

## OILSEED

17<sup>th</sup> November, 2005

- NCDEX Soybean Touched Contract Low

## TECHNICAL ANALYSIS

### Commodity: Soybean

**Indicators**- The prices opened below the previous closing price and finally settled low. It again formed the contracts lowest price at Rs. 1139. Stochastic and RSI is in oversold region, stochastic is about to reverse and thus hinting a slight improvement in prices. Candlesticks are showing bearish sentiments and volumes traded are very high.

**Market advice** The market is expected to open firm and correction in prices is likely tomorrow.

### NCDEX DECEMBER CONTRACT



### Soybean Future Closing price

Contract	16.11.05	17.11.05	Chg
December	1164.85	1148.00	-16.85

### Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1139.00	1153.00
	1132.00	1165.00

### Commodity: RAPESEED

**Indicators**-Today the price opened low and but they finally settled slightly up. Candlesticks, MA, RSI and stochastic are indicating bearish sentiments so the prices may decline tomorrow.

**Market advice**- The market is expected to remain bearish tomorrow.

### NCDEX DECEMBER CONTRACT



### Mustard Future Closing price

Contract	16.11.05	17.11.05	Chg
December	337.75	337.15	-0.60

### Expected Support and Resistance Levels

Contract	Supports	Resistances
December	336.80	338.50
	336.00	338.00

## DOMESTIC MARKET COMMENTARY

### Soybean:

Harvesting of soybean is at peak these days and is near about complete in most of the producing states. Demand for soybean is negligible and stocks are increasing day by day. In Kota soybean seed traded in the range of Rs.980-1125 per quintal. Soybean seed inflow in Maharashtra was of 200000 bags, in Madhya Pradesh it was 300000 bags and in Rajasthan 250000 bags. According to estimates of oilseed convention soybean production this year is expected to be quite high when compared with previous year. Government has reduced tariff on import of soyoil by \$3. This has been done in order to encourage soyoil imports when compared to palm oil import. With heavy domestic arrivals, greater soyaoil imports and less demand from oilmills the prices for soybean seed may decline in coming days.

### Rapeseed/Mustard:

Sowing of rapeseed is near about percent complete in most of the producing states. NAFED has good stock of mustard seed with it and is offering at a price of Rs 1532 per quintal. Oilmills are major buyers of mustard seed from NAFED. The demand for mustard seeds is less particularly due to increased soybean seeds and large import of soyaoil. However traders are expecting an increase in prices later as at lowest prices the traders may purchase from government in anticipation to sell at a lower price than the MSP in future. Prices may remain bearish for next 10-15 days and thereafter they may rise.

### Status of Price & Supply of the New Crop (Nov17, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1725-30	20000-25000
Alwar(C)	1655-60	800
Delhi(C)	1745	200
Agra(C)	1840	4000
Sri Ganganagar (NC)	1470	500
Kota (NC)	1500	700

### Vayda Quotes

#### Mustard futures as on 17<sup>th</sup> November 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	333.20	332.70	333.40	332.0	-0.1	333.10
Hapu r	Nov	356.30	356.00	356.40	355.8	0	356.30
Bika ner	Dec	337.20	337.20	337.20	337.2	0	337.20
Hisar	Nov	324.10	323.00	323.20	322.9	-1.1	323.00

### Groundnut

Groundnut prices at Gujarat continued to decline. Harvesting activities in Gujarat is near about completion. Prices for groundnut seed in Rajkot declined and quoted at Rs 338 per 20 kg. Arrival of Groundnut in Chennai and Andhra Pradesh markets is continuing. The prices in

Mumbai market have fallen by about 14 percent. Export demand for groundnut is good however domestic demand is low as it is mainly from chikki makers and for direct consumption however demand from oilmills is negligible. The main reason for less demand is due to excessive supply of palm oil and Soya oil. Traders believe the demand for domestic direct consumption may increase after a week's time. The prices may decline in coming days.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	16.11.05	17.11.05
Gr Kernel	2280*	2250*
Bolds 60/70	2775*	2740*
*Javas 60/70	2940*	2915*
Javas 70/80	2840*	2840*
Javas 80/90	2790*	2790*

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

### CBOT

#### CBOT Soy Futures Settle Lower

Soy future settled lower at Chicago Board of Trade on Wednesday. January Soybeans settled lower 15.50 cents at \$ 5.7675 per bushel, 17.75 cents off the high and 2 .75 cents up from the low and March Soybeans settled lower, 3.25 cents up from the low and 16.25cents off the high. December Soybean Oil closed down 0.15 cents at 22.19 cents/pounds, 0.2 cents off the high and 0.02 cents up from the low. Excellent weather in South America this week and continued talk of outbreak of bird flu in China would bring the negative impact on soy market. Dry weather in Brazil will help to increase the acreage of soybean plantation in southern parts of Brazil. Argentina increased soybean acreage for 2005-06 seasons at 15.1 million hectare as compared with 15.0-15.3 million projected last months and this figure was 14.4 million hectare last year. US Soybean production is forecast revised higher at 2.97 billion bushels, it is 4 % up from September month but 5 % below from 2004.

#### CBOT Soybean Futures as on 16.11.05

Mont hs	Previo us Settle	Open	High	Lo w	Chan ge	Close
Jan 05	592.2	590.0	596.6	575	-15.6	576.6
Mar 05	599.2	596.4	596.4	582 .4	-14.6	584.6

CBOT remains close on Saturday & Sunday

#### South American Soy Futures Settle Unchanged

South American March soy future settled unchanged yesterday at \$ 6.24 per bushels. Cash trade was low due to weak demand from crushers only because poor margins. The attention of traders is shifting towards the South American soybean crop prospects. Supply of US soybean will increase due to shifting attention of traders towards

South American Soybean and also low export demand of US soybean. Traders are expecting more production due to favourable weather for South American Soybean crop despite low acreage of soy crop and less input used. This week rain in Argentina may be crucial factor to bring down market. More production may bring selling pressure in international markets. India is the world's largest edible oil importer, and India imported 5.04 million tonnes for the year ending October from 4.4 million tonnes the previous year. India revised low base import prices of soybean and palm oil yesterday (\$1-4 per metric tonnes). India imported more Soybean oil and reduced palm oil import. However China has done just opposite of it.

### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.79
Malaysia	Ringgit	12.11
European Union	Euro	53.45
United Kingdom	GBP	78.67
Japan	100 Yen	38.52

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