

OILSEED

22nd December, 2005

- NCDEX Soyabean January Prices Surge

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at NCDEX Soyabean January contract opened up when compared to previous days close and surged high. Candlesticks are indicating bullish sentiments, RSI, MA, MACD and Stochastic; all are indicating that prices may remain bullish tomorrow.

Market advice: The prices are most likely expected to trade bullish tomorrow.
NCDEX Jan 06 contract: Buy above 1170.00 with a take profit of 1179.00-1185.00 and a strict stop loss of 1164

Soybean Future Closing price

Contract	21.12.05	22.12.05	Chg
January	1148.70	1169.90	+21.20

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1165.00	1176.00
	1158.00	1185.00

Commodity: RAPESEED

Indicators- Prices of Mustard January NCDEX contract opened slightly bearish when compared to previous days close. However prices became highly bullish and closed high.

Market advice- The prices are most likely to observe some upward movement tomorrow.

NCDEX Jan 06 contract: Buy above 338.90 with a take profit of 340.10-341.70 and a strict stop loss of 337.70

Mustard Future Closing price

Contract	21.12.05	22.12.05	Chg
January	333.85	338.70	+4.85

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	338.00	342.50
	336.90	340.30

DOMESTIC MARKET COMMENTARY

Soybean:

Prices of Soyabean seed increased today in domestic spot markets. In Indore Mandi Soyabean seed traded high in the range of Rs. 1120-1130 per quintal. Plant delivery Soyabean seed changed hands at Rs. 1145-50 per quintal. In Madhya Pradesh markets a total of around 150000 bags arrived. Maharashtra witnessed comparatively lower arrivals of 80000-100000 bags and in Rajasthan of about 33000-40000 bags. The demand for Soyabean seed from oil mills is moderate and of DOC is good. Also domestic market prices are being largely influenced by foreign markets. Therefore prices may improve in coming days.

Rapeseed/Mustard:

Market sources in Sriganganagar today reported that NAFED exchanged mustard seed at Rs. 1535 per quintal and around 15000 bags were traded. The buyers were crushers from Punjab. This buying was witnessed by reason of Rajasthan Government's relief of 3% on the earlier 4% tax required to be paid by the traders. This rebate is to hold good till 15th March 2006. Traders are expecting once the crushing of Mustard seed by NAFED hired oil mills begin the prices in domestic market may witness slight increase. Prices in domestic spot markets are expected to see fluctuations in coming days.

Status of Price & Supply of the New Crop (Dec22, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1725-30	15000
Alwar(C)	1675-80	600-700
Delhi(C)	1740-45	700-800
Agra(C) katchi ghani	1810	3900
Sri Ganganagar (NC)	1665-70	200
Kota (NC)	1500-1510	1200

Vayda Quotes

Mustard futures as on 22nd December 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	327.1	327.3	332.0	327.3	4.4	331.5
Hapu r	Feb	337.6	338.0	340.2	337.3	2.5	340.1
Hisar	Jan	325.7	325.9	327.5	325.6	1.8	327.5

Groundnut

Groundnut seed in Rajkot today traded at Rs. 341 per 20 Kg. According to trade sources the demand for groundnut seed is moderate and export demand is also of a routine nature. The demand from crushers is improving and the domestic demand for Sing dana used for direct consumption has also improved. The prices of groundnut seed are affected by increased demand for cottonseed. Cottonseed oil is available at far low prices than groundnut seed oil thereby shifting the consumers towards cottonseed. The demand for groundnut seed from farmers required for sowing purpose is high. Therefore the prices are expected to improve with improvement in prices of cottonseed and improvement in demand for groundnut

seed. The prices may improve gradually in the coming days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	21.12.05	22.12.05
Gr Kernel	2220*	2215*
Bolds 60/70	2690*	2685*
Javas 60/70	2865	2925*
Javas 70/80	2815*	2840*
Javas 80/90	2700*	2760*

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

CBOT

CBOT Soy Futures Settle Slightly Higher

Soy futures settled slightly higher at Chicago Board of India on Wednesday. March Soybeans settled higher 2.5 cents at \$ 6.19 per bushels, 1cents off the high and 10.75 cents up from the low and May Soybeans settled higher 1cents at \$ 6.27 per bushels, 9.75 cents up from the low and 1.5 cents off the high. March Soybean Oil settled higher \$ 2.6 at \$ 201.2 per tonnes, 3.9 cents up from the low and 0.2 cents off the high. March Soybean Oil settled higher 0.01cents at 21.55 cents/pounds, 0.1 cents off the high and 0.31cents up from the low. Dry weather forecast for Southern Brazil and Argentina helped to improve in market sentiments. Imports permit systems for vegetable oil for 2006 from China is helped to provide support. Argentina officials raised their estimate for soybean planted area to 15.2 million hectares from 15.1 million hectares previous estimates; it was 14.4 million hectare last year. Traders are waiting for weekly export sales report, which is scheduled to release on Thursday. Traders are looking for soybean sales near 500,000-700,000 tonnes as compared with 504,100 tonnes last week. Meal sales are expected near 100,000-150,000 tonnes with oil sales near 10,000-20,000 tonnes.

CBOT Soybean Futures as on 21.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 05	605.2	604.0	606.4	598.0	1.2	606.4
Mar 05	616.4	615.0	621.0	609.0	2.6	619.0

CBOT remains close on Saturday & Sunday

South American Soybean Futures Settle Slightly Lower

South American Soybeans future settled slightly down on Wednesday. March South American soybeans settled down 5 cents at \$ 6.42 per bushels. Strengthening US dollar against the Brazil currency. Argentina and Brazil is competitive over the World market. Producers selling were active during past week for both new crop and old crop. Traders believes that most of the South American crop is in good condition, the forecast for just 1 potential rain in Argentina over the next week and a few dry spots developing in southern Brazil has helped to provide support. Cash prices within country moved above \$6.00 per bushel at many locations this week, which has attracted increased producer selling. World ending stocks for

soybeans are expected to increase at 48.1 million tonnes for the 2005-06 season as compared with last year's record 42.09 million tonnes and 35.18 million tonnes for the 2003-04 seasons. Crop conditions in South America are looking favorable for soybean crop. Traders concerned that rain is needed in a few dry areas of southern Brazil and Argentina

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.24
Malaysia	Ringgit	11.97
European Union	Euro	53.51
United Kingdom	GBP	78.83
Japan	100 Yen	38.51

over the next week. Argentina officials raised their estimate for soybean planted area to 15.2 million hectares from 15.1 million hectares previous estimates; it was 14.4 million hectare last year.

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