. Interocean agents is handling the vessel.

Kolkata Port is receiving 18,500 MT of SBO from the vessel 'Fair Luna'. Seaport agents is handling the vessel. 'Tirta Niaga 2' has berthed at Kolkata Port and continues to deliver 6,000 MT of CPO. The vessel is being handled by Interocean agents.

Delivery of 6,000 MT of CPO is continuing at Kakkiada Port from the vessel 'Ace I'.

Chennai Port is expecting 'Tirta Niaga' to deliver 5,900 MT of CPO. Interocean agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Tirta Niaga 2	6000	CPO	Arrived
	Fair Luna	18500	SBO	Arrived
Chennai	Tirta Niaga	5900	CPO	Expected
Kakinada	Ace I	6000	CPO	Arrived
Kandla	Alexandros	9600	SBO	Arrived
	Isokaze	9600	CPO	Arrived
	Madura	9000	CPO	Arrived
	Golden Glory	8000	CPO	Expected
Mumbai	Samo Jewellery	11000	CPO	Arrived

NORTHEAST INDIA: Rain/thundershowers at many Places with hail/squall at a few Places are likely over the region.

SOUTH INDIA: Isolated rain/thundershowers are likely over Kerala, Tamilnadu and Andhra Pradesh. Weather will be mainly dry over the region.

WEST INDIA: Weather will be mainly dry over the region with day temperatures over Rajasthan and interior Maharashtra likely be above normal by 2-3° C

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

Outlook for subsequent two days based on NCMRWF and other numerical weather products:

The enhanced rainfall activity over northeastern states is likely to decrease..

Source: IMD, GOI.

LATEST WEATHER WATCH

Forecast valid for next 72 hours

NORTH-WEST INDIA: Mainly dry weather is likely over the region. Day temperatures over the region are likely to remain 2-4 °C above normal.

EAST INDIA: Rain/thundershowers are likely at a few Places over West Bengal & Sikkim and isolated over the rest region. Isolated hailstorm/squall are likely over the region.

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