

## OILSEED

6<sup>th</sup> January, 2006

- Soybean prices improve further

### TECHNICAL ANALYSIS

#### Commodity: SOYBEAN

##### Indicators-

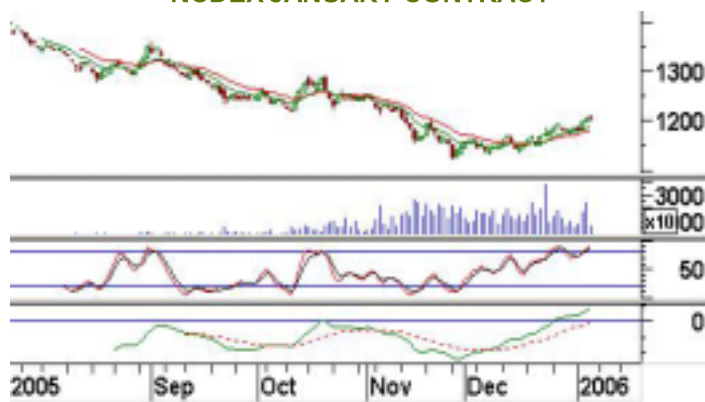
- Candlestick making a black body reflecting the bearish signal.
- Prices closed far above of both the 9-days EMA(1190.1) and 18-days EMA(1180.8), also increasing gap between 9-days EMA and 18-days EMA indicate bullishness in near term.
- Stochastic indicator moving upwards in the over-bought region indicating bullish pattern in near-term.

**Market advice:** JAN NCDEX buy near 1205 with target 1209.5, put stop-loss at 1200.

##### Soybean Future Closing price

Contract	05.01.06	04.01.06	Chg
January	1203	1205.10	-2.1

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1197.7	1208.65
	1192.4	1214.3

#### Commodity: RAPESEED

##### Indicators-

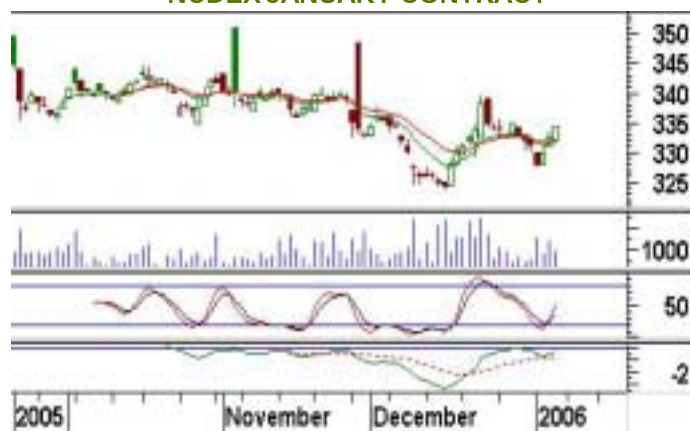
- Candlestick making a white body with shaven head indicating bullish trend in the down-trend.
- Prices closed above the both the 9-day EMA and the 18-day EMA indicating bullish trend.
- Stochastic indicator moving upwards in neutral territory reflecting strength in the pattern.

**Market advice:** JAN NCDEX sell near 335.25 with target 332.5, put stop-loss at 336.

##### Mustard Future Closing price

Contract	05.01.06	04.01.06	Chg
January	334.30	332.50	+1.8

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	332.23	335.33
	330.17	336.37

## DOMESTIC MARKET COMMENTARY

### Soybean:

Soybean prices improve further followed the gains in Chicago board of trade. Soybean prices saw an improvement in its prices in the major consuming mandis today. In Indore soybean was traded at Rs 1160 per quintal with arrivals of 1.25 lakh bags and the plant delivery price of soybean was Rs 1190-1205 per quintal. Arrivals in Rajasthan were reported at 25,000 and traded at Rs 1140-1150 per quintal and in Maharashtra arrivals were around 80,000-85,000 bags traded at Rs 1160 per quintal. Improvement of soymeal demand from the overseas markets helped to increase in the demand of soybean too. A cargo containing around 36,000 tons of soymeal is exported to China recently. According to the traders improvement in the domestic demand was also seen in the markets.

### Rapeseed/Mustard:

Mustard seed prices further improved in the markets due to the reduction in its arrivals in the major consuming markets. Mustard seed was traded at Rs 1470 per quintal in Kota and Rs 1700 per quintal in Jaipur. Demand of mustard seed is reported to be null in the markets. According to the traders the carry over stock of mustard seed is sufficient with the stockists. NAFED itself contains around 14 lakh tons of mustard and around 8.5 lakh tons lies in the hand of stockists. Harvest of mustard seed is expected in the last week of January. Harvest will begin in some areas of Kota division, Jaipur, Mewat and Shekhwati.

### Status of Price & Supply of the New Crop 05.01.06

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1700	1000
Alwar(C)	1635	1000
Delhi(C)	1720	400
Agra(C) katchi ghani	1770	1500
Sri Ganganagar (NC)	1435	100
Kota (NC)	1470	300

### Vayda Quotes

#### Mustard futures as on 05.01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	323.2	322.5	323.5	322	+0.3	323.5
Hapu r	Feb	332.9	332.75	333.1	331.5	+0.2	333.1
Hisar	Jan	323.7	323	323.3	322.9	-0.7	323

### Groundnut

Groundnut prices see a firm trend. Demand for the same is seen to be low in the major consuming markets of groundnut due to the shrinking arrivals of the groundnut. Arrivals for the groundnut seed in Gujarat have reduced to only 95,000 bags. Groundnut seed in Rajkot mandi traded at Rs 344 per 20kg and the groundnut oil was traded at Rs 455-458 per 10 kg.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	05.01.06	04.01.06
Gr Kernel	2240*	2240*
Bolds 60/70	2650*	2650*
*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 Improves

March Soybeans settled up 3.75 cents at \$ 6.3225 per bushel, 0.75 cent off the high and 6.75 cents up from the low. May soybeans settled up 3 cents at \$ 6.4175 per bushel, 6.75 cents up from the low and 1.25 cents off the high. March soymeal settled down \$ 0.8 at \$ 196.9 per ton, \$ 0.9 up from the low and \$ 2.6 off the high. March soybean oil settled up 0.36 cent at 23.6 cents per pound, 0.04 cent off the high and 0.55 cent up from the low. Dry soil and increase in the temperature in Argentina made some nervousness for the crop. Scattered rains are expected for Argentina for the next week. Traders feel that the market has been over-valued relative to the supply and demand fundamentals. China have bought few cargos of US soybeans.

#### CBOT Soybean Futures as on 04.01.06

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	617.4	618.4	622	615	+3.4	621
Mar 06	628.4	629.4	633	625.4	+3.6	632.2

## South American Soybean Futures Improves

March South American soybeans settled 11 cents higher from the Friday closing to \$ 6.46 per bushel. Crop conditions of Brazil and Argentina will set the tone of the market over the near term. The crop growing areas in Argentina mostly looks dry with temperatures moving upwards. Some scattered rains are expected in the forecast in the late next week. Brazil's crop conditions appear to be good as compared to Argentina. If the dryness trend continues in Argentina the speculative money is likely to flow to US soybeans.

## Canola Future at WCE Settles Mix

Canola futures at Winnipeg Commodity Exchange closed mixed due to increased farmer pricing. Stocks are short and the major stock remains with the farmers. Strength in Canada dollar and also in Chicago board Of Trade soy futures helped the markets to move up. Traders feel that the market was overbought and due for a correction.

### WCE Soybean Futures as on 04.01.06

Commodity	Contract	Open	High	Low	Close	Chg
Canola	Jan -06	248.0	250.0	246.2	246.5	-2.7

## Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.69
Malaysia	Ringgits	11.89
European Union	Euro	54.02
United Kingdom	GBP	78.40
Japan	100 Yen	38.44

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