

## OILSEED

9<sup>th</sup> December, 2005

- NCDEX Soybean Jan Ends Slightly Up

## TECHNICAL ANALYSIS

### Commodity: Soybean

**Indicators-** Prices at Soyabean January NCDEX contract remained mixed today and ended up when compared with previous days close. Candlesticks, stochastic, Moving Average, MACD, RSI are indicating that prices may improve tomorrow.

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

### NCDEX JANUARY CONTRACT



#### Soybean Future Closing price

Contract	8.12.05	9.12.05	Chg
December	1139.00	1145.00	6.00

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
December	1138.00	1150.00
	1132.00	1156.00

### Commodity: RAPESEED

**Indicators-** Prices at Mustard January 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 JANUARY CONTRACT



#### Mustard Future Closing price

Contract	8.12.05	9.12.05	Chg
December	330.00	326.80	-3.20

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
December	324.70	328.50
	322.60	330.20

## DOMESTIC MARKET COMMENTARY

### Soybean:

According to trade sources arrivals of soybean are declining now. Earlier when arrivals were at its peak around 450000-475000 bags were traded daily in the markets of Madhya Pradesh, Maharashtra and Rajasthan together and now it has decreased to 250000-290000 bags. In Indore soybean prices improved today and in mandi it traded at Rs. 10480-1090 per qtl.. The plant delivery soybean rate quoted at Rs. 1110-1125 per qtl. In M.P., Maharashtra, Rajasthan markets arrivals were of around 1.5 lakh bags, 110000 bags and 33000 bags respectively. The demand for oil and DOC is now improving and crushers are buying some moderate quantities of Soyabean seed. Most of the stock is in possession of stockists, which they acquired at the lowest prices of this season and are expecting to sell at higher prices when high demand comes. The prices are expected to improve in coming days.

### Rapeseed/Mustard:

Mustard seed in Sriganganagar market today remained dull and lack lustrous, as trading activity for it was almost negligible. According to trade sources 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. Traders fear the prices for mustard seed may decline further due to this. The demand for mustard seed is weak due to use of cheap oils like soyaoil and rice bran oil that is a substitute of mustard oil. 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 (Dec9, 05)

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1710-15	15000 -20000
Alwar(C)	1640-45	1000
Delhi(C)	1740	2000
Agra(C) katchi ghani	1790	3900
Sri Ganganagar (NC)	1460-70	100-200
Kota (NC)	1490-1500	800

### Vayda Quotes

#### Mustard futures as on 9th December 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	327.6	327.4	327.4	323.3	-2.7	324.9
Hapu r	Feb	338.0	337.25	337.25	334.8	-2.1	335.9
Bika ner	Dec	337.0	337.1	337.1	337.1	0.1	337.1
Hisar	Nov	323.2	322.7	322.7	321.6	-0.7	322.5

### Groundnut

Harvesting of groundnut is continuing in Andhra Pradesh and Chennai. The prices in southern markets may remain bearish due to increased arrivals. In Gujarat groundnut

seed today morning traded Re.1 low at Rs.339 and then improved and traded at Rs. 340 per 20 Kgs that was same as previous days trading price. The demand from oilmills is reported steady today however it is expected to improve in coming days. The demand for groundnut oil is less due to availability of cottonseed oil in market. Thus demand for groundnut is not coming up as expected. The demand for direct consumption of Sing dana is moderate and export demand is dim. The enquiry on groundnut seed required for summer sowing has begun and traders are expecting its purchase to begin in 2-3days. On a rough estimate this may be of around 500-1000 trucks i.e. of 10 tonnes each. The purchasing may last for coming one month. The prices may rise once the demand increases.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	8.12.05	9.12.05
Gr Kernel	2265*	2260*
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 Mixed

Soy future settled mixed at Chicago Board of Trade on Thursday. January soybean settled up 7.75 cents at \$5.675 per bushels, 1.25 cents off the high and 9.75 cents up from the low and March soybeans settled higher 8 cents at \$5.755 per bushel, 9.5 cents up from low and 0.5 cents off the high. March Soymeal finished up \$ 5.2 at \$ 179.6/MT, \$ 4.9 up from the low and \$ 0.2 off the high. March Soybean Oil settled low 0.02 cents at 21.54 cents/pounds, 0.21 cents off the high and 0.15 cents up from the low. Weekly export sales of US Department of Agriculture revealed for soybean export sales at 952,100 metric ton, it is much higher than trade expectations range 400,000-600,000 metric ton. Sales of Soy meal was at 272400 MT as compared to trade expectations range 75,000-125,000, it was also much more than expectations. Net sale of Soybean oil was put at 14,500 ton against 0-10,000 ton. However, friendly export figure could not help driving futures much higher. Weather is ideal for fieldwork in South America. Traders played cautiously ahead of monthly crop report to be released by US Department of Agriculture. Traders are expecting likely increase in soy stock and downward revision of export sale in 2005-06.

#### CBOT Soybean Futures as on 8.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 05	559.0	564.0	567.4	560.4	7.6	566.6
Mar 05	567.4	572.0	575.4	568.0	8.0	575.4

CBOT remains close on Saturday & Sunday

### South American Soybean Futures Settle Down

South American soybeans settled down on the session yesterday. March South American soybean settled down 5.5 cents on Thursday at \$ 5.985 per bushel. The surge in USDA export sales figure might be helpful to an increase South American soybean demands in future. However, traders' expectations were bearish sentiments from recent weekly export sales report. There is decent weather for soybean crop in South America due to recent rain. Traders are still waiting the monthly report of USDA, which is scheduled to release today. For the USDA Supply/Demand report on Friday, traders expectations for ending stocks to come at 392 million bushels as compared with 350 million estimated in the November report. Oil was under pressure

from a surprisingly bearish report from Statistics Canada, where canola production was pegged at 9.66 million tonnes as compared with trade expectations at 8.7 to 9.1 million tonnes. Weekly US export sales for soybeans came at 952,100 tonnes for current crop and 120,000 for new crop for a total of 1.072,100, which was well above the upper end of trade expectations and compared with 370,800 tonnes last week. Meal sales came at 272,400 tonnes for current crop and 300 tonnes for new crop for a total of 272,700, also above expectations. Bean oil sales came at 14,500 tonnes, which was well above expectations.

### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.23
Malaysia	Ringgit	12.25
European Union	Euro	54.43
United Kingdom	GBP	80.75
Japan	100 Yen	38.34

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