

OILSEED

6th December, 2005

- NCDEX Soybean Dec Prices Improves

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at Soybean December NCDEX contract opened high today and settled up as compared to previous days close. Candlestick, MA and Stochastic are indicating prices may decline tomorrow.

Market advice: the Market is expected to be most likely open low and remain bearish tomorrow.

NCDEX DECEMBER CONTRACT



Soybean Future Closing price

Contract	5.12.05	6.12.05	Chg
December	1128.45	1132.25	+3.80

Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1127.00	1135.00
	1117.00	1145.00

Commodity: RAPESEED

Indicators- Prices at Mustard December NCDEX contract opened low today and remained range bound but ended slightly up as compared to previous trading session. Candlesticks, stochastic, Moving Average, PROC are indicating a decline in prices.

Market advice- The market may most likely expected to decline tomorrow.

NCDEX DECEMBER CONTRACT



Mustard Future Closing price

Contract	5.12.05	6.12.05	Chg
December	336.30	336.25	-0.05

Expected Support and Resistance Levels

Contract	Supports	Resistances
December	335.80	337.00
	335.00	337.80

DOMESTIC MARKET COMMENTARY

Soybean:

Soyabean harvesting is still under continuation. In Indore market soybean price improved and plant delivery quoted at Rs. 1120-30 per qtl. The demand for oil has increased and thus increasing the demand for soyabean seed. Arrivals of about 150000-200000 bags were reported today in Madhya Pradesh. In Maharashtra and Rajasthan arrivals reduced and were of 100000 and 25000-30000 bags respectively. The demand from oilmills is improving however the demand for DOC is relatively less on fear of bird flu in Asian countries. The prices may improve slightly in the coming days.

Rapeseed/Mustard:

According to market sources in Sriganaganagar there is an unconfirmed news of a tender being invited by NAFED to hire few oil mills in Rajasthan. Mustard seed price quoted same today at Rs. 1535 per qtl. However no trading was observed in Sriganaganagar. The demand for mustard seed is weak due to availability of other cheap oils like soyaoil and rice bran oil, which act as a substitute of mustard oil. There is a stock of around 10-12 lakh tonnes of mustard seed with government. The market is waiting for any confirmations of tender invited by NAFED. Due to huge stocks of mustard in the country and reduced demand the prices may decline in coming days.

Status of Price & Supply of the New Crop (Dec6, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1730-35	Not available
Alwar(C)	1660	1000
Delhi(C)	1760	1000-1200
Agra(C) katchi ghani	1800	3900
Sri Ganganagar (NC)	1480-85	200
Kota (NC)	1300-20	800

Vayda Quotes

Mustard futures as on 6th December 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Feb	330.4	330.5	330.8	330.4	-0.1	330.4
Hapur	Feb	340.7	340.1	340.5	339.9	-0.1	339.9
Bikaner	Dec	337.1	337.1	337.1	337.1	0.0	337.1
Hisar	Nov	324.0	324.7	325.3	324.7	0.3	324.8

Groundnut

Andhra Pradesh and Chennai are now witnessing arrivals of groundnut in domestic markets. The prices in southern markets may remain low due to increased arrivals. Groundnut seed prices in Gujarat declined today. The prices declined due to selling of stock owned by oil mills on less demand for groundnut oil in the state due to prevailing

marriage season in the state. Around 90 percent of buying from oil mills is still remaining. Traders in Gujarat are expecting stable and slightly increased prices once marriage season gets over and people come up with annual oil procurement demand. In Gujarat markets the prices may remain range bound and slightly improved in 3-5 days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	5.12.05	6.12.05
Gr Kernel	2285*	2280*
Bolds 60/70	2675*	2690*
Javas 60/70	2890	2840*
Javas 70/80	2815*	2790*
Javas 80/90	2750*	2750*

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

CBOT

CBOT Soy Futures Settle Higher on Fund Buying

Soy futures at Chicago Board of Trade settled higher on heavy fund buying. January soybean future settled 10.5 cents higher and March up 9 cents at \$5.795 per bushel. March soy meal settled up \$1.6 at \$176.4 per short ton and March soy oil up 33 points at 22.24 cents per pound. Firm cash basis due to abated selling interest of growers triggered fund buying. Interestingly, weekend Commitment-of-Traders report revealed big net short positions from the fund operators leaving markets to be more vulnerable to short covering. Other fundamentals remained bearish. Weather is ideal for crop in South America. Weather forecast calls for more rains in Argentina and scattered showers in Brazil. Support also stemmed from export inspection report. The US Department of Agriculture (USDA) estimated the weekly export inspection report at 32.3 million bushels against earlier expectations of 18-24 million bushels.

CBOT Soybean Futures as on 5.12..05

Months	Previous Settle	Open	High	Low	Change	Close
Jan 05	562.6	566.0	575.2	564.0	10.6	573.2
Mar 05	570.4	573.0	580.4	571.2	9.0	579.4

CBOT remains close on Saturday & Sunday

South American Soybean Settles Higher

South American Soybean settled higher on Friday. March South American Soybean settled 1.75 cents higher at \$6.0125 per bushel. Now, guesswork on crop dimensions of South American soybean is featured as crucial thing in shaping sentiments therein. Traders are waiting for couple of crop data for fresh lead ahead. Brazil ministry will be releasing its soybean crop estimates on Tuesday and USDA will be releasing its monthly crop data on Friday. In its crop report in October, Brazil govt had estimated the soybean production in the country at 56.9-58.5 million ton against 51.1 million ton reaped last year. Traders are

expecting these numbers to range 55-57 million ton. In its last report, USDA had estimated the soybean production in Brazil at 58.5 million ton, down against 60 million ton in its previous report.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.23
Malaysia	Ringgit	12.25
European Union	Euro	54.38
United Kingdom	GBP	80.06
Japan	100 Yen	38.13

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