

VEGOIL

April 19, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Spurt Higher
- BMD CPO Futures Settle Lower
- NCDEX May Contract Soy Oil Futures Ends Down

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD is moving upwards with slightly down tilt, which indicates medium term mildly bearish sentiments.
2. % K line has just turned downwards sharply and crossed % D line from up, which indicates bearish market sentiments.
3. Prices closed above 9 days EMA (402.20) and 18 days (396.83), which indicates bullish sentiments.

4. Candlestick pattern shows bearish market sentiments.

Market Advice: Market is expected to move range bound with weak sentiments. Sell near 406.80, targets near 403.70 and put stop loss at 408.40.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	403.50	401.20	408.50	411.30

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 Spurt Higher

May Soybeans settled up 8.50 cent at \$5.715/bushel, 3.50 cent off the high and 9.75 cent up from the low. November Soybeans settled up 8.25 cent at \$6.045, which was 9.50 cent up from the low and 3.50 cent off the high. May Soymeal settled up \$4.1 at \$177.5/ton that was \$2.9 up from the low and \$0.9 off the high. May Soybean Oil closed up 0.14 cent at 22.7 cent/pound, 0.28 cent off the high and 0.05 cent up from the low. Soybean gain early strength from the market of gold and crude oil as these commodities are soaring high. The NOPA monthly crush report reveals March crush at 142.9 million bushels, which is marginally higher as compared with trade expectations near 140.8 million bushels. The slightly higher crush margin from the report of NOPA further provided underlying support. In addition, meal closed near the highs thereby supporting the soybean, as there were speculative short coverings. Oil followed the meal and ended with positive note but closed near its low and unable to maintain its early bounce. Export inspections for soybeans remain in the range at 11.5 million bushels as compared to trade expectations between 10-15 million. The weather in the Mid West is wet and expected to delay the soybean plantings, which provide additional support to the soy complex.

CBOT Soy oil futures as 17.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.56	22.68	22.98	22.58	22.70	+0.14
Jul '06	22.99	23.09	23.40	22.97	23.13	+0.14
Aug'06	23.19	23.25	23.48	23.27	23.34	+0.15
Sep'06	23.39	23.48	23.72	23.48	23.53	+0.14

CBOT remains closed on Saturday and Sunday.

BMD CPO Futures Settle Down Slightly

Crude palm oil futures on the Bursa Malaysia Derivatives settled slightly lower on Tuesday. The benchmark July CPO contract settled at MYR1,468 a metric ton, down MYR2 from Monday after moving between MYR1,464 to MYR1,478/ton. Participants booked profit from recent gain due to lack of fundamental of SND. Participants were waiting export estimates for the period of April 1-20, and an Industry conference this weekend. Prices could not go down sharply only because the participants were optimistic about bio diesel demands on account of rise in crude oil prices recently to above \$70 per barrel.

BMD: CPO Futures (18.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1432	1431	1439	1428	1430	-2	420
May 06	1456	1460	1464	1452	1454	-2	1408
Jun 06	1470	1472	1478	1464	1468	-2	2842
Jul 06	1477	1478	1485	1474	1474	-3	570
Aug 06	1479	1485	1485	1474	1478	-1	47

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets range bound with weak sentiments in most markets amid lower demand at retail ends. Government of India cuts base import prices at \$10/MT on all categories on palm oil. Reduction in base import prices brought negative impact on its prices. Palm oil prices are expected to move range bound with weak sentiments in near term.

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

Centres	18.04.06	17.04.06	Change
Kandla CPO (5 % FFA)	363	365	-2
Kandla RBD Palmolein +VAT	380	380	0
Mumbai RBD Palmolein +VAT	380	382	-2
Chennai RBD Palmolein +VAT	393	395	-2
Kakinada RBD Palmolein +VAT	374	375	-1
Hyderabad RBD Palmolein +VAT	395	395	0

Refined Soy oil

Today soybean oil prices on domestic spot markets moved with mixed sentiments amid low demands at retail ends. NCDEX May refined soy oil contract settled down as compared to previous closing prices. Govt. of India cuts tariff value on crude soy oil import from \$524/MT to \$518/MT (down \$6/MT). Arrivals of soybeans were about 50,000 to 52,000 bags (bag=85 Kg) in major markets. Soy oil prices were quoted Rs 385 and Rs 388 per 10 kg excluding VAT in Kota and Jaipur respectively; it is decline slightly as compared to previous trading day. CIF soy (April Shipment) at Kandla quoted at \$ 497 per tonnes. Prices are expected to move range bound with weak sentiments in near terms.

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

Centres	18.04.06	17.04.06	Change
Mumbai (Soy Ref oil)+VAT	381	382	-1
Indore (Soy Ref oil)+VAT	385	383	+2
Indore (Solvent Ex. Oil)+VAT	358	358	0
Kota (Soy Ref. Oil)+VAT	385	388	-3
Jaipur (Soy Ref. Oil)+VAT	388	390	-2
Hyderabad (Soy Ref)+VAT	384	383	+1
Chennai +VAT	390	390	0
Rajkot +VAT	377	377	0

Rape/Mustard Oil

Mustard oil prices on domestic spot markets moved slightly down in most markets amidst weak market sentiments. Today's arrivals were about 5000-6000 bags in Neewai mandi, 15000 bags in Kota and 25000 bags in Jaipur mandi. Arrivals in Rajasthan were about 3.5 lakh bags in Rajasthan and 80,000-90,000 bags in Madhya Pradesh and about 5 lakh bags in India (bags= 85 kg). Mustard seeds prices were quoted Rs 1480-1510 in Kota and 1630-35 in Jaipur mandi. Mustard oil prices are expected to decline slightly on account of harvesting pressure amid favourable weather.

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

Centres	18.04.06	17.04.06	Change
Mumbai (Rape Expeller Oil)	379	382	-3
Kota (Rape Expeller Oil)+VAT	360	362	-2
Jaipur (Rape Expeller Oil)+VAT	363	365	-2
Delhi (Rape Expeller Oil)	388	390	-2
Neewai (Kachchi Ghani Rape Oil)	371	371	0

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets were witnessed weak sentiments amid lower demands at retail ends. Today's arrivals of groundnut seeds were about 35,000-40,000 bags (bags=35 kg). Groundnut seeds were quoted Rs350 per 20 kg in Rajkot mandi, it is down slightly as compared to previous trading day. Today's arrivals were about 7000 bags (bag=80 kg) in Chennai markets. GN oil prices are expected to move range bound in near term.

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

Centres	18.04.06	17.04.06	Change
Mumbai +VAT	477	478	-1
Rajkot +VAT	467	470	-3
Andhra Region +VAT	477	476	+1
Chennai +VAT	445	445	0
Delhi	490	495	-5

Sunflower Refine Oil

Sunflower oil prices on physical markets improved slightly in most markets. CIF prices for sunflowers (April Shipment) at Kandla port were quoted to \$ 635 per tonnes, up \$25 per ton from \$610/ton. Delayed harvesting in Tamil Nadu also added positive sentiments. Sunflower oil prices are expected to move range bound with positive sentiments.

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

Markets	18.04.06	17.04.06	Change
Mumbai +Vat	435	432	+3
Chennai	450	447	+3
Hyderabad	438	438	0

Cotton Refine Oil

Today cotton oil prices on spot markets went down slightly amid weak market sentiments in most markets. Cotton oil prices followed soy oil prices. Weak future markets and lower demands at retail ends brought negative impact on its prices. Cotton oil prices are expected to move range bound with weak sentiments in near term.

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

Markets	18.04.06	17.04.06	Change
Mumbai +VAT	395	395	0
Hyderabad +VAT	385	390	-5
Rajkot + VAT	384	385	-1
Delhi	388	390	-2

NBOT Soy oil futures as on 18.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	409.50	408.90	409.00	404.40	405.40	-4.10	47270
Jun'06	415.10	0.00	0.00	0.00	0.00	-415.10	0

NCDEX Soy Oil Futures Settle Down

NCDEX May soy oil contract prices settled down on Tuesday. Government of India cuts the base import prices on crude soy oil imports from \$624/MT to \$518/MT (down \$6/MT). Import of crude soy oil surged to 169800 MT in the March 2006 and it was 53446 MT in March 2005. Soy oil futures prices settled down Rs 2.85 at Rs 405.75/10 Kg, Rs 3.30 off the high and Rs 1.75 up from the low. The prices moved in a range of Rs 404.00 to Rs 409.05. Soy oil prices are expected to move range bound with weak sentiments due to cuts in tariff value.

NCDEX Soy oil futures as on 18.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	400.90	399.50	400.00	396.60	397.75	590	6050
May'06	409.60	409.05	409.05	404.00	405.75	21060	32490
June'06	414.10	412.95	413.20	408.50	410.90	5040	14830

Forex Rates (As on 18.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.15
European Union	Euro	55.34
Japan	100 Yen	38.34
United Kingdom	Pound Sterling	79.97
Malaysia	Ringgit (MYR)	12.29

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

'Hua Yun 4' has berthed at Kolkata Port and continues to deliver 6,426 MT of CPO. Delivery of 6,499 MT of palm oil is continuing at the port from the vessel 'Pacific Sound'. The port is receiving 7,796 MT of CPO from the vessel 'Sima Kaze'. Seaport agents is handling these vessels. 'Khadijah' has berthed at the port and continues to discharge 5,000 MT of CPO. Alap agents is handling the vessel.

Delivery of 6,200 MT of CPO is continuing at Kandla Port from the vessel 'Olympic'. The cargo was loaded from Indonesia. Forbes Gokak agents is handling the vessel. The port is expecting 'Jo Selje' to deliver 12,750 MT of SBO. The vessel will be handled by Interocean agents.

'Nora' has berthed at Mundra Port and continues to discharge 11,405 MT of SBO. Interocean agents is handling the vessel.

'Countess' has berthed at Kakkinada Port and continues to deliver 3,000 MT of CPO. Delivery of 11,000 MT of CPO was completed at Kakkiada Port from the vessel 'Pacific Sound' and sailed off. The port is expecting 'Thressa II',

`Spring Wind' `Chelesa' to deliver 12,000 MT of CPO, 4,000 MT of CPO and 21,000 MT of SBO respectively.

Chennai Port is receiving 5,900 MT of palm oil from the vessel `Tirta Niaga'. Interoccean agents is handling the vessel. The port received 2,700 MT of palm oil from the vessel `Countess'. The vessel was handled by Seaport agents. The port is expecting `Spring Wind' to deliver 3,000 MT of palm oil. Seaport agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Hua Yun 4	6426	CPO	Arrived
	Pacific Sound'	6499	Palm Oil	Arrived
	Sima Kaze	7796	CPO	Arrived
	Khadijah	5000	CPO	Arrived
Chennai	Countess	2700	Palm Oil	Arrived
	Tirta Niaga	5900	Palm Oil	Arrived
	Spring Wind	3000	Palm Oil	Expected
Kakinada	Pacific Sound	11000	CPO	Arrived
	Countess	3000	CPO	Arrived
	Thressa II	12000	CPO	Expected
	Spring Wind	4000	CPO	Expected
	Chelesa	21000	SBO	Expected
Kandla	Jo Selje	12750	SBO	Expected
	Olympic	6200	CPO	Arrived
Mundra	Nora	11405.	SBO	Arrived

Weather Forecast

WEST INDIA

Weather will be mainly dry over the region. The day temperatures over the region are 2-4 deg. C below normal which are likely to increase.

Outlook for subsequent two days based on NCMRWF:

1. Decrease in rain/thundershower activity over northeastern States.
2. Isolated light rainfall may commence again over Western Himalayas

Source: IMD

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