

OILSEED

11th October, 2005

- Soybean Price Eases on Improving Arrivals

TECHNICAL ANALYSIS

COMMODITY: SOYBEAN

Perspective: Very Short Term
NCDEX November Contract

Soybean seed October Contract The contract opened far below the last day's closing prices. It remained bearish.

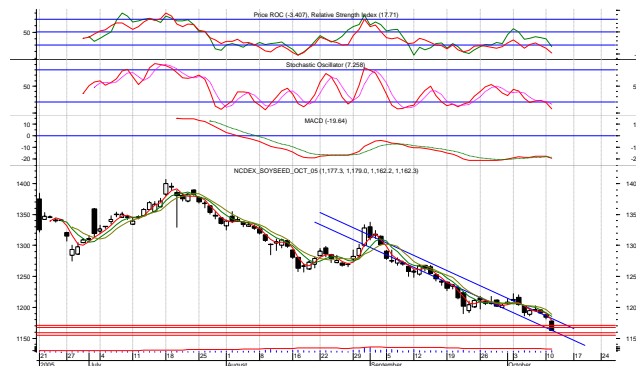
MA, PROC, MACD, Stochastic, RSI and Candlesticks all are indicating a bearish trend.

Market advice:

For the short term the sentiment is bearish. Remain Short.

Advisable trade limits: (Support & Resistances)

Contract	Supports	Resistances
November	1159.20	1167.00
	1155.00	1171.50



COMMODITY: RAPESEED

Perspective: Very Short Term

NCDEX October Contract

Rapeseed seed October Contract opened low but finally it improved due to bullish sentiments in the market. On Thursday prices may open firm. MACD, RSI and Candlesticks are indicating a bullish trend.

Market advice:

For the short-term the outlook is bullish. Go for Long position.

Advisable trade limits: (Support & Resistances)

Contract	Supports	Resistances
October	345.00	346.50
	345.80	347.80



DOMESTIC MARKET COMMENTARY

Soybean:

Soybean prices continued to ease on increased supply of soybean in spot markets. Demand has ebbed down due to high availability of imported oil. According to trade sources there is lack of local demand. In Kota soybean changed hands at Rs. 1170-80 per qtl. In Maharashtra markets Soybean was traded at Rs. 1125-30 per qtl. Arrivals in Indore totaled at 50,00-7000 bags and in Madhya Pradesh at 100000 bags.. Prices for soybean in Nagpur were 1130-1140 and in Dhulia were quoted at Rs. 1105-10 and while in Latur, soybean was offered at Rs.1160-1100 per qtl. Perspectives are not very supportive in overseas markets

as well. Traders are waiting for USDA monthly data due to be released on Wednesday. Crushing may start in two three days.

Rapeseed/Mustard:

Sowing of rapeseed has started in almost all the producing areas. Demand is less and around 250-300 bags of rapeseed arrived today in Sriganganagar. Traders are expecting recent revision in its Minimum Support Price is unlikely to help farmers sowing more rapeseed. Rapeseed is getting sold at price far below MSP in some areas of

Rajasthan. Even NAFED is offering rapeseed at Rs 1600 per qtl. There are increased probabilities of farmers to switch to other crops like gram etc. According to traders, around 1.4-1.5 million ton of rapeseed is still in the possession of stockists and traders, while NAFED has around 1.8-1.9 million ton of rapeseed. Prices of rapeseed in Sri Ganganagar were quoted at Rs 1580 -85 per qtl. Arrivals in Ganganagar were reported at 300-400 bags. The prices are expected to decline slightly in the coming days. However it has been reported that NAFED has offered a tender to sell its stock to other countries of the world.

Status of Price & Supply of the New Crop(Oct 10,05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1750-55	15000
Alwar(C)	1670-1675	1000
Delhi(C)	1765-1170	700-800
Agra(C)	1830	-
Sri Ganganagar (NC)	1530-1540	500
Kota (NC)	1500	2500

Vayda Quotes

Mustard futures as on 11th October 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	332.5	332.3	333.8	332.0	1.1	333.6
Hapu r	Nov	353.6	353.1	354.5	353.1	0.7	354.3
Bika ner	Oct	347.0	347.0	347.0	347.0	-	347.0
Hisar	Nov	323.9	323.4	324.6	323.1	0.4	324.3

Groundnut

Arrivals of fresh groundnut seed in Rajkot totaled at 75000 of 35 kg each bags. Harvest of groundnut is expected to start in Karnataka and Maharashtra in a week or so. Prices of groundnut in Rajkot were quoted at Rs 375 for 20kg of Jini quality and Rs. 360 for 20 kg of Jadi quality. Kachi fali is auctioned at Rs. 300-350. Production of groundnut in Gujarat alone is expected to increase to 22 lakh ton. Weak demand for the groundnut oil weighed on its values. Prices of seed are likely to decline in the coming days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	10.10.05	11.10.05
Gr Kernel	2480*	2510*
Bolds 60/70	2870*	2900*
Javas 60/70	3890	3100*
Javas 70/80	3010*	3025*
Javas 80/90	2925*	2960*

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

DALIAN COMMODITY EXCHANGE

Soybean futures at Dalian commodity Exchanged settled mixed on late session buying. Benchmark January future settled up CNY8 at CNY2721 per ton. The market is waiting for the upcoming USDA crop. China is going to harvest 17 million ton of soybean this year. Harvesting of soybean has started in some areas.

CBOT

CBOT Soy Futures Settle Lower

Soy futures at Chicago Board of Trade settled lower on Monday. November soybean future settled off 8.75 cents at \$5.555 and January off 7.5 cents at \$5.685 per bushel. December soybean future settled off \$2 at \$166.6 per ton and December soy oil off 4 points at 23.26 cents per pound. Weather is perfect for crop harvest. Decline in soy was simply to accommodate likely increase in US soybean production estimates of US Department of Agriculture. USDA is expected to increase soybean production by 150 million bushels and ending stock by 85 million bushels. Dearth of fresh export news also weighed on values. USDA will release weekly export inspection report on Tuesday.

South American Soybean Future Settled Low

November South American soybeans settled 1.5 cents lower. Volume came in at 107 contracts. The traders' focus was on the US crop size (Wednesday report) and the potential size of the upcoming Brazil crop. Weather looks favorable for soybean planting in Brazil, but with high input costs, lack of credit availability and low soybean prices might reduce the planted area of soybean in Brazil. A private forecast over the weekend pegged Brazil new crop production at a record 57.6 million tonnes from 51.6 million tonnes last year. Traders are waiting Wednesday's report of USDA for any new estimate on world supply/demand. According to previous report the estimates for US soybean production was about 154 million bushels increase over last month's USDA forecast. The US crop harvest is good at weekend with excellent weather, only minor delays expected from scattered rain this week (mainly in northern belt).

CBOT Soybean futures as on October 10, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Change	Clos e
Nov 05	564.2	560.6	561.0	555.0	-8.8	555.4
Jan 05	576.0	572.4	572.4	566.6	-7.6	568.4

CBOT remains closed on Saturday & Sunday

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.94
Malaysia	Ringgit	11.91
European Union	Euro	53.99
United Kingdom	GBP	78.61
Japan	100 Yen	39.35

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