

OILSEED

31st December, 2005

- NCDEX January Soybean Future Posts Handsome Gains

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators-

- Candlestick body is forming the Marubozu indicating the strength in existing pattern.
- MACD is moving upwards and has entered the neutral territory indicating short-term bullishness.
- %k line has just taken the upside turn and is in neutral zone. Confirmation of bullish trend still has to be made.

Market advice: Jan NCDEX Buy above 1186.90 with a take profit of 1195 and a strict stop loss at 1179.50

NCDEX JANUARY CONTRACT



Soybean Future Closing price

Contract	31.12.05	30.12.05	Chg
January	1186.80	1179	+7.80

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1183.00	1190.00
	1175.00	1195.00

Commodity: RAPESEED

Indicators-

- Prices closed far below the both the 9-day EMA and the 18-day EMA indicating immediate weakness.
- %k line is skidding southward and is in neutral zone..
- MACD has just taken moving downwards move resisting to exit out of neutral territory.

Market advice- Jan NCDEX sell below 330.50 with take profit at 329 and a strict stop loss at 331.90.

NCDEX JANUARY CONTRACT



Mustard Future Closing price

Contract	31.12.05	30.12.05	Chg
January	330.60	332.50	-1.90

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	330.00	331.90
	328.90	332.40

DOMESTIC MARKET COMMENTARY

Soybean:

Sentiments are improving in soybean markets. Arrivals of soybean are shrinking in all the major mandis of Maharashtra, Rajasthan and MP. Demand for soybean is good from plants due to increased demand for soymeal from the overseas markets. Arrivals of soybean in Rajasthan were reported at 25000 bags and in Maharashtra at 50000 bags. Arrivals in Indore have gone below one lakh bags. Prices for soybean in Indore were quoted at Rs 1130 per quintal. Plant delivery price of soybean in Indore were quoted at Rs 1180 per quintal. Soybean in Kota changed hands at Rs 1075 per quintal. Prices of soybean in Maharashtra were quoted at Rs 1070-1080 per quintal.

Rapeseed/Mustard:

Rapeseed markets continued to see weak trend. Crop is progressing well amidst favourable weather situation. Latest forecast of IMD calls for scattered showers in Rajasthan from January 1st, 2006. Rains will be beneficial for the standing crop. Mustard seed in Kota was traded at Rs 1460 per quintal and in Jaipur at Rs 1690 per quintal. According to traders, demand for rapeseed has been good from the consumer end for festivals ('Makar Sakranti') ahead.

Status of Price & Supply of the New Crop 31.12.05

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1690	1500
Alwar(C)	1620	1000-1500
Delhi(C)	1715	2000
Agra(C) katchi ghani	1770	3500-3700
Sri Ganganagar (NC)	1470	100
Kota (NC)	1450	700

Vayda Quotes

Mustard futures as on 31.12.05

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	326.4	326.6	337.0	323.8	-2.6	323.8
Hapu r	Feb	337.0	336.8	336.9	334.1	-2.3	334.7
Hisar	Jan	325.2	325.2	325.2	323.9	-0.9	324.3

Groundnut

Ground markets continued to see the firm trend. Arrivals of the same in Gujarat have reduced to 90000 bags. Demand for the same is good from plants. Groundnut seed in Rajkot mandi today was offered at Rs 340 per 20kg.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	30.12.05	31.12.05
Gr Kernel	2175*	2185*
Bolds 60/70	2620*	2625*
Javas 60/70	2900	2925*
Javas 70/80	2840*	2845*
Javas 80/90	2740*	2745*

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

CBOT

CBOT Soy Futures Further Settle Higher

Soy futures settle mixed on Chicago Board of Trade on Friday. March soybean future settled up 4.75 cents at \$ 6.135 per bushel, 0.50 cents off the high and 9 cents up from the low and May soybean settled higher 4.25 cents at \$ 6.22 per bushel, 8.5 cents up from the low and 1 cent off the high. March soymeal settled lower \$ 1.5 at 196.3 per metric tonnes, \$ 1.3 up from the low and \$1.5 off the high. March Soybean Oil settled higher 0.74 cents at 21.9 cents/pounds, 0.1 cent off the high and 0.78 cents up from the low. There were talks about forecast of scattered rain in Argentina. USDA weekly export sales were friendly. Weekly export sales for soybean were higher than trade expectations and export sales for soymeal and soyoil were within range of trade expectations. USDA weekly export sales for soybeans came at 906,200 metric tonnes as compared to trade expectations range of 550,000-750,000. Soybean meal sales came at 81,800 metric tonnes as compared to trade expectations range of 75,000-125,000. Oil sales came at 7,500 tonnes as compared to trade expectations between 5,000-15,000 tonnes.

CBOT Soybean Futures as on 30.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	597.6	595.0	602.4	593.0	+4.2	602.0
Mar 06	608.6	606.4	614.0	604.4	+4.6	613.4

South American soybean futures Settle Lower

South American soybeans future settled slightly down on Friday. March South American soybeans settled 16 cents lower on Friday at \$ 6.30 per bushels. Recent rains in Brazil and hope of scattered rain in Argentina in next week brought pressure in the market. Chinese buyers attracted towards South American soybeans due to huge stock of soybeans. Romania confirmed the deadly bird flu strain in 7 villages east of Bucharest.

Weekly export sales for soybeans came in at 890,200 tonnes for the current crop and 16,000 for new crop for a total of 906,200, which was above expectations and compares favorably with 829,800 tonnes last week. Meal sales totaled 81,000 tonnes, which was within the expected range but towards the low end, and oil sales totaled 7,500, also towards the lower end of expectations.

Canola Future at WCE Ends Lower

canola settled further down on Winnipeg Commodity Exchange. Low in CBOT also made a bearish impact on the markets. No fresh demand in the markets also made the prices to fall. There was a small demand from the

routine exporters and crusher buyers. Supply is abundant with the stockiest. Traders feel that due to CBOT soy futures market is oversold and correction can be seen in near-term.

WCE Soybean Futures as on 30.12.05

Commodity	Contract	Open	High	Low	Close	Chg
Canola	Jan 06	231.1	232.2	228	230.6	-1.4

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.05
Malaysia	Ringgits	11.92
European Union	Euro	53.13
United Kingdom	GBP	77.48
Japan	100 Yen	38.23

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