

VEGOIL

April 8, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Oil Futures Settle Up
- BMD CPO Futures Ends Up
- NCDEX April Contract Soy Oil Prices Surge Higher

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX April Contract

Technical Analysis for April Contract:

1. The MACD has just turned upwards and reached in positive zone from negative zone after crossing its signal line, which indicates medium term bullish sentiments.
2. % K line is moving upwards sharply in neutral zone after bullish crossover to % D line, which indicates bullish trends.

3. Prices closed far above 9 days (377.63) and 18 days (377.53) EMA, which indicates bullish sentiments.

Market Advice: Market is indecisive. Go short with cautions. Sell near 383.00 targets near 380.70 and stop loss at 384.30.

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX April '06	378.70	376.50	386.40	388.80

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 Oil Futures Settle Up

May Soybeans settled up 2.50 cent at \$5.64/bushel, 3.75 cent off the high and 3 cent up from the low. November Soybeans settled up 1.50 cent at \$5.9325/bushel which was 1.75 cent up from the low and 3.75 cent off the high. May Soybean Oil closed up 0.3 cent at 22.67 cent/pound, 0.03 cent off the high and 0.33 cent up from the low. Soybean futures gain strong gain amidst strong gain in metal markets as well as strength in energy. Gain in other commodity also supported the soybean. Soy futures in CBOT gain technical buying support as the market was passing through extreme oversold condition as reveal from last Commitment-of-Traders report. Weekly US export sales for soybeans came well above the range at 368,800 metric tonnes as compared to trade expectations between 200,000-350,000. Meal sales were within the range at 68,200 metric tonnes as compared to trade expectations between 60,000-125,000. Weekly sales for soybean oil showed cancellations of 900 metric tonnes as compared to trade expectations of 0-10,000 tonnes. China purchased 4.98 million tonnes of US soybeans and 20,000 tonnes of US soybean oil.

CBOT Soy oil futures as 06.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	22.37	22.55	22.70	22.34	22.67	+0.30
Jul '06	22.80	22.95	23.10	22.76	23.09	+0.29
Aug'06	22.96	23.12	23.25	22.97	23.25	+0.29
Sep'06	23.15	23.33	23.42	23.15	23.42	+0.27
Oct '06	23.34	23.55	23.65	23.37	23.65	+0.31
Dec'06	23.69	23.85	24.02	23.64	24.00	+0.31
Jan'07	23.90	24.02	24.18	24.02	24.18	+0.28

CBOT remains closed on Saturday and Sunday.

BMD CPO Futures Settle Up

Crude palm oil futures at Bursa Malaysia Derivatives settled higher on Friday amid bio diesel concerns and technical corrections. Benchmark June CPO contract settled at MYR1,422 a metric ton, up MYR9 from Thursday after moving in range of MYR1,416 to MYR1,424. Positive CBOT settlement for soy oil future supported to bulls in the market.

BMD: CPO Futures (07.04.2006) (Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
Apr 06	1379	1380	1385	1380	1385	+6	85
May 06	1400	1404	1410	1402	1407	+7	2001
Jun 06	1413	1418	1424	1416	1422	+9	2870
Jul 06	1424	1427	1433	1425	1431	+7	867
Aug 06	1431	1430	1437	1430	1436	+5	99

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets witnesses as range bound with positive sentiments in most markets. BMD CPO future settled higher on Friday. 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	7.04.06	6.04.06	Change
Kandla CPO (5 % FFA)	351	353	-2
Kandla RBD Palmolein	372	370	+2
Mumbai RBD Palmolein	376	375	+1
Chennai RBD Palmolein	384	383	+1
Kakinada RBD Palmolein	372	370	+2
Hyderabad RBD Palmolein	400	395	+5

Refined Soy oil

Today soybean oil prices on domestic spot markets showed mixed sentiments. Prices improved in some markets due to VAT and declaration of GMO status on imported oil. Prices declined due to lower demands at retail ends. NCDEX and NBOT April contract refined soy oil price surged higher as compared to previous closing price. Today arrivals were about 45000-50000 bags in major markets. Prices are expected to improve slightly in near term due to declaration of GMO on Imported oil and depleting stock.

CIF soy (April Shipment) at Kandla were quoted at \$ 499 per tonne, it is increased slightly as compared to previous trading.

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

Centres	7.04.06	6.04.06	Change
Mumbai (Soy Ref oil)+VAT	367	370	-3
Indore (Soy Ref oil)	363	368	-5
Indore (Solvent Ex. Oil)+VAT	335	338	-3
Kota (Soy Ref. Oil)	368	367	+1
Jaipur (Soy Ref. Oil)	372	370	+2
Hyderabad (Soy Ref)	384	383	+1
Chennai	376	377	-1
Rajkot (Soy Ref)+Tax	368	368	0

Rape/Mustard oil

Mustard oil prices on domestic spot markets range bound with positive sentiments in most of markets. Today arrivals were about 5000 bags in Kota, 10000-12000 in Jaipur mandi. Total arrivals in Rajasthan were about 2.50 to 3.00 lakh. Declaration of GMO status on imported oil brought positive impact on its prices. 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	7.04.06	6.04.06	Change
Mumbai (Rape Expeller Oil)	372	370	+2
Kota (Rape Expeller Oil)+VAT	345	343	+2
Jaipur (Rape Expeller Oil)+VAT	348	346	+2
Delhi (Rape Expeller Oil)	368	366	+2
Neewai (Kachchi Ghani Rape Oil)	355	353	+2

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets were showed lacklustre in most markets. Local demands are increased owing to dearth supply. Arrivals in Gujarat were around 30000-35000 bags. Groundnut seeds were quoted Rs345 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments due to lower supply and increasing demands at retail ends.

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

Centres	7.04.06	6.04.06	Change
Mumbai	458	450	+8
Rajkot	462	465	-3
Andhra Region	470	470	0
Chennai	445	445	0

Sunflower Refine Oil

Sunflower oil prices on physical markets showed mixed sentiments in the market. Harvesting is in progress in major producing states. Prices improved Mumbai markets due to hike in prices of other edible oil. CIF prices for sunflowers (April Shipment) at Kandla port remain quoted to \$ 599 per tonnes, up \$8/ton as compared to Thursday. 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	7.04.06	6.04.06	Change
Mumbai +Vat	422	420	+2
Chennai	437	438	-1
Hyderabad	430	430	0

Cotton Refine Oil

Today cotton oil prices on spot markets showed steady to positive sentiments in most of the markets. Lower supply of cottonseeds and higher prices of other edible oil brought positive impact on 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	7.04.06	6.04.06	Change
Mumbai	380	379	+1
Hyderabad	382	382	0
Rajkot	376	375	+1

NBOT Soy oil futures as on 7.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
Apr '06	377.30	378.00	383.40	376.40	382.70	+5.40	12450
May'06	382.50	382.80	390.00	381.80	390.00	+7.50	33800

NCDEX Soy Oil Futures Ends Up Sharply

NCDEX April soy oil contract prices settled up on Friday. Government of India is announced about GMO status on imported edible oil to restrict soy oil import in the interest of local mustard oil. Soy oil futures prices settled up Rs 5.85 at Rs 383.50/10 Kg, Rs 1.35 off the high and Rs 6.80 up from the low. The prices moved in a range of Rs 376.70 to Rs 384.85. Soy oil prices are expected to move range bound with positive sentiments in near term.

NCDEX Soy oil futures as on 7.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
Apr'06	377.65	378.25	384.85	376.70	383.50	14890	14950
May'06	383.20	383.45	392.30	381.85	390.40	27420	17940
Jun'06	387.50	388.50	397.45	386.50	395.40	2230	3980

Forex Rates (As on 07.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.63
European Union	Euro	54.48
Japan	100 Yen	37.91
United Kingdom	Pound Sterling	78.20

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

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

JN Port is receiving 9,000 MT of CPO from the vessel 'Global Venus'. The port is expecting 'Process' from Brazil to discharge 12,000 MT of SBO. Interocean agents will be handling the vessel.

Chennai Port is expecting 'Vernal Grace' from Malaysia to deliver 3,500 MT of palm oil. The vessel will be handled by James Mackintosh 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.

New Mangalore Port is receiving 6,000 MT of CPO from the vessel 'Isokaze'. The vessel is being handled by Interocean agents.

'Montano Casino' is expected at Mundra Port to discharge 11,000 MT of SBO. InterOcean agents will be handling the vessel.

Tuticorin Port is expecting 'Global Saturn' to deliver 7,000 MT of palm oil. The vessel will be handled by St.John agents.

Delivery of 11,000 MT of CPO is expected at Kakkiada Port from the vessel 'Pacific Sound'. The port is expecting 'Vernal Grace' to deliver 4,000 MT of CPO.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Kolkata	Emirates Swan	8000	CPO	Arrived
	Fair Luna	18500	SBO	Arrived
	Khadijah	5000	CPO	Arrived
JN Port	Global Venus	9000	CPO	Arrived
	Process	12000	SBO	Arrived
Chennai	Vernal Grace	3500	Palm Oil	Expected
Kakinada	Pacific Sound	11000	CPO	Expected
Cochin	Rising One	3200	SBO	Expected
New Manglore	Isokaze	6000	CPO	Arrived
Mundra	Montano Casino	11000	SBO	Arrived
Tuticorin	Global Saturn	7000	Palm Oil	Expected

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 accompanied with hail/squall are likely at a few places over West Bengal & Sikkim and isolated over Bihar, Jharkhand and Orissa. Mainly dry weather is likely over East Uttar Pradesh.

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

SOUTH INDIA: Weather will be mainly dry over the region except isolated rain/thundershowers over Andaman & Nicobar Islands, South Interior Karnataka and Kerala.

WEST INDIA: Weather will be mainly dry over the region with increase in day temperatures.

CENTRAL INDIA: Weather will be mainly dry over the region. The day temperatures in this region also are likely to increase by 1-2° C.

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

Scattered thundershowers activity over northeastern states is likely to continue.

Scattered rain/snow is likely over the Western Himalayas on 9th -10th April.

Source: IMD, GOI.

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