

OILSEED

13th January, 2006

- Downtrend in Soybean Continues

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators-

1. Prices closed far above 18-days EMA and just below 9-days EMA (1191.8), which is indicating short term bearish sentiments.
2. %K Line is moving downwards in neutral territory after crossing %D line from up, which indicates bearish sentiments.
3. MACD has just turned downwards but not crossed its signal line, hinting bearish trends.

Market advice: JAN NCDEX short near 1198 with target 1195, put stop-loss at 1200.

Soybean Future Closing price

Contract	12.01.06	11.01.06	Chg
January	1197.20	1200.25	-3.05

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1194.80	1200.80
January	1192.40	1204.40

Commodity: RAPESEED

Indicators-

1. Candlestick pattern shows slightly bullish trends.
2. Prices closed above the both the 9-day and the 18-day EMA indicating bullish trend.
3. %K line has turned downwards in overbought region and crossed %D line from up which indicates bearish sentiments.
4. MACD is moving upwards which is negating bearish sentiments.

Market advice: JAN NCDEX buy near 338.10 with target 336.50, put stop-loss at 338.70.

Mustard Future Closing price

Contract	12.01.06	11.01.06	Chg
January	338.00	336.20	+1.80

NCDEX JANUARY CONTRACT



Expected Support and Resistance Levels

Contract	Supports	Resistances
January	336.00	339.00
January	334.10	339.90

DOMESTIC MARKET COMMENTARY

Soybean:

Sentiments further eased in the soybean prices on the reports of decline in the prices on Chicago Board Of Trade soy. January soybean prices settled lower on NCDEX today as compared to previous closing prices. CBOT soybean future prices settled down on Wednesday. Today's arrivals of soybeans were 40000-45,000, 20,000, 25000, 15,000 bags (1 bags= 85 kg) in Madhya Pradesh, Maharashtra, Rajasthan and Gujarat markets. Arrivals of soybeans were about 6000 bags in Kota only. Soybean prices were quoted in Kota mandi Rs. 1140/qtl. Soybean prices are expected to move range bound with weak sentiments.

Rapeseed/Mustard:

Mustard seed prices at physical market were range bound with positive sentiments. Mustard seed prices are improved slightly. There is news that the mustard crop is damaged about 10 to 15 per cent due to frost injury in major growing states. Mustard seed prices were quoted in Kota and Jaipur Rs 1480-1510/quintal and 1710/quintal respectively. Arrival of mustard seed is declined today as compared to yesterday. Today's arrivals of mustard seeds were 800 bags and 2000 bags in Kota and Jaipur respectively. Mustard seed prices are expected to move range bound with positive sentiments.

Status of Price & Supply of the New Crop 12.01.06

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1725	1450
Alwar(C)	1675	1050
Delhi(C)	1745	850
Agra(C) katchi ghani	1795	1200
Sri Ganganagar (NC)	1445	NA
Kota (NC)	1520	700

Vayda Quotes

Mustard futures as on 11.01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	328.5	328.2	330.6	327.7	+0.9	329.4
Hapu r	Feb	337.8	337.6	340	337.2	+1.2	339
Hisar	Jan	326	326.8	327.1	326.8	+0.8	326.8

Groundnut

Sentiments further eased for the groundnut prices in the markets with the weakening of demand from the retail end. Arrivals of only 75,000 bags were reported in Gujarat. Groundnut seed in Rajkot mandi traded at Rs 343 per 20 kg and groundnut oil at Rs 450 per 10 kg. According to the traders reduced in its arrivals does not have much impact on the markets, as the demand for the same is null in the major consuming markets.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	12.01.06	11.01.06
Gr Kernel	2220*	2215*
Bolds 60/70	2665*	2660*
Javas 60/70	2975	2950*
Javas 70/80	2880*	2875*
Javas 80/90	2785*	2780*

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

CBOT

CBOT Soy Futures End Down

Soy futures at Chicago Board of Trade settled lower ahead of USDA report. March soybean future settled off 5 cents at \$5.89 and May off 4 cents at \$5.99 per bushel. March soymeal closed off \$2.2 at \$182.4 per short ton and March soybean oil off 16 points at 22.43 cents per pound. Traders are expecting couple of data releases to come bit bearish due on Thursday. Traders are expecting that USDA could revise higher its estimates for stock of soybean in United State. Traders are not optimistic about any support to come from another quarterly report to be released on the same day. Traders are expecting grain stocks of soybean as on December 1st to be revised higher in quarterly grain report to 2.441 billion bushels, up against 3.043 billion bushels last year. However, rumors of china buying two cargos of soybean and weather reports calling for troublesome dryness and hot in middle of next week in Brazil were the two supportive factors help checking decline in its prices. In weekly export report, traders are expecting sale of US soybean to range in 4.5-6.5 lakh ton. Trade expectation for soymeal export sale ranges 0.75-1.25 lakh ton and for soyoil 4000-9000 ton.

CBOT Soybean Futures as on 11.01.06

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	578.4	575.0	578.4	573.0	-3.6	574.4
Mar 06	589.0	587.0	589.4	583.0	-4.4	584.4

CBOT remains close on Saturday & Sunday

South American Soybean Futures Settle Lower

South American soybeans future settled lower on Wednesday. March South American soybeans settled lower 5 cents at 6.15 per bushels. Traders attention are towards the weather situation of Argentina. It is expected that the Argentina will receive a 1-2 inch rain in this weekend; it would be helpful for soybean crop production in Argentina. However, hot and dry weather is still expected to continue in southern Brazil upto next week. Bird flu news remains as a potential negative force as well, with another outbreak confirmed in southwest China and two more human deaths. There have now been 5 deaths of 8 confirmed human cases in China. In spite of threatening weather in southern Brazil, the Vegetable Oils Industry Association in Brazil revised higher new crop production at 57.4 million tonnes from 57.1 million tonnes. December forecast and last year's crop was revised higher to 52.6

million tonnes from 51.9 previous forecast. The USDA has already pegged world ending stocks for soybeans at a record 48.11 million tonnes for the 2005-06 season, which is up from 42.09 million tonnes last year and 35.18 million tonnes two years ago.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.15
Malaysia	Ringgits	11.79
European Union	Euro	53.63
United Kingdom	GBP	77.98
Japan	100 Yen	38.75

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