

OILSEED

8th December, 2005

- NCDEX Soybean Dec Prices Continues Decreases

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at Soyabean December NCDEX contract opened high but selling pressure pulled down the prices and settled on lower side today. Candlesticks, stochastic, Moving Average, are hinting a decline in prices.

Market advice: The prices are expected to remain bearish in the coming trading day.

NCDEX DECEMBER CONTRACT



Soybean Future Closing price

Contract	7.12.05	8.12.05	Chg
December	1122.40	1121.00	-1.40

Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1117.00	1129.00
	1107.00	1135.00

Commodity: RAPESEED

Indicators- Prices at Mustard December NCDEX contract opened low and settled on lower side today. Candlesticks, stochastic, MA,, RSI are indicating bearishness of prices.

Market advice- The prices are likely to remain bearish tomorrow. Go for short position.

NCDEX DECEMBER CONTRACT



Mustard Future Closing price

Contract	7.12.05	8.12.05	Chg
December	335.70	333.30	-2.40

Expected Support and Resistance Levels

Contract	Supports	Resistances
December	332.30	335.10
	331.60	335.80

DOMESTIC MARKET COMMENTARY

Soybean:

According to trade sources arrivals of soybean increased today. In Indore soybean price at Mandi was of Rs. 1040-1070 per qtl. and plant delivery quoted at Rs. 1110-1115 per qtl. Soybean in Kota market today traded at Rs.1030-1050 per quintal. In M.P., Maharashtra, Rajasthan and Indore market arrival remained at around 1.5 lakh bags, 80000 to 100000 bags, and 20000 to 35000 bags. The demand for oil and DOC is low however crushers are buying some moderate quantities of Soyabean seed. The prices are expected to decline in coming days.

Rapeseed/Mustard:

According to market sources in Sriganaganagar their is an unconfirmed news of a tender being invited by NAFED to sell mustard seed to few oil mills in Rajasthan. This tender is likely to confirm within two to three days. In Sriganaganagar mustard seed market remained dim and negligible trading was witnessed. The demand for mustard seed is weak due to use of cheap oils like soya oil and rice bran oil that is a substitute of mustard oil. There is a stock of around 10-12 lakh tonnes of mustard seed with government. Sowing is complete and acreage for rabi crop is likely to remain same as previous year. 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 (Dec8, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1715	15000
Alwar(C)	1660	800-900
Delhi(C)	1755	1200
Agra(C) katchi ghani	1790	3900
Sri Ganganagar (NC)	1470	200
Kota (NC)	1500-15	1000

Vayda Quotes

Mustard futures as on 8th December 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Feb	327.5	327.6	328.2	327.3	0.1	327.6
Hapur	Feb	337.4	337.6	338.2	337.5	0.6	338.0
Bikaner	Dec	337.0	337.0	337.0	337.0	0.0	337.0
Hisar	Nov	323.1	323.0	323.8	323.0	0.1	323.2

Groundnut

In Gujarat groundnut seed today traded at Rs. 340 per 20 Kg i.e. up by Rs. 2-3. The demand from oilmills is now increasing and therefore prices are now increasing. Harvesting of groundnut is continuing in A.P. and Chennai. The prices in southern markets may remain low due to increased arrivals. Traders in Gujarat are expecting stable and slightly increased prices as people are receiving their salaries and are thus coming up with annual oil

procurement demand. In Gujarat markets the prices may improve slightly in 3-5 days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	7.12.05	8.12.05
Gr Kernel	2265*	2265*
Bolds 60/70	2690*	2690*
Javas 60/70	2840	2840*
Javas 70/80	2790*	2790*
Javas 80/90	2750*	2750*

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

CBOT

CBOT Soy Futures Settle Lower Ahead of Crop Data

Soy futures at Chicago Board of Trade settled lower ahead of USDA report. January soybean future settled off 5 cents at \$5.59 and March off 3.5 cents at \$5.675 per bushel. March soymeal settled off \$1.3 at \$174.4 per short ton and March soybean oil off 1 point at 21.56 cents per pound. Fundamentally market had nothing pushy to help staying higher. The US Department of Agriculture will be releasing its monthly crop report on Friday. Traders are expecting increase in end stock and decline in soy export. Market is expecting increase in ending stock to 390 million bushels, up against 256 million bushels in last year. Bearishness also stemmed from the canola production report released by Stats Canada. Canola production was put at 9.66 million ton against earlier trade expectations of 8.7-9.0 million ton. For weekly export sale of US soy, traders expecting figures to come in the range of 4-6 lakh ton. Export of soymeal is expected between 0.75-1.25 lakh ton and soyoil between 3000-8000 ton.

CBOT Soybean Futures as on 7.12.05

Months	Previous Settle	Open	High	Low	Change	Close
Jan 05	564.0	562.0	562.0	554.0	-5	559.0
Mar 05	564.0	562.0	562.0	554.0	-3.6	567.4

CBOT remains close on Saturday & Sunday

South American Soybean Futures Settle Lower

South American Soybeans future settled lower on Wednesday. South American Soybeans settled lower 7 cents at \$ 6.04 per bushel. Lower settlement of US soy prices at CBOT is affected to South American soy Market. Government of Brazil released crop estimate reports; it could not bring much impact on soy market. Brazil's official crop estimate revealed at 57.3 to 58.5 million tonnes as compared with 56.7 to 58.6 million tonnes as their November estimates. There is news of foot and mouth disease in animals in Brazil; this will bring negative impact on domestic consumption. Spread of bird flu is continued to obstacle in export demand of soybean. Traders are hesitating to buy soybean in bulk due to spread of bird flu in Asia. The bird flu case in human reported in China, this is

one of the 30 outbreaks of the bird flu. China still could not control on bird flu disease.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.23
Malaysia	Ringgit	12.25
European Union	Euro	54.48
United Kingdom	GBP	38.42
Japan	100 Yen	80.73

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