

OILSEED

29th December, 2005

- NCDEX Soyabean January: Markets seen a dull trend

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators-

- Price closed far above the 9-days EMA(1175.0) and 18-days(1168.7) EMA indicating bullishness in medium term.
- MACD is moving upwards and has entered the neutral territory indicating short-term bullishness.
- Stochastic indicator is moving downwards and now entering the neutral zone indicating bearishness.

Market advice: Jan NCDEX future short near 1180 with target 1177, put stop loss at 1181.5 .

NCDEX JANUARY CONTRACT



Soybean Future Closing price

Contract	28.12.05	29.12.05	Chg
January	1182	1179	-3

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1176.3	1181.3
	1173.7	1183.7

Commodity: RAPESEED

Indicators-

- Prices closed below the both the 9-day EMA and the 18-day EMA indicates bearishness.
- MACD is again moving downwards in the negative territory.
- Stochastic indicator is moving downwards down in the neutral territory, indicating bearish behaviour.

Market advice- Jan NCDEX future short near 332.0 with target 331.5, put stop loss at 333.

NCDEX JANUARY CONTRACT



Mustard Future Closing price

Contract	28.12.05	29.12.05	Chg
January	334.80	332.50	-2.3

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	331.87	333.77
	331.23	335.03

DOMESTIC MARKET COMMENTARY

Soybean:

Sentiments are weak in the soybean prices today. Arrivals of around 1,00,000 bags soybean seed was traded at Rs 1130-1140 per quintal and the plant delivery price of soybean was Rs 1170-1180 per quintal. Arrivals in Rajasthan were reported at 25,000 and were reported at Rs 1090 per quintal and in Maharashtra arrivals were around 70,000 bags traded at Rs 1070-1080 per quintal. Traders reported in decline of arrivals day by day. The demand for Soyabean seed from oil mills is good and of DOC is high. With improvement in demand and reduction in supplies the prices may improve in coming days.

Rapeseed/Mustard:

Mustard seed markets seen dull trend. Mustard seed was traded at Rs 1470 per quintal in Kota and Rs 1700 per quintal in Jaipur. According to traders there is sufficient stock of mustard seed. There is around 17.5 lakh ton of mustard seed with NAFED and around 10 lakh ton with the stockists. Traders are expecting that the coming crop will be a bumper crop and its production is expected to cross 70 lakh ton this year. Harvest of Mustard seed will be starting in the second fortnight of January in some areas of Kota division Nagore district (Medta), Jaipur, Mewat and Shekhwati. Weather is ideal for the crop.

Status of Price & Supply of the New Crop 29.12.05

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1700	2000
Alwar(C)	1625-1630	1500
Delhi(C)	1720	2000
Agra(C) katchi ghani	1770	3800
Sri Ganganagar (NC)	1450	100
Kota (NC)	1450-1470	1100

Vayda Quotes

Mustard futures as on 29.12.05

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	328.0	327.6	328.7	326.7	-1.4	326.6
Hapu r	Feb	337.3	337	338.6	336.7	-0.6	336.7
Hisar	Jan	325.2	325.2	325.6	325.1	-0.1	325.1

Groundnut

Groundnut seed in Rajkot mandi today traded at Rs 340 per 20kg. Arrivals of groundnut seed are decreasing day by day. Groundnut oil today traded at Rs 455 per 10kg.

Arrivals are reduced to 95,000 bags. Demand remained low in the major markets due to the increased availability of other competitive oils, which although are less priced but not of good quality. This year crop in major producing areas is feared to have damaged largely due to the excessive rains. This has been the only factor help-checking decline in its prices.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	28.12.05	29.12.05
Gr Kernel	2190*	2180*
Bolds 60/70	2620*	2620*
Javas 60/70	2900	2900*
Javas 70/80	2840*	2840*
Javas 80/90	2740*	2740*

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

CBOT

CBOT Soy Futures Further Settled Lower

Soy future further settled lower at Chicago Board of Trade. March Soybeans settled lower 1.5 cents at \$ 6.2225 per bushel, 3.25 cents off the high and 3 cents up from the low. May soybeans closed down 3 cents at \$ 6.3025 per bushel. This was 2.75 cents up from the low and 4.25 off the high. March soymeal settled down 0.9 cents at \$ 2.026 per bushel 1.4 cents up from the low and 1.2 cents off the high. March soybean oil settled further down 0.06 cents at \$ 2.122, 0.16 cents off the high and 0.24 up from the low. Prices settled lower due to the improving weather conditions of Brazil in near-term. There are rumors that China has bought few cargos from Argentina rather than from US. China usually buy soybean from US at this time of the year. However, Argentina prices are higher due to the dry forecast but the carryover stock in Argentina is in abundant.

CBOT Soybean Futures as on 28.12.05

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	611.4	612.4	612.6	608.0	-0.4	611.0
Mar 06	623.6	624.0	625.0	620.0	-1.4	622.2

South American soybean futures Settle Lower

March South American soybeans settled 1 cent lower on Wednesday. Dry forecast in Argentina and already dry soils in some of the major producing areas is the major concern.

Argentina and south Brazil received rains on the weekend to ease the dryness concerns but there is still a lack of rains in the Argentina forecast, which is heavenly required. Brazil crops seem to be in better condition due to improving weather conditions in Brazil. There is wake of rains in the southern regions and more in the coming weeks forecast helping in weather conditions in Brazil.

Decline in CBOT soy future also has negative impact on canola futures. Firmness in Canadian Dollar and the buyers waiting for more dips in its prices contributed to the weakness. Since traders feel that canola is oversold, an upward correction in near-term is likely.

Commodity	Contract	Open	High	Low	Close	Chg
Canola	Jan 06	238.0	238.5	233.3	233.8	-3.3

Canola Future at WCE Ends Lower

Canola futures at Winnipeg Commodity Exchange closed down due to commercial selling. January Canola futures settled lower 3.3 cents at \$ 2.338 per bushel.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.44
Malaysia	Ringgits	11.96
European Union	Euro	53.48
United Kingdom	GBP	77.76
Japan	100 Yen	38.31

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