

OILSEED

20th December, 2005

- Soyabean January NCDEX Contract ends Firm

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at Soyabean January NCDEX contract opened high today when compared to previous days close and finally managed to end firm. Candlesticks, RSI, MA, MACD and Stochastics, are indicating that prices may open firm tomorrow and may settle low.

Market advice: The prices are most likely expected to trade with mixed sentiments tomorrow

Soybean Future Closing price

| Contract | 19.12.05 | 20.12.05 | Chg |
|----------|----------|----------|-------|
| January | 1161.00 | 1163.30 | +1.70 |

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

| Contract | Supports | Resistances |
|----------|----------|-------------|
| January | 1160 | 1170 |
| | 1156 | 1176 |

Commodity: RAPESEED

Indicators- Prices at Mustard January NCDEX contract opened above today when compared to previous days close and finally ended high. Candlesticks are showing indecisiveness and Stochastic is in overbought region, RSI, MA and MACD are indicating bullishness in prices.

Market advice- The prices are most likely to observe some upward movement initially and thereafter may show some downward movement in later session is likely.

Mustard Future Closing price

| Contract | 19.12.05 | 20.12.05 | Chg |
|----------|----------|----------|------|
| January | 331.10 | 332.15 | 1.05 |

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

| Contract | Supports | Resistances |
|----------|----------|-------------|
| January | 331.00 | 333.00 |
| | 330.00 | 334.20 |

DOMESTIC MARKET COMMENTARY

Soybean:

Soybean prices improved today in domestic spot market. In Indore soyabean seed mandi traded at Rs. 1120-1130 per quintal as compared to previous days Rs 1080-1090 per quintal. Soyabean seed plant delivery quoted at Rs. 1150-70 per quintal. 150000 bags of soybean seed arrived today in Madhya Pradesh. Maharashtra and Rajasthan markets witnessed arrivals of 100,000 bags and 32000-33000 bags respectively. Prices of soybean improved on higher demand and slightly reduced supplies. The demand for soyabean seed is increasing due to increase in demand for DOC Soya and by reason of improved demand from crushers. The prices for Soyabean seed may increase in coming days.

Rapeseed/Mustard:

In Sriganaganagar NAFED quoted mustard seed at Rs. 1535-1540. In Srinaganaganagar market around 100 - 125 bags of mustard seed were traded. Rajasthan Government has asked NAFED to create space for storing the stock of about 20 lakh tonnes of mustard seed that is expected to arrive in coming season that usually starts arriving from mid March. According to unofficial sources there is an unconfirmed news that, Nafed may hold off selling its stock in open markets from January 1st, 2006. Nafed is planning to get its seed crushed by private crushers and will be selling that mustard oil directly to the retail market. This may help Nafed to start procurement of rapeseed timely in the coming season. Market is still uncertain about prices and this uncertainty may prevail until any confirmed news is obtained.

Status of Price & Supply of the New Crop (Dec20, 05)

| Markets | Prices (Rs/Qtl) | Arrivals (Bags) |
|----------------------|-----------------|-----------------|
| Jaipur (C) | 1725 | 20,000-25000 |
| Alwar(C) | 1670 | 1000 |
| Delhi(C) | 1740 | 1000 |
| Agra(C) katchi ghani | 1820 | 3900 |
| Sri Ganganagar (NC) | 1460-65 | 1000 |
| Kota (NC) | 1500-1520 | 900 |

Vayda Quotes

Mustard futures as on 20h December 2005

| Cent re | Mo nth s | Prev. Settle | Open | High | Low | Cha nge | Close |
|---------|----------|--------------|-------|--------|-------|---------|-------|
| Delhi | Feb | Feb | 325.7 | 326.0 | 327.4 | 325.6 | 1 |
| Hapu r | Feb | Feb | 337.3 | 338.25 | 339.7 | 337.4 | 1.2 |
| Hisar | Jan | Jan | 325.9 | 326.5 | 327.1 | 325.7 | 0.2 |

Groundnut

Groundnut seed in Rajkot today traded at Rs. 341 per 20 Kg. The demand for groundnut seed is increasing due to high demand from oil mills. Export demand particularly from Europe for good quality of Groundnut seed is high however in domestic market demand for sing for direct consumption

is moderate. Therefore the prices for groundnut seed may improve in coming days. Arrivals of groundnut seed were of 125000 bags of 35 kgs each.

Spot Rates of Groundnuts in Mumbai

| Groundnut | (Rates in Rs. Per 100 Kgs) | |
|--------------|----------------------------|----------|
| | 19.12.05 | 20.12.05 |
| Gr Kernel | 2210* | 2210* |
| Bolds 60/70 | 2690* | 2690* |
| *Javas 60/70 | 2850* | 2865* |
| Javas 70/80 | 2800* | 2815* |
| Javas 80/90 | 2740* | 2700* |

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

CBOT

CBOT Soy Futures Settle Higher

Soy futures at Chicago Board of Trade settled higher on dry weather concern in Argentina. March soybean future settled up 18 cents at \$6.205 and May soybean up 17.75 cents at \$6.2825 per bushel. March soymeal closed \$7.5 higher at \$199.2 per short ton and March soybean oil up 35 points at 21.91 cents per pound. Concern over bird flu is fading across China with decline in frequency of fresh outbreak. Weather forecasts calling for less rain through the week in Argentina attracted fund buying in the early session. Export inspection report for US soybean appeared slightly higher than set weekly target of 17.8 million bushels required reaching the USDA projection. The US Department of Agriculture put the export inspection report of US soybean at 20.4 million bushels.

CBOT Soybean Futures as on 19.12.05

| Mo nth s | Previous Settle | Open | High | Low | Ch ang e | Close |
|----------|-----------------|-------|-------|-------|----------|-------|
| Jan 05 | 592.2 | 602.0 | 609.0 | 594.4 | 16.2 | 608.4 |
| Mar 05 | 602.4 | 614.0 | 622.0 | 605.0 | 18 | 620.4 |

CBOT remains close on Saturday & Sunday

South American Soybean Futures Settle Moderately Higher

South American Soybeans futures settled moderately higher on yesterday. March South American soybeans settled 4.5 cents higher at \$6.42 per bushel on yesterday. There was talk of dry weather in Southern Brazil and Argentina; according to traders' crop condition is good. News that China crushers have purchased around 10 cargoes of soybeans from US and Argentina, it seems that concern over bird flu is fading across over the China and declining the frequency of outbreak. The Brazil Geographic and Statistics Institute revealed that Brazil crop production for the 2005-06 season is pegged at 58.4 million tonnes, down from 58.7 million projected last month but up from 51.1 million tonnes last year. Planted area is down 6.4% from last year. China prices are slightly higher due to less concerned over bird flu. Weather forecasts calling for less

rain through the week in Argentina attracted fund buying in the early session

Forex Rates

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 45.15 |
| Malaysia | Ringgit | 11.94 |
| European Union | Euro | 53.98 |
| United Kingdom | GBP | 79.46 |
| Japan | 100 Yen | 38.70 |

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