

VEGOIL

April 29, 2006

MAJOR ACTIVITY HIGHLIGHTS

- CBOT Soy Futures Settle Up
- BMD CPO Futures Ends Higher on Soy oil Gains
- NCDEX May Contract Soy Oil Futures Settle Up

TECHNICAL ANALYSIS

COMMODITY: SOY OIL

Perspective: Very Short Term
NCDEX May Contract

Technical Analysis for May Contract:

1. The MACD is moving northwards after crossing its signal line from below, which indicates bullish market.
2. % K line has just turned upwards in neutral zone after bullish crossover to % D line, which indicates bullish market sentiments.
3. Prices closed far above 9 and 18 days EMA (411.87) and (406.65), which indicates bullish market sentiments.

4. Candlestick pattern showing bullish market sentiments.

Market Advice: Market is expected to improve further. Buy near 417.50, target near 423.30 put stop loss at 414.50

Resistance & Support Levels (Most Active Contract)

Contract	Supp 1	Supp 2	Res 1	Res 2
NCDEX May '06	414.80	412.00	423.60	428.30

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 Oil Futures Settle Up

July Soybeans settled up 0.50 cent at \$5.9025/bushel, 0.50 cent off the high and 8 cent up from the low. November Soybeans settled down 0.75 cent at \$6.095, which was 6.50 cent up from the low and 1 cent off the high. July Soybean meal settled down \$1.7 at \$171.9/pound that was \$0.8 up from the low and \$0.9 off the high. July Soybean Oil closed up 0.45 cent at 25.65 cent/pound, 0.02 cent off the high and 0.69 cent up from the low. Weakness in other commodity markets influenced by the news of higher interest rates from China drag down the prices initially. Cancellation of all the licenses for poultry imports by Russia further added to its bearish tone. Firmness in the July soybean oil supported the July soybean, which finally closed firm and remain in tandem with the oil. Talk of increased bio-diesel usage to supplement the energy demand combined with the bullish news from crush report helped to surge in the prices. Weekly US export sales for soybeans remain at 112,000 metric tonnes, which remain below the trade expectations between 200,000-300,000 metric tonnes. Meal sales came much below at 18,500 metric tonnes as compared to trade expectations between 75,000-125,000. Soybean oil performed well and remain at 8,500 metric tonnes as compared to trade expectations between 0-10,000. Census crush for the month of March remain marginally higher at 150.4 million bushels as compared to trade expectations between 148.5-149.5 million bushels. Oil stocks remain at 2.686 billion pounds than 2.765 billion pounds expected.

CBOT Soy oil futures as 27.04.2006 (Cents/pound)

Months	PCP	Open	High	Low	Close	Change
May'06	24.77	24.58	25.20	24.52	25.17	+0.40
Jul '06	25.20	25.00	25.67	24.96	25.65	+0.45
Aug'06	25.37	25.20	25.85	25.17	25.84	+0.47
Sep'06	25.55	25.50	26.00	25.36	26.00	+0.45

CBOT remains closed on Saturday and Sunday.

BMD CPO Futures Settle Up On Soy Oil Gain

Crude palm oil futures at Bursa Malaysia Derivatives settled higher on Friday on account of gains in CBOT soy oil futures. The benchmark July CPO contract settled at MYR1,481 a metric ton, up MYR8 from Thursday. July soy oil on the Chicago Board of Trade settled 45 points higher overnight at 25.65 cents a pound. Malaysia observes a national holiday for Labor Day Monday. The trader were waiting for exports figure for Malaysian palm oil for the month of April, which are due to issue on May 2 by cargo surveyors SGS (Malaysia) Bhd and Intertek Agri Services. The expected figure of 1.2 million tons represents an improvement over the volume of 1.06 million tons in March. Official production figures are due to be issued on May 10 by the Malaysian Palm Oil Board. There is talk in the market production of palm oil may increase by 15 % at the end of April. Malaysia's CPO production totaled 1.24 million tons in March. Overall, both production and exports can be expected to go up in April. With this kind of fairly

balanced supply and demand situation, stocks won't change much. The ringgit rose to its highest level since April 1998 this week, following a surprise move by the central bank to raise interest rates. Strengthening of the currency would be a bearish factor for the palm oil industry.

BMD: CPO Futures (28.04.2006)

(Ringgit/ton)

Months	Previous	Open	High	Low	Close	Change	Volume
May 06	1439	1442	1445	1440	1441	+2	260
Jun 06	1457	1463	1470	1460	1463	+6	718
July 06	1473	1479	1487	1477	1481	+8	4813
Aug 06	1480	1485	1494	1485	1490	+10	659
Sep 06	1482	1487	1497	1487	1494	+12	272

BMD remains closed on Saturday and Sunday.

Palm Oil

Today palm oil prices on spot markets were steady to positive sentiments in most markets. Palm oil prices followed soy oil prices. Strong futures market of soy oil on NCDEX brought positive impact on its prices. Government of India is revised higher base import prices on all categories of palm oil, up \$7 per ton as compared to previous base import prices. Palm oil prices are expected to improve further in near term.

FOB prices of CPO (May) were quoted at \$ 395 per tonne and RBD Palmolein at \$ 425 per tonne.

Palm oil - Spot Market Price

(Rs. Per 10 kg)

Centres	28.04.06	27.04.06	Change
Kandla CPO (5 % FFA)	370	370	0
Kandla RBD Palmolein +VAT	385	385	0
Mumbai RBD Palmolein +VAT	391	390	+1
Chennai RBD Palmolein +VAT	404	402	+2
Kakinada RBD Palmolein +VAT	384	384	0
Hyderabad RBD Palmolein +VAT	404	402	+2
Delhi RDB Palmolein	432	430	+2

Refined Soy Oil

Soybean oil prices on domestic spot markets remain firm in most markets on Friday amid positive market sentiments. NCDEX May refined soy oil contract settled higher as compared to previous closing. Today government of India revised higher tariff value on all categories of palm oil (up \$7 as compared to previous tariff value). Soybean prices improved due to increase in rake freight charges on soybean and meal. Arrivals of soybeans were about 45,000-50,000 bags (bag=85 Kg) in major markets. Prices are expected to improve further in near terms due to strong futures markets and depleting stock.

Prices for soy degum (High-Seas) at Kandla were quoted at Rs 372 per 10 kg. CIF Prices for soy at Kandla were quoted at \$ 535 per tonne, up \$7 per ton as compared to Thursday.

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

Centres	28.04.06	27.04.06	Change
Mumbai (Soy Ref oil)+VAT	407	405	+2
Indore (Soy Ref oil)+VAT	404	402	+2
Indore (Solvent Ex. Oil)+VAT	366	363	+3
Kota (Soy Ref. Oil)+VAT	400	395	+5
Jaipur (Soy Ref. Oil)+VAT	402	400	+2
Hyderabad (Soy Ref)+VAT	395	390	+5
Chennai +VAT	398	395	+3
Rajkot +VAT	390	385	+5

Rape/Mustard Oil

Mustard oil prices on domestic spot markets remain witnessed mixed sentiments in the markets. Today's arrivals were about 2500 bags in Neewai mandi, Arrivals in Rajasthan were about 2.50-3.00 lakh bags in Rajasthan and 65,000–70,000 bags in Madhya Pradesh. Arrivals were about 4.00 lakh bags in India. Mustard seeds prices were quoted Rs 1550-1580 in Kota and 1680 per quintal in Jaipur mandi. Mustard oil prices are expected to move range bound with positive sentiments in near term.

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

Centres	28.04.06	27.04.06	Change
Mumbai (Rape Expeller Oil)	382	383	-1
Kota (Rape Expeller Oil)+VAT	370	368	+2
Jaipur (Rape Expeller Oil)+VAT	372	372	0
Delhi (Rape Expeller Oil)	393	391	+2
Neewai (Kachchi Ghani Rape Oil)	377	375	+2

Groundnut Refine Oil

Today groundnut oil prices on domestic spot markets has displayed steady in most markets. Today's arrivals of groundnut seeds were remained about 30,000 bags (bags=35 kg) in Gujarat. Arrivals in Chennai market were about 6000 bags (bags=80kg) Groundnut seeds were quoted Rs352 per 20 kg in Rajkot mandi. GN oil prices are expected to move range bound with positive sentiments in near term due to strong future markets of soy oil and higher prices of soy oil on spot market.

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

Centres	28.04.06	27.04.06	Change
Mumbai +VAT	472	473	-1
Rajkot +VAT	468	467	+1
Andhra Region +VAT	480	480	0
Chennai +VAT	445	445	0
Delhi	510	510	0

Sunflower Refine Oil

Sunflower oil prices on physical markets revealed mixed sentiments in the markets. Higher prices of soy oil brought positive sentiments on its prices. CIF prices for sunflowers (April Shipment) at Kandla port were quoted remain \$640 a ton on Friday. Sunflower oil prices are expected to move range bound in near term.

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

Markets	28.04.06	27.04.06	Change
Mumbai +Vat	440	438	+2
Chennai	448	450	-2
Hyderabad	445	442	+3

Cotton Refine Oil

Today cotton oil prices on spot markets moved up in most markets amid positive sentiments. Strong soy futures market on NCDEX brought positive impact on its prices. Cotton oil prices followed soy oil 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	28.04.06	27.04.06	Change
Mumbai +VAT	400	400	0
Hyderabad +VAT	405	395	+10
Rajkot + VAT	395	390	+5
Delhi	402	400	+2

NBOT Soy oil futures as on 28.04.2006 (Rs/10 kg)

Months	PCP	Open Price	High Price	Low Price	Close Price	Change	Volume
May'06	414.40	415.80	421.90	414.40	419.00	+4.60	43020
Jun'06	423.00	424.50	430.50	424.00	428.80	+5.80	2830

NCDEX Soy Oil Futures Remain Firm Up

NCDEX (May'06): Refined soy oil contract prices settled higher on Friday on higher demands of biodiesel and GMO issue. Today government of India revised higher tariff value on all categories of palm oil (up \$7 as compared to previous tariff value). Hike in tariff value on palm oil would bring positive impact in the market. Palm oil Soy oil futures prices settled up Rs 4.20 at Rs 419.00/10 Kg, Rs 4.50 off the high and Rs 4.40 up from the low. The prices moved in a range of Rs 414.60-423.50. Soy oil prices are expected to move range bound with positive sentiments in near term on biodiesel demands.

NCDEX Soy oil futures as on 28.04.2006 (Rs/10 kg)

Months	Previous Closing	Open Price	High Price	Low Price	Close Price	Volume	Open Interest
May'06	414.80	416.00	423.50	414.60	419.00	33890	17560
June'06	423.70	425.70	433.00	423.00	429.00	24470	29920
July '06	431.10	432.75	439.60	431.10	435.10	2200	3060

Forex Rates
(As on 28.04.2006)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.97
European Union	Euro	56.41
Japan	100 Yen	39.39
United Kingdom	Pound Sterling	81.04

Weather Forecast

Heat wave conditions over north Rajasthan, Punjab and Jammu division of Jammu & Kashmir has extended into more parts of these states and also Haryana and northwest Madhya Pradesh. They have become severe in some parts of Punjab and Jammu division. Heat wave conditions have also developed over south-coastal Andhra Pradesh and north coastal Tamilnadu. These heat wave conditions are likely to continue for next two days and may extend into some parts of northwest and central India.

Source: IMD

PORT-WATCH (Latest):

Edible Oil

'Biz' from Argentina is expected at Kandla Port to discharge 12,000 MT of SBO. Delivery of 6,700 MT of palm oil is expected at Kandla Port from the vessel 'Isokaze'. These vessels will be handled by Interocean agents. The port is expecting 'New Merry Ocean' from Indonesia to discharge 6,000 MT of CPO. Atlantic gents will be handling the vessel.

Delivery of 10,004 MT of palm oil is continuing at Mumbai Port from the vessel 'Golden Dream'. The vessel is being handled by Interocean agents. 'Isokaze' is expected at the port to deliver 9,500 MT of CPO. Interocean agents is handling the vessel.

New Mangalore Port is receiving 12,000 MT of CPO from the vessel 'Pagasus Seven'. Seaworld agents is handling the vessel.

Kakkanada Port is expecting 'Spring Wind' and 'Chelesa' to deliver 4,000 MT of CPO and 21,000 MT of SBO respectively.

'Agiasma' is expected at Chennai Port and to deliver 17,000 MT of SBO. Interocean will be handling the vessel.

Tuticorin Port is expecting 'Spring Glory' to discharge 7,000 MT of palm oil. St.John agents will be handling the vessel.

JN port is expecting 'Biz' from Argentina to deliver 20,000 MT of SBO. Interocean agents will be handling the vessel.

'New Merry Ocean' is expected at Mundra Port to discharge 9,000 MT of CPO. Taurus agents will be handling the vessel.

Current Vessels Positions

Ports	Vessels	Volume (Ton)	Carrying	Status
Chennai	Agiasma	17000	SBO	Expected
Kakinada	Spring Wind	4000	CPO	Expected
	Chelesa	21000	SBO	Expected
Kandla	New Merry Ocean	6000	CPO	Expected
	Biz	12000	SBO	Arrived
	Isokaze	6700	Palm Oil	Expected
Tuticorin	Spring Glory	7000	Palm Oil	Expected
Mumbai	Golden Dream	10004	Palm Oil	Arrived
	Isokaze	9500	CPO	Expected
JN port	Biz	20000	SBO	Expected
New Manglore	Pagasus Seven'	12000	CPO	Arrived
Mundra	New Merry Ocean	9000	CPO	Expected

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