

OILSEED

15th December, 2005

- NCDEX Soybean Jan Prices Slides Down

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at Soyabean January NCDEX contract opened low today and finally declined at the end of the trading session. Candlesticks, MA, RSI, MACD and Stochastic are indicating that prices may continue to decline tomorrow.

Market advice: The prices are expected to be most likely to remain bearish tomorrow.

Soybean Future Closing price

Contract	14.12.05	15.12.05	Chg
December	1156.80	1141.00	-15.80

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1138.00	1151.00
	1128.00	1160.00

Commodity: RAPESEED

Indicators- Prices at Mustard January NCDEX contract opened high and finally settled low when compared to previous trading day. Candlesticks, Stochastic, RSI, MA and MACD are indicating a decline in prices.

Market advice- the prices are most likely to open low and thereafter may end slightly firm.

Mustard Future Closing price

Contract	14.12.05	15.12.05	Chg
December	324.95	324.30	-0.65

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
December	324.00	325.10
	323.00	326.00

DOMESTIC MARKET COMMENTARY

Soybean:

Soyabean prices continued to trade range bound on a slightly weaker side today in domestic spot markets. In Indore mandi soybean traded in the range of Rs. 1100-1110 per quintal and Plant delivery rate was of Rs. 1135-40 per qtl. In Madhya Pradesh inflow was of 175000 - 200000 bags as against 200000 bags yesterday. Maharashtra and Rajasthan markets witnessed arrivals of around 110000 - 120000 bags and of 33000 bags respectively. The demand for soybean oil is less however traders are expecting an increase in it may come in near future and fresh demand for DOC is coming from foreign markets particularly from Pakistan, Bangladesh, Vietnam and Korea. However demand for DOC is price sensitive. Traders are expecting increase in demand for soybean seed and thus prices may improve in coming days.

Rapeseed/Mustard:

At Sriganaganagar mustard seed by NAFED was offered at Rs. 1530-35 per quintal and no trading activity was witnessed. Traders this year are expecting production of mustard seeds of around 68-70 lakh tonnes. The demand for mustard seed is less due to mixing of cheap oils like Soya oil, palm oil and rice bran oil. The carry over stocks is high and demand is less therefore prices may decline in coming days.

Status of Price & Supply of the New Crop (Dec15, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1715	20000
Alwar(C)	1640-45	700-800
Delhi(C)	1725-30	1200-1500
Agra(C) katchi ghani	1800	3900
Sri Ganganagar (NC)	1460-65	200
Kota (NC)	1480--1505	500-700

Vayda Quotes

Mustard futures as on 15th December 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	322.5	322.1	322.1	321.0	-1.3	321.2
Hapu r	Feb	333.65	333.50	334.00	332.50	-0.85	332.8
Bika ner	Dec	337	337	337	337	0.0	337.0
Hisar	Nov	322.5	322.7	322.7	322.3	0.2	322.7

Groundnut

Harvesting of groundnut crop is continuing in Chennai and Andhra Pradesh and export demand for groundnut is increasing. Prices improved slightly today due to slight decrease in arrivals. The demand for groundnut oil is moderate in these areas. Groundnut seed in Rajkot today continued to trade at Rs. 338 per 20 Kg and arrivals of around 125000 bags of 35 Kgs each. Export demand of groundnut seed has increased particularly of good quality sing dana. Also demand for groundnut from cultivators has increased. However demand from crushers is moderate

and traders are looking for improvement in it. The prices may remain range bound and on a slightly improved side in the coming days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	14.12.05	15.12.05
Gr Kernel	2225*	2220*
Bolds 60/70	2680*	2690*
Javas 60/70	2840	2850*
Javas 70/80	2790*	2800*
Javas 80/90	2750*	2740*

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

CBOT

CBOT Soy Futures Settle Mixed

Soy future settled mixed at Chicago Board of Trade on Wednesday. January soybeans settled 5 cents lower at \$ 5.925 per bushel, 7 cents off the high and 4.5 cents up from the low and March soybeans settled down 4.75 cents at \$ 6.035 per bushel, 7.5 cents off the high and 5 cents up from the low. March Soymeal settled lower \$ 3 at \$192.5 per tonnes; it was \$1.5 up from the low and \$ 3 off the high. March soybean oil settled higher 0.19 cents at 21.59 cents/pounds, 0.12 cents off the high and 0.2 cents up from the low. There is nothing pushy to support the soy markets in United State. Slowed export pace, so far, has resulted in rising inventories of soybean in United State. Crush report released by National Oilseed Processors Association was bit bearish. NOPA estimated the soybean crush in November at 144.9 million bushels against earlier trade expectations of 147-150 million bushels. Stock of soyoil is rising as well despite low scaled crushing. Crush report revealed stock of soyoil at November end at 1.61 billion pounds up against 1.5 billion pounds in October. On export front, Taiwan is tendering for 40,000-60,000 ton of US soybean. Improving weather in South America had additional bearish impact. Traders are not optimistic about the soy export report to be released by USDA on Thursday. Traders are expecting US soybean export sale in the range of 3.5 -6.50 lakh ton. Export sale of Soymeal is expected between 1-1.5 lakh ton and oil between 0-10000 ton.

CBOT Soybean Futures as on 14.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 05	597.4	598.0	597.4	589.0	-5	592.4
Mar 05	608.2	611.0	607.4	599.0	-4.8	603.4

CBOT remains close on Saturday & Sunday

South American Soybean Futures Settle Higher

South American soybean futures settled higher on yesterday. March South American soybeans settled 13 cents higher at \$ 6.44 per bushels. Recently improved exports demand of South American soybean during this period, while it was very competitive period with US soybean. Trader's attention is shifting towards South American Soybean from US soybean and improved

weather is also helped to improve demands of the South American soybeans. Volume of trade is continuously increasing in the market; it is a healthy signal for South American soybeans. There is expected to rain in Brazil in next week, it would be more helpful for soybean crop and might ease in recent dryness fear. China imported 2.55 million tonnes of soybeans in November, which brought cumulative imports for the year to 23.98 million tonnes; it is up 33% from last year. Crush report released by National Oilseed Processors Association was bit bearish. NOPA

estimated the soybean crush in November at 144.9 million bushels against earlier trade expectations of 147-150 million bushels. Stock of soyoil is rising as well despite low scaled crushing. Crush report revealed stock of soyoil at November end at 1.61 billion pounds up against 1.5 billion pounds in October.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.30
Malaysia	Ringgit	11.93
European Union	Euro	54.42
United Kingdom	GBP	80.20
Japan	100 Yen	38.87

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