

VEGOIL

April 11, 2006

MAJOR ACTIVITY HIGHLIGHTS

- BMD CPO Futures Settle Higher on Friendly MPOB Estimates
- NCDEX April Contract Soy Oil Prices Surge Higher On GMO Issue

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX April Contract

Technical Analysis for April Contract:

1. The MACD continue to move upwards in positive zone after bullish crossover to its signal line, which indicates medium term bullish sentiments.
2. % K line is moving upwards sharply and reached in overbought region after bullish crossover to % D line, which indicates bullish trends. Trend reversal is likely, but confirmation is required.
3. Prices closed far above 9 days EMA (383.29) and 18 days (380.64) EMA, which indicates bullish trends.
4. Candlestick formed Marubozu pattern, which shows strong bullish sentiments.

All technical indicators showed bullish trends.

Market Advice: Prices surged sharply on GM concerns and reached to lifetime high of this contract. Trend reversal is likely. Risk lover can go short with cautions. Sell near 398.40 targets near 394.80 and put stop loss at 400.50.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX April '06	389.90	386.20	400.10	402.90

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 07.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.67	22.55	22.63	22.45	22.54	-0.13
Jul '06	23.09	22.98	23.04	22.87	22.96	-0.13
Aug'06	23.25	23.15	23.20	23.05	23.13	-0.12
Sep'06	23.42	23.33	23.40	23.25	23.34	-0.08
Oct '06	23.65	23.53	23.56	23.43	23.56	-0.09
Dec'06	24.00	23.90	23.90	23.75	23.87	-0.13
Jan'07	24.18	23.95	24.08	23.95	24.05	-0.13

CBOT remains closed on Saturday and Sunday.

BMD Remains Closed on Saturday and Sunday

Crude Palm oil futures at Bursa Malaysia Derivatives posted hefty gains following series of friendly data released by MPOB and cargo surveyors. Benchmark June futures settled up MYR24 at 1446 per MT. Latest crop data released by Malaysian Palm Oil Board (MPOB) today cut short overly bothered stock situation of palm oil in Malaysia. This cut made by MPOB was surprising to all. Strong export during March has been credited for this decline in stock status. MPOB estimated the palm oil stock at the end of the March at 1.59 million ton, down against 1.65 million ton a month ago. People rather were expecting rise in end stock on month basis. MPOB estimated Palm oil export at 1.18 million ton, more than 25% higher compared to last month. Production also has started rising in Malaysia, but simultaneous rise in export offset the production factor. MPOB estimated the palm oil production in Malaysia in March at 1.24 million ton, up some 18% versus its production in Feb. Additional boost came from export data released by SGS and intertek for the first 10 days of April. Cargo surveyor SGS (Malaysia) Bhd estimated April 1-10 exports at 375,355 tons, up 30% on month. While Intertek Agri Services estimated April 1-10 exports at 403,354 tons, up 48% on month.

BMD: CPO Futures (10.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1386	1389	1407	1384	1407	+21	154
May 06	1407	1411	1433	1406	1433	+26	1489
Jun 06	1422	1423	1446	1420	1446	+24	4978
Jul 06	1431	1434	1455	1430	1455	+24	1032
Aug 06	1438	1435	1458	1435	1458	+20	128

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets moved up amid positive sentiments in most markets. Palm oil prices followed the soy oil prices. Both are traditional rivals of each other. Strong Vayda Bazaar on GM concerns brought

positive impact on spot market prices. CPO futures settled higher at BMD Exchange on Monday. Malaysian palm oil stock declined at the end of March, while people were expecting stock burdensome. Stock is declined, despite higher production only due to increased export demands. 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	10.04.06	8.04.06	Change
Kandla CPO (5 % FFA)	358	355	+3
Kandla RBD Palmolein	381	380	+1
Mumbai RBD Palmolein	380	377	+3
Chennai RBD Palmolein	391	387	+4
Kakinada RBD Palmolein	375	374	+1
Hyderabad RBD Palmolein	410	408	+2

Refined Soy oil

Today soybean oil prices on domestic spot markets rise sharply amid positive market sentiments. NCDEX and NBOT April contract refined soy oil price settled higher prices as compared to previous closing price only due to declaration of GM oil libelling on imported product. Refined soy oil prices quoted at Rs 385 and 388 per 10 kg in Kota and Jaipur mandi respectively, it is higher Rs 10 as compared to Saturday. Total arrivals of soybeans were remains about 45000-55000 in major markets. Prices are expected to improve in near term due to declaration of GMO status on soy oil import.

CIF soy (April Shipment) at Kandla was quoted at \$ 497 per tonne.

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

Centres	10.04.06	8.04.06	Change
Mumbai (Soy Ref oil)+VAT	378	373	+5
Indore (Soy Ref oil)	379	368	+11
Indore (Solvent Ex. Oil)+VAT	352	336	+18
Kota (Soy Ref. Oil)	385	375	+10
Jaipur (Soy Ref. Oil)	388	378	+10
Hyderabad (Soy Ref)	392	392	0
Chennai	386	385	+1
Rajkot (Soy Ref)+Tax	375	373	+2

Rape/Mustard oil

Mustard oil prices on domestic spot markets moved up in most markets owing to higher prices of soy oil. Prices of all edible oil bullish sentiments due to strong Vayda bazaar on GMO concerns. Total arrivals in Rajasthan were about 1.50 to 2.00 lakh. Arrivals were low because most of markets were closed due to strike of labours for higher wages in Rajasthan. Mustard oil prices are expected to move range bound with positive sentiments in near terms.

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

Centres	10.04.06	8.04.06	Change
Mumbai (Rape Expeller Oil)	380	373	+7
Kota (Rape Expeller Oil)+VAT	360	355	+5
Jaipur (Rape Expeller Oil)+VAT	363	358	+5
Delhi (Rape Expeller Oil)	375	372	+3
Neewai (Kachchi Ghani Rape Oil)	365	361	+4

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets witness as steady to positive sentiments. Strong Vayda bazaar on GMO labelling brought positive impact on all edible oil prices. Arrivals in Gujarat were remains about 30000-35000 bags. Groundnut seeds were quoted Rs349 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments due to dearth supply and higher prices of soy oil.

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

Centres	10.04.06	8.04.06	Change
Mumbai	471	462	+9
Rajkot	470	468	+2
Andhra Region	480	480	0
Chennai	445	445	0

Sunflower Refine Oil

Sunflower oil prices on physical markets showed bullish sentiments in the market. Sunflower oil prices improved due to mounting prices on soy oil futures on NCDEX Monday on account of genetically modified labeling on imported product. CIF prices for sunflowers (April Shipment) at Kandla port remain quoted to \$ 605 per tonnes. Sunflower oil prices are expected to move range bound with positive sentiments due to harvesting pressure and higher prices of other edible oil in markets.

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

Markets	10.04.06	8.04.06	Change
Mumbai +Vat	425	425	0
Chennai	442	440	+2
Hyderabad	440	435	+5

Cotton Refine Oil

Today cotton oil prices on spot markets gone up amid positive sentiments in most of markets. Cotton oil prices followed the soy oil prices. Higher prices of soy oil on spot markets and futures prices supported to boost up its prices. Cotton oil prices are expected to move range bound with positive sentiments in near term.

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

Markets	10.04.06	8.04.06	Change
Mumbai	388	383	+5
Hyderabad	393	386	+7
Rajkot	385	382	+3

NBOT Soy oil futures as on 10.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	386.10	393.00	393.60	391.70	393.60	+7.50	5610
May'06	395.70	401.00	403.20	398.50	402.90	+7.20	43890

NCDEX Soy Oil Futures Surges Remain on GMO Concerns

NCDEX April soy oil contract prices settled up sharply on Monday. Prices jumped sharply on NCDEX only on GMO labelling are required on imported soy oil declared by GOI. Soy oil futures prices settled up Rs 9.10 at Rs 397.40/10 Kg, The prices were in a range of Rs 389.20 to Rs 397.40. Soy oil prices are expected to open firm and it may decline later on Tuesday.

NCDEX Soy oil futures as on 10.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	388.30	389.20	339.40	389.20	397.40	12110	12870
May'06	396.00	397.30	404.90	397.30	404.30	39450	26880

Forex Rates (As on 10.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.74
European Union	Euro	54.14
Japan	100 Yen	37.84
United Kingdom	Pound Sterling	77.95

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

JN Port is receiving 12,000 MT of SBO from the vessel 'Process'. The cargo was loaded from Brazil. Interocean agents is handling the vessel.

'Vernal Grace' from Malaysia has berthed at Chennai Port and continues to deliver 3,500 MT of palm oil. James Mackintosh agents is handling the vessel.

'Emirates Swan' has berthed at Kolkata Port and continues to deliver 8,000 MT of CPO. Forbes Gokak agents is handling the vessel. The port is expecting 'Khadijah' to discharge 5,000 MT of CPO.

'Montano Casino' has berthed at Mundra Port and continues to discharge 11,000 MT of SBO. Interocean agents is handling the vessel.

Tuticorin Port is receiving 7,000 MT of palm oil from the vessel 'Global Saturn'. The vessel is being handled by St.John agents.

'Rising One' is expected at Cochin Port from Kandla Port to deliver 3,200 MT of SBO. Interocean agents will be handling the vessel.

Delivery of 11,000 MT of CPO is expected at Kakkiada Port from the vessel 'Pacific Sound'.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Emirates Swan	8000	CPO	Arrived
	Khadijah	5000	CPO	Expected
JN Port	Process	12000	SBO	Arrived
Chennai	Vernal Grace	3500	Palm Oil	Arrived
Kakinada	Pacific Sound	11000	CPO	Expected
Cochin	Rising One	3200	SBO	Expected
Mundra	Montano Casino	11000	SBO	Arrived
Tuticorin	Global Saturn	7000	Palm Oil	Arrived

except **isolated** rain/ thundershowers over south Tamil Nadu and Kerala. Temperatures likely to increase by 2-3° C over the region.

WEST INDIA: Weather will be mainly dry over the region except **isolated** rain/thundershowers are likely over north Rajasthan on 9th & 10th.

CENTRAL INDIA: Weather will be mainly dry over the region. The day temperatures in this region are likely to increase further by 1-2° C with heat wave spreading over other parts of central India.

WARNING

Heavy rainfall/snowfall at isolated places over Western Himalayan region.

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

Rainfall/snowfall activity is likely to decrease over the Western Himalayas.

Source: IMD, GOI.

LATEST WEATHER WATCH

Forecast valid for next 5 days

NORTH-WEST INDIA: Scattered to fairly wide spread rain/snow over Jammu & Kashmir and Himachal Pradesh. Isolated rain/snow also likely over Uttaranchal from 9th. Rain/thundershowers **at a few places** over Punjab and Haryana including Delhi on 9th & 10th. Mainly dry weather over the rest region. Decrease in temperature over plains of northwest India from 10th.

EAST INDIA: Rain/thundershowers accompanied with **isolated** hail/squall are likely **at a few places** over West Bengal & Sikkim and **isolated** over Bihar and coastal Orissa. Mainly dry weather is likely over rest region.

NORTHEAST INDIA: Rain/thundershowers with **isolated** hail/squall **at few places** over Arunachal Pradesh, Assam & Meghalaya and at **isolated** places over the rest region.

SOUTH INDIA: Weather will be mainly dry over the region

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