

OILSEED

20th October, 2005

- NCDEX Soybean Future Firm

TECHNICAL ANALYSIS

COMMODITY: SOYBEAN

Perspective: Very Short Term

NCDEX November Contract

Soybean seed November Contract The contract opened up today and ended up at the end of the trading session. Stochastic, MACD, PROC, RSI and Candlesticks are indicating a bullish trend.

Market advice:

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

Advisable trade limits: (Support & Resistances)

Contract	Supports	Resistances
November	1234.70	1255.20
	1228.40	1264.40

COMMODITY: RAPESEED

Perspective: Very Short Term

NCDEX November Contract

Rapeseed seed November Contract opened up and settled low today. It is likely to remain bearish and the price might open at a lower side. Stochastic, Candlesticks, MACD, RSI, PROC 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	344.80	346.90
	344.00	347.90



DOMESTIC MARKET COMMENTARY

Soybean:

At domestic spot markets the prices for soybean remained range bound today. According to the traders arrival of about 15,000 bags is reported in Indore and of 3,50,000 to 3,75,000 bags in Madhya Pradesh. In Indore Soybean seed plant delivery quote was Rs.1190-1205 per quintal. In Dhulia it traded at the rate of Rs.1195-1200 per quintal, in Amravati at Rs.1200 and at Rs.1175-1190 in Nagpur. In Kota Soybeans traded at Rs.1200-1210 per qtl. The total arrivals till date are estimated to be of around 4 lakh qtl. In Maharashtra and Madhya Pradesh arrivals of approximately 1.5 lac quintals is reported. Buyers are more and demand is reported to be good for Soybean due to

festive season. However supply is more thus disclosing a greater supply than demand. The climate for harvesting is reported to be most suitable.

In coming days Soybean prices are expected to continue its downtrend, amid increased supplies.

Rapeseed/Mustard:

Sowing of rapeseed is in progress in almost all the mustard growing regions of India. According to trade sources weather in Rajasthan is good for sowing operations. Tariff on soybean oil is increased to \$10 per tonne. Thus raising of import duty may bring in increase in prices of mustard and other oils in domestic market. NAFED is offering at 1610 and the spot market price at Sriganganagar is of Rs.

1610. NAFED's tender has been opened and the decision may be out in a day or two. The crop usually arrives in the months of April, May and June. The demand for mustard seed is good. The prices are expected to improve in the near term.

Status of Price & Supply of the New Crop (Oct 20,05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1765-70	15000
Alwar(C)	1680-85	600-700
Delhi(C)	1775-80	500
Agra(C)	1850	-
Sri Ganganagar (NC)	1540	500
Kota (NC)	1520-1540	1800

Vayda Quotes

Mustard futures as on 20th October 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	335.3	335.1	335.4	335.1	0.0	335.3
Hapu r	Nov	356.0	356.0	356.2	355.4	-0.4	355.6
Bika ner	Oct	347.0	347.0	347.0	347.0	-0.3	347.0
Hisar	Nov	326.9	326.9	327.4	326.4	0.0	326.6

Groundnut

Groundnut seed at Rajkot continued trading firm today up by Rs10 at Rs.385 per 20 Kg. In Rajkot arrival of about 12000 bags is reported and in Gujarat arrival of 125000 bags of fresh groundnut seeds are reported. The arrival of groundnut is expected to be at its peak after Diwali, as most of the cultivators are expected to increase harvesting operations after that time. The domestic demand for groundnut is reported to be good particularly for direct consumption in the form of seed. Demand from groundnut oil industry is present but as the quality of seed is reported to be good most of it is used for direct consumption. The demand is not only reported from these sectors but from agriculture sector also as sowing has started in some areas of Orissa, Andhra Pradesh and Tamil Nadu. In these areas sowing activities may improve in the coming days.

The export demand for groundnut seed is also improving therefore the prices are expected to remain range bound and may improve or decrease by Rs 5 to 10 in the coming days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	19.10.05	20.10.05
Gr Kernel	2615*	2615*
Bolds 60/70	2860*	2860*
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 Mixed

CBOT November Soybeans future at Chicago Board of Trade settled up on Wednesday 4.75 cent at \$ 5.892 per bushel, 1.2 cent off the high and 6.2 up from the low and January Soybeans settled up 5 cent at \$ 6.016 per bushel, 6.6 cent up from the low and 0.8 cent off the high. December Soybean oil future settled up \$ 1.2 at \$ 172.2 per tonnes, \$ 0.9 up from the low and \$ 0.8 off the high. December Soybean oil future settled down 0.13 cent at 24.31 per pound, 0.25 cent off the high and 0.8 cent up from the low. This has been noticed that the weakness in the soy oil market was due to low energy prices. The soy oil future closed down on Wednesday at the end of the day while Soybean oil closed up. The US Department of Agriculture reported late Monday that 76 per cent of U.S Soybean has harvested as on Sunday as compared to 69 per cent last year and the 5 year average of 67 per cent.

South American Soybean Futures Settle Down

The November South American Soybean future settled down 9.25 cents at \$ 6.5375 per bushels. Still there is high demand for US Soybean in the International market as compared to South American Market. It is expected that the focus should shift soon towards the new crop production of Brazil. The USDA has projected the soybean production of Brazil at 60 million tonnes while the traders estimate of the soybean production in Brazil about 57-58 million tonnes. There is uncertainty of soy meal demand in the market due to the bird flu spreads in European countries. It is surprising that China bought 200,000-230,000 tonnes Soybean meal from India and is planning to import of Soybean meal from Argentina. There is favourable weather for plantation of soybean in Brazil. It is expected that there may be reduction in acreage due to limited availability of credit and high cost of inputs in Brazil. Meal problems clash with increased demand for oil due to increased bio-diesel production.

CBOT Soybean futures as on October 19, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Change	Clos e
Nov 05	584.4	584.0	590.0	584.0	4.8	589.2
Jan 05	596.6	596.0	602.4	596.0	5.0	601.6

CBOT remains closed on Saturday & Sunday

Forex Rates

Country/ Continent	Currency	Value In Rupees
USA	Dollar	45.20
Malaysia	Ringgit	11.96
European Union	Euro	54.09
United Kingdom	GBP	79.80
Japan	100 Yen	39.11

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