

OILSEED

7th December, 2005

- NCDEX Soybean Dec Prices Decreases

TECHNICAL ANALYSIS

Commodity: Soybean

Indicators- Prices at Soybean December NCDEX contract opened low and selling pressure restricted the prices up and settled on mostly lower side today. All of the indicators are indicating bearishness of prices.

Market advice: The prices are likely to remain bearish tomorrow and opening might be on lower side. Go for short position.

Soybean Future Closing price

Contract	6.12.05	7.12.05	Chg
December	1133.45	1123.95	-9.50

NCDEX DECEMBER CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1107	1129
December	1102	1133

Commodity: RAPESEED

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

Market advice- The prices are expected to remain bearish in the coming trading day. Go for short position.

Mustard Future Closing price

Contract	6.12.05	7.12.05	Chg
December	336.50	335.35	-1.15

NCDEX DECEMBER CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
December	333.78	336.56
December	332.50	337.78

DOMESTIC MARKET COMMENTARY

Soybean:

According to traded sources, soybean harvesting has completed at most of the centre. In Indore market soybean price remained weak and plant delivery quoted at Rs. 1110-1125 per qtl. The soybean was quoted in Kota market at Rs.1040-1060 per quintal. The arrival remained promising at most of the trading centre, therefore the prices showed weak undertone. In M.P., Maharashtra, Rajasthan and Indore market arrival remained around 1.5 lakh, 1 lakh, 1 lakh and 5000 bags. The demand for oil has decreased and thus decreasing the demand for soyabean seed. The prices may improve slightly in the coming days if arrival remains under control.

Rapeseed/Mustard:

According to market sources in Sriganaganagar there is an unconfirmed news of a tender being invited by NAFED to hire few oil mills in Rajasthan. The tender is likely to confirm within two to three days, according to trade sources. The market activity remained poor at Sriganaganagar; around 500 tonnes of mustard seed was sold in the market, which was much low as compared to last trading day. Mustard seed price quoted same today at Rs. 1535 per qtl. The demand for mustard seed is weak due to availability of other cheap oils like soyaoil and rice bran oil, which act as a substitute of mustard oil. There is a stock of around 10-12 lakh tonnes of mustard seed with government. The market is expecting that the Rabi sowing area has increased and sowing is almost completed. According to market sources, the sowing area is likely to same as of last 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 (Dec7, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1730	20,000
Alwar(C)	1660	800-900
Delhi(C)	1755	1200
Agra(C) katchi ghani	1810	3900
Sri Ganganagar (NC)	1470-1475	200
Kota (NC)	-	-

Vayda Quotes

Mustard futures as on 7th December 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	330.4	329.5	329.5	327.5	-2.9	327.5
Hapu r	Feb	339.9	339.0	339.5	337.4	-2.5	337.4
Bika ner	Dec	337.1	337.1	337.1	337.0	-0.1	337.0
Hisar	Nov	324.8	324.4	324.4	323.1	-1.7	323.1

Groundnut

In Gujarat, the groundnut seeds fetched lower price of Rs.340 per 20 kg with arrival of 1.40 lakh bags. The demand remained weak therefore the prices decreased.

The harvesting completed in this market. Where as the harvesting of groundnut has been started 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 once marriage season gets over and people come up with annual oil procurement demand. In Gujarat markets the prices may remain range bound and slightly improved in 3-5 days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	6.12.05	7.12.05
Gr Kernel	2280*	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 Slightly Lower

Soy future settled down at Chicago Board of Trade on Tuesday. January soybean settled lower 9.25 cents at \$ 5.64 per bushel; it is 9.5 cents off the high and 2.5 cents up from the low and March soybeans finished down 8.5 cents at \$ 5.71 per bushel, 3 cents up from the low and 8.5 cents off the high. March Soymeal settled down \$ 0.7 at \$ 175.7/ton, it was \$ 0.9 up from the low and \$ 1.8 off the high. March Soybean Oil settled lower 0.58 cents at 21.66 cents/pounds, 0.46 cents off the high and 0.06 cents up from the low. Export perspectives of US soybean have been dampened due to increasing stories of bird flu in Asia. Traders are expecting likely increase in US stock in forthcoming monthly report of USDA. The US Department of Agriculture will be releasing its monthly report on Friday. Official crop report released by Brazil government revealed soybean production there remained more or less unchanged versus their estimates last month. Brazil government put its estimates for soybean production in the country in 2005-06 at 57.3 -58.5 million ton against their previous estimates of 57.3-58.6 million ton.

CBOT Soybean Futures as on 6.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 05	573.2	570.0	572.0	562.6	-9.2	564.0
Mar 05	579.4	576.0	577.6	569.0	-8.4	571.0

CBOT remains close on Saturday & Sunday

South American Soy Futures Settled Higher

South American soybean settled higher on yesterday's session. March South American soybeans settled up 9.75 cents higher at \$ 6.11/bushel. March soybeans were in

oversold region, it has taken technical corrections. The export demands of South American soybean is increasing due to decent weather for soybean crops in South America. Traders' attentions are shifting towards South American soybeans from US soybean. Official crop report released by Brazil government revealed soybean production there remained more or less unchanged versus their estimates

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.17
Malaysia	Ringgit	12.24
European Union	Euro	54.35
United Kingdom	GBP	38.13
Japan	100 Yen	80.21

last month. Brazil government put its estimates for soybean production in the country in 2005-06 at 57.3 -58.5 million ton against their previous estimates of 57.3-58.6 million ton. Traders are expecting likely increase in US stock in forthcoming monthly report of USDA. The US Department of Agriculture will be releasing its monthly report on Friday.

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.