

## OILSEED

14<sup>th</sup> October, 2005

- Soybean Price Firm

### TECHNICAL ANALYSIS

#### COMMODITY: SOYBEAN

Perspective: Very Short Term  
NCDEX November Contract

**Soybean seed November Contract** The contract opened above the last day's closing prices. It remained bullish today.

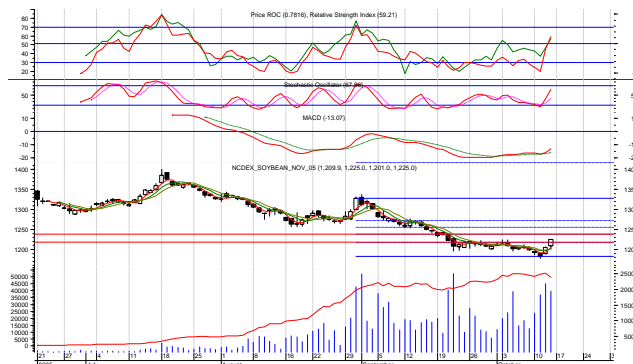
MA, PROC, MACD, Stochastic, RSI and Candlesticks all are indicating a bullish trend.

Market advice:

For the short term the sentiment is bullish. Remain Long.

**Advisable trade limits: (Support & Resistances)**

Contract	Supports	Resistances
November	1218.10	1238.00



#### COMMODITY: RAPESEED

Perspective: Very Short Term

NCDEX November Contract

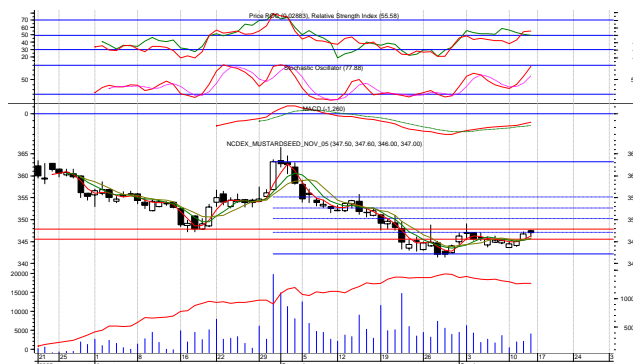
**Rapeseed seed November Contract** opened firm and ended slightly low today. Slightly Bearish sentiments may remain tomorrow as PROC, RSI, MA; candlesticks are indicating a bearish trend.

Market advice:

For the short-term the outlook is bearish. Go for Short position.

**Advisable trade limits: (Support & Resistances)**

Contract	Supports	Resistances
November	345.60	348.00



### DOMESTIC MARKET COMMENTARY

#### Soybean:

Soybean prices improved today at domestic spot markets as well as in futures market. Arrival of 125000 bags is reported in Madhya Pradesh. At Indore Plant delivery rate for Soybean seed quoted at Rs. 1165-70 in the morning and at Rs.1180-85 in the evening. Rainfall is witnessed in Andhra Pradesh, Karnataka, Maharashtra and Madhya Pradesh. Thus reducing the supply of Soybean today and improving the prices. Also soybean prices may improve in coming days if rainfall and groundnut crop damage continues. In Kota soybean changed hands in the range of 1165-80 and in Nagpur at 1245-50. In Dhulia it traded at Rs.1160 and in Latur at Rs. 1150. In Nanded Soybean was traded in the range of Rs. 1120-30. The estimated production of Soybean for 2005-06 is of 30 lakh tonnes in Madhya Pradesh and 6 lakh tonnes in Rajasthan,

Maharashtra 21 lakh tonnes, and Karnataka and others of 3 lakh tonnes. A total of 60 lakh tonnes of production is expected this year in India.

#### Rapeseed/Mustard:

Sowing of rapeseed has started in almost all the rapeseed cultivating areas and the crop usually arrives in April month. Auction rate at Sriganaganagar is of Rs. 1475 per quintal and rate with costs included is of Rs.1580-85 per quintal. NAFED is offering at the rate of Rs. 1600 per quintal, which is higher than rate at spot market. Around 21 lakh tonnes of stock is reported with NAFED. NAFED has also opened a tender for selling its stock of mustard seeds for some factory owners at Sriganaganagar and surrounding areas. The result will be out on 17th of this month. Also it is reported NAFED has offered a tender to international

markets for export of its stock of Rapeseed. Market is expecting that countries like Bangladesh are only importing from India and Arab countries are not consuming mustard and the demand from other western countries may not be there. Canola in Canada is trading at the rate of Rs.1440 per quintal (converted in Indian rupees). Traders believe when mustard is available at lower prices in other countries then selling it for NAFED may be quite difficult.

The prices are expected to remain range bound in domestic spot markets and the market is waiting for any reaction arising from tender opened by NAFED.

#### Status of Price & Supply of the New Crop (Oct 14,05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1760-65	15000
Alwar(C)	1690	600-700
Delhi(C)	1775-80	1000
Agra(C)	1840	-
Sri Ganganagar (NC)	1540	500
Kota (NC)	1510-50	2000

#### Vayda Quotes

##### Mustard futures as on 14<sup>th</sup> October 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	334.8	334.7	335.8	334.6	0.6	335.4
Hapu r	Nov	356.3	355.75	357.1	355.7	- 0.15	356.15
Bika ner	Oct	347.1	347.1	347.1	347.1	0.0	347.1
Hisar	Nov	326.1	326.0	327.6	326.0	0.2	326.3

#### Groundnut

Groundnut seed at Sriganganagar quoted at Rs. 385 for 20 Kgs. Arrivals of fresh groundnut seed declined today at Sriganganagar. Arrival of about 90000-100000 bags is reported today as compared to day before yesterday's arrival of 125000 bags. The arrival of groundnut is expected to be at its peak after Diwali, as most of the cultivators will increase harvesting operations after that time. The production in Gujarat was earlier estimated at 25 lakh tonnes and now it is expected around 16 lakh tonnes. According to the local traders loss of nutrients due to repeated cultivation of groundnut may reduce the yield of groundnut and if yield reduces significantly then prices may go up in the coming days.

#### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	13.10.05	14.10.05
Gr Kernel	2525*	2550*
Bolds 60/70	2850*	2870*
*Javas 60/70	3090*	3090*

Javas 70/80	2990*	2990*
Javas 80/90	2925*	2925*

\*Plus Tax / Against Form, X CST Paid, @ VAT Exempted

#### CBOT

##### CBOT Soy Futures Settle Lower

Soy futures at Chicago Board of Trade settled lower on Thursday. November soybean future settled off 0.75 at \$5.8825 per bushel and January up 0.5 at \$6.015 per bushel. December Soybean future settled up \$1.7 at \$177.6 per ton and December soybean off 3 points at 23.89 cents per pound. Traders were expecting this correction after overreaction to USDA report yesterday. However, talks of demand from China helped cushioning the futures. In its latest report, USDA had estimated the Chinese import in 2005-06 to reach at 27.5 million tonne, up against 25.7 million ton in this past season. However, immediate factors are not very friendly. Dry weather in Midwest region is to help expediting the harvest. Traders are not expecting much from the NOPA crush report due to be released on Friday. Traders are expecting crush numbers to come with in range of 122-124 million bushels against 123.2 million bushels in August.

##### South American Soybean Future Settle Marginally Up

November South American soybeans future settled 25 cents higher at \$ 6.595. The latest USDA report mentioned that the production of Argentina would touch 40.5 million tonnes, it is 1.5 million tonnes up from last month and production of soybean unchanged at 60 million tonnes in Brazil, despite the tough economic conditions for South American producers. The South American traders continue to report that there are possibilities to reduce the planted area due to high input cost, limited credit availability and low prices of soybean. The world ending stock for 2005-06 season increased to 47.41 million tonnes from 44.92 million tonnes last month and it was 43.02 million tonnes in past season. This would be highest world ending stock in the history. After releasing the USDA reports the traders' much focus on the potential size of the upcoming crop of Brazil rather than the US crop size. There were fund buyers approximately of 12,000 contracts in Soybeans, 2500 meal and 2000 contract in oil. The latest USDA report lowered harvested area by 90,000 acre. The ending stock of world oilseed are expected to reach 54.7 million tonnes in 2005-06, it is 4.1 million tonnes up from last year (50.6 million tonnes) and it was 40.2 million tonnes in 2003-04 season. While, the ending stock of World vegoil are expected to reach at 7.2 million tonnes, it is 0.1 million less than projected in last month (7.3 million tonnes) and it was 7.46 million tonnes in 2004-05.

##### CBOT Soybean futures as on October 13, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Change	Clos e
Nov 05	589.0	588.4	595.0	554.6	-0.8	588.2
Jan 05	601.0	600.0	607.0	565.4	0.4	601.4

CBOT remains closed on Saturday & Sunday

### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.89
Malaysia	Ringgit	11.88
European Union	Euro	53.95
United Kingdom	GBP	78.52
Japan	100 Yen	39.09

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