

OILSEED

28th December, 2005

- NCDEX Soyabean January: Markets seen a dull trend

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators-

1. Price closed far above the 9-days EMA(1174.0) and 18-days(1167.4) EMA indicating bullishness in medium term.
2. MACD continues to move upwards entered the neutral zone which indicates short-term bullishness.
3. Stochastic indicator is in the over-bought territory.

Market advice: For Jan Future buy near 1180 with target of 1184, put stop loss at 1178.



Soybean Future Closing price

Contract	27.12.05	28.12.05	Chg
January	1188.50	1182	-6.5

Expected Support and Resistance Levels

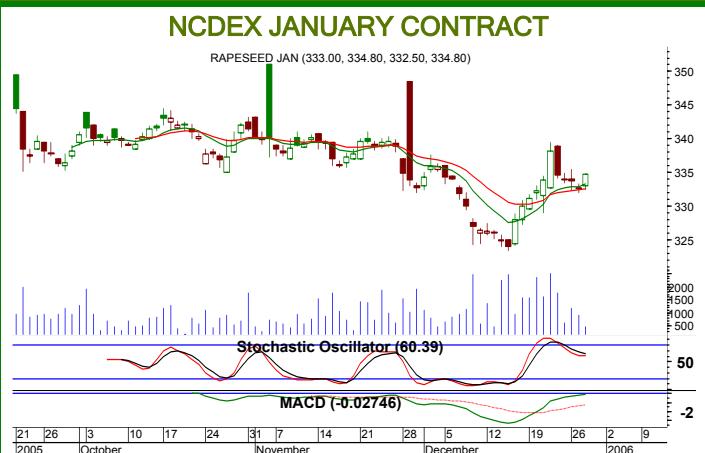
Contract	Supports	Resistances
January	1177.25	1186.70
	1172.50	1191.40

Commodity: RAPESEED

Indicators-

1. Prices closed far above both the 9-day EMA and the 18-day EMA.
2. MACD is moving upwards towards the neutral zone.
3. Stochastic indicator is moving downwards down in the neutral territory, indicating bearish behaviour.

Market advice- For Jan future short near 335 with target of 334, put stop loss at 336.



Mustard Future Closing price

Contract	27.12.05	28.12.05	Chg
January	332.90	334.80	+1.90

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	333.27	335.57
	331.73	336.33

DOMESTIC MARKET COMMENTARY

Soybean:

Arrivals are further declined in the major markets today. Arrivals were 1,00,000 bags in MP, and about 30,000 bags in Rajasthan. Arrivals in Gujarat also reported 20,000-22,500 bags as compared to 25,000 bags of yesterday. Traders expect further declines in the arrivals in the near future as farmers are running out of stock. According to traders the DOC demand is increasing day by day from the Asian countries mostly from Japan and China. Trader's report that deals to export of 8,000 ton to Japan, 36,000 ton to China and around 7,500 ton to Vietnam has been done recently. Increasing demand for export of DOC to other countries will result in more crushing; hence prices for soybean are expected to remain firm.

Rapeseed/Mustard:

Mustard seed was traded at Rs 1530 per quintal in Kota and Rs 1715 per quintal in Jaipur. Traders are expecting that the harvest of Mustard seed will be starting in the second fortnight of January in some areas of Kota division Nagore district (Medta), Jaipur, Mewat and Shekhwati. Weather conditions are ideal for the crop. According to the traders next crop will be more than the previous year. NAFED will be buying around 15 lakh ton of Mustard seed coming season. Due to soft demand and with the new crop just a month away prices are expected to move much upside down.

Status of Price & Supply of the New Crop 28.12.05

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1710	20000
Alwar(C)	1630-1635	1000
Delhi(C)	1730	2000
Agra(C) katchi ghani	1770	3800
Sri Ganganagar (NC)	1450-1455	NA
Kota (NC)	1460-1475	1300

Vayda Quotes

Mustard futures as on 28.12.05

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	326.4	326.4	328.0	326.0	+1.6	328.0
Hapu r	Feb	337.1	336.8	337.3	334.9	+0.2	337.3
Hisar	Jan	324.5	324.1	325.2	324.0	+0.7	325.2

Groundnut

Groundnut seed in Rajkot Mandi today traded at Rs. 340 per 20 Kg. However groundnut oil today traded in the range of 458-60. Arrivals are reduced to 95,000 bags as

compared to 1,10,000 bags. The crop of Groundnut in Karnataka this year is small as compared to the last year. The sowing of groundnut in Karnataka was done on a large scale but due to excess rainfall this year crop has been damaged to a great extent and the harvest is short. Traders are expecting that the next summer crop, which will be harvested in February, will be a bumper crop.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	27.12.05	28.12.05
Gr Kernel	2200*	2190*
Bolds 60/70	2670*	2620*
Javas 60/70	2925	2900*
Javas 70/80	2840*	2840*
Javas 80/90	2740*	2740*

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

CBOT

CBOT Soy Futures Settle Marginally Lower

Soy future settled lower at Chicago Board of Trade on Tuesday. March soybeans settled lower 1.25 cents at \$ 6.2375 per bushel, 8.25 cents off the high and 9.75 up from the low. May soybeans settled down 1 cent at \$ 6.3325 per bushels, 9.25 cents up from the low and 7.25 cents off the high. March Soymeal settled slightly higher \$ 0.1 at \$ 203.5 per ton, \$ 4.4 up from the low and \$ 1.0 off the high. March Soybean Oil settled lower 0.33 cents at 21.28 cents/pounds, 0.37 cents off the high and 0.07 cents up from the low. There is still dry weather in some part of Argentina and Southern Brazil; rain is required for good production. Soymeal future prices are high only due to increasing feed demands on export front. Traders are crushing soybeans for the fulfilling the export demands of Soymeal at better prices; ultimately stock of Soyoil is increasing. Increasing oil stock would bring negative impact on its prices. India exported 36000 metric tonnes of Soymeal to China during this week. Weekly export inspections revealed at 21.53 million bushels as compared with trade expectations at 18-26 million.

CBOT Soybean Futures as on 27.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	613.0	613.6	613.6	602.6	-1.6	611.4
Mar 06	625.0	628.0	628.0	614.0	-1.4	623.6

CBOT remains close on Saturday & Sunday

South American Soybean Settles Higher

South American soybean settled lower on Tuesday. March South American soybeans settled off 2 cents at \$ 6.49 per bushels. Continued concern over dry weather in Argentina and Southern Brazil helped checking decline in futures. Good rains are badly needed in Southern Brazil for the improvement in crop conditions. Scattered showers at weekend helped easing weather concern to some extent. Latest weather forecast, however, has called for more rains

in Southern Brazil, but nothing seems appeasing for Argentina. In news, China is sourcing its Soymeal requirement from India. Proximity and premium quality of Indian produce are the factors providing edge to Indian exporters.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.15
Malaysia	Ringgits	11.95
European Union	Euro	53.80
United Kingdom	GBP	78.45
Japan	100 Yen	38.52

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