

## OILSEED

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

- Soybean Price Improves Following CBOT Soy Prices

### TECHNICAL ANALYSIS

#### COMMODITY: SOYBEAN

Perspective: Very Short Term  
NCDEX November Contract

**Soybean seed November Contract** The contract 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	1205.00	1214.10

#### COMMODITY: RAPESEED

Perspective: Very Short Term

NCDEX November Contract

**Rapeseed seed November Contract** remained bullish today. Bullish sentiments may remain on Friday as MACD, RSI, MA, stochastic and Candlesticks are indicating a bullish trend.

Market advice:

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

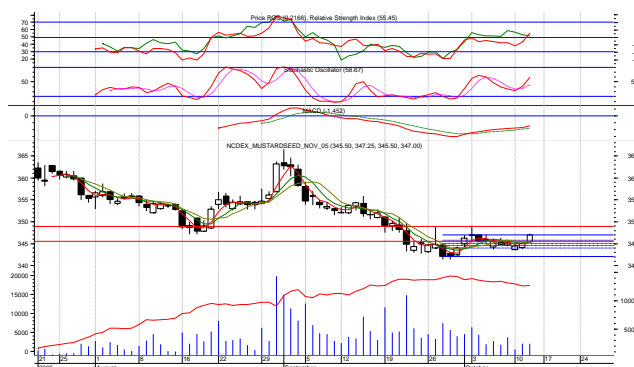
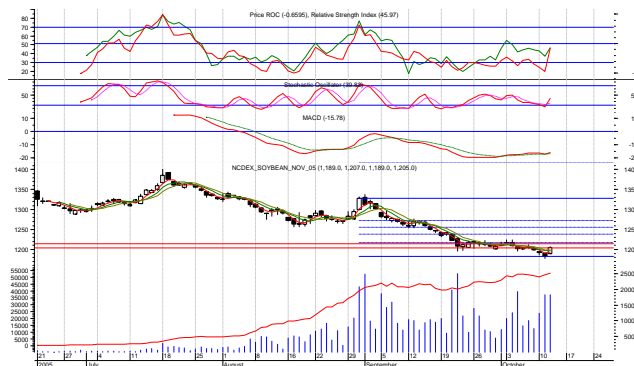
**Advisable trade limits: (Support & Resistances)**

Contract	Supports	Resistances
November	345.70	349.20

### DOMESTIC MARKET COMMENTARY

#### Soybean:

Soybean prices continued to ease on increased supply of soybean in spot markets. Arrival of 40000 bags is reported in Maharashtra and spot markets at Madhya Pradesh remained closed due to some local festival. Demand is declining due to more availability of imported oil. According to trade sources there is lack of local demand. In Indore soybean seed traded at 1150-1165 per quintal. The demand for Soybean depends greatly on demand for Soymeal. In Kota soybean changed hands in the range of 1170-80. 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. Also according to the trade sources farmers are selling soybean and waiting with other crops like pulses on expectation of increase in



prices of pulses and fall in prices of Soybean. The market for soybean may remain tight in the coming days.

#### Rapeseed/Mustard:

Sowing of rapeseed has started in almost all the producing areas. Demand is less in market and very less arrivals are reported in Sriganaganagar. NAFED is selling and a tender is offered by it inviting other countries to import mustard from India. 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 their. Rapeseed is getting sold at price far below MSP in some areas of Rajasthan. 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 quoted range bound at Rs 1580 -85 per qtl.

#### Status of Price & Supply of the New Crop(Oct 13,05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1760-65	15000
Alwar(C)	1680-85	500-600
Delhi(C)	1770	1500
Agra(C)	1840	-
Sri Ganganagar (NC)	1550	500
Kota (NC)	1505-25	1000

#### Vayda Quotes

##### Mustard futures as on 13<sup>th</sup> October 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	333.6	334.2	334.8	334.0	1.2	334.8
Hapu r	Nov	354.3	355.0	356.3	354.8	2	356.3
Bika ner	Oct	347.0	347.0	347.0	347.0	0.1	347.1
Hisar	Nov	325.0	325.0	326.1	324.8	1.8	326.1

#### Groundnut

Arrivals of fresh groundnut seed are increasing day by day. Harvest of groundnut is expected to start in Karnataka and Maharashtra in a week or so. Some damage to crop by insect attack is reported from Rayalseema of Karnataka and Andhra Pradesh. Expected groundnut production for this year is of around 60 lakh tonnes. Prices of seed are likely to decline in the coming days due to increased arrivals. Also once festival demand is over the prices for oil may fall by Rs. 5-6 per Kg. Thus reducing the prices of seed in the coming days.

#### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	11.10.05	13.10.05
Gr Kernel	2510*	2525*
Bolds 60/70	2900*	2850*
*Javas 60/70	3100*	3090*
Javas 70/80	3025*	2990*
Javas 80/90	2960*	2925*

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

#### CBOT

##### CBOT soy Futures Up on Friendly Production Data

Soy futures at Chicago Board of Trade settled higher on friendly production data. November soybean future settled

up 25.5 cents at \$5.895 and January up 24.5 cents at \$6.01 per bushel. December soymeal future settled up \$8 at \$175.9 per ton and December soyoil up 61 points at 24.19 cents per pound. The crop data released by United State Department of Agriculture came beyond all expectations. Reduction in acreage under soy crop by USDA shadowed the yield factor. In its latest crop data, USDA reduced its estimates for harvested area under soy by 900,000 acres. Reduced acreage led to reduction in production and ending stock data for US as compared to earlier expectations of the trade. The US Department of Agriculture estimated the soybean production in US at 2.967 billion bushels against earlier average expectations of 3.01 billion bushels. Ending stock of US soybean was put at 260 million bushels versus earlier trade expectations of 290 million bushels. Global ending stock for soybean was estimated at 47.41 million tonnes for 2005-06 up against 43.02 million tonnes in last season.

#### South American Soybean Future Settle Higher

November South American soybeans future settled 9 cents higher at \$ 6.345 per bushels. After the US crop production news the focus of attention will shift from the US crop size to the focus on the potential size of the upcoming Brazil crop. There is favourable weather for planting of soybean crop, in spite of that the acreage of soybean crop will decline in some regions of Brazil. Due to high costs of fertilizer, lack of credit availability and low prices of soybean in the market. The apprehension of the bird flu is continue on buyers, which keeps meal prices volatile and soybean oil as bio-diesel consumption is on the rise. Minnesota last week set a mandatory 2% mix of bio-diesel in energy fuels. If the entire nation (US) were to move towards a blend of 2% bio diesel, the usage of soybean oil could jump approximately 3.6 billion pounds, it is about 20% of the annual production.

#### CBOT Soybean futures as on October 12, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Change	Clos e
Nov 05	555.4	554.6	565.4	554.6	8	563 .4
Jan 05	568.4	568.0	577.4	565.4	8	576 .4

CBOT remains closed on Saturday & Sunday

#### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.89
Malaysia	Ringgit	11.91
European Union	Euro	53.83
United Kingdom	GBP	78.51
Japan	100 Yen	39.13

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