

## OILSEED

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

- Downtrend in Soybean Continues

### TECHNICAL ANALYSIS

#### Commodity: SOYBEAN

##### Indicators-

1. Candlestick pattern shows slightly bullish trends.
2. Prices closed below the 9-day and above the 18-day EMA indicates short-term bearishness in the prices where as medium term outlook is still bullish.
3. %K line is running downward below %D in the neutral region shows bearishness to continue.
4. MACD is moving upwards which is negating bearish sentiments.

**Market advice:** The market seems indecisive at the stage, one should stay away from the market.

#### NCDEX JANUARY CONTRACT



##### Soybean Future Closing price

Contract	12.01.06	11.01.06	Chg
January	1197.20	1200.25	-3.05

##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1194.80	1200.80
	1192.40	1204.40

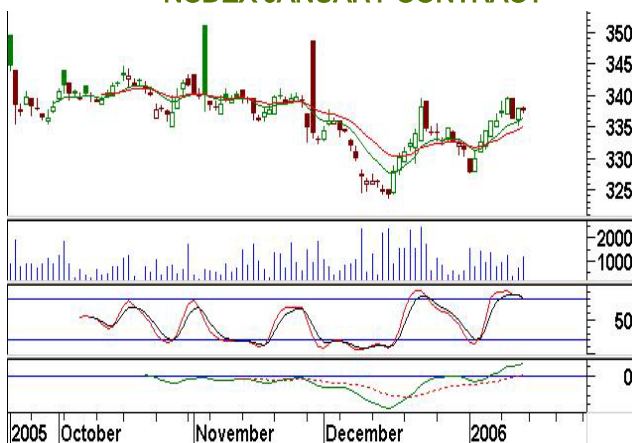
#### Commodity: RAPESEED

##### Indicators-

1. 1. Candlestick pattern shows indecisive position of the market.
2. Prices closed above the 9-day and the 18-day EMA indicates short-term bullishness in the prices.
3. %K line is running downward below %D in the overbought zone shows bearishness to continue.
4. MACD is moving upwards which is negating bearish sentiments.

**Market advice:** The prices are expected to remain range bound with positive inclination.

#### NCDEX JANUARY CONTRACT



Mustard Future Closing price				Expected Support and Resistance Levels		
Contract	12.01.06	11.01.06	Chg	Contract	Supports	Resistances
January	338.00	336.20	+1.80	January	336.00	339.00
					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 higher on NCDEX today as compared to previous closing prices. CBOT soybean future prices settled down on Wednesday. Today's arrivals of soybeans were 70,000-75,000, 60,000-70,000 and 23,000-25,000 (1 bags= 85 kg) in Madhya Pradesh, Maharashtra and Rajasthan markets. Soybean prices were quoted in Indore mandi Rs. 1150-60/qtl. Soybean prices are expected to move range bound with weak sentiments owing to good crop and low damage from frost as used to expected earlier.

### 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 and not as per rumor. Mustard seed prices were quoted in Kota and Jaipur Rs 1505/quintal and 1720-25/quintal respectively. Arrival of mustard seed is more today as compared to yesterday. Today's arrivals of mustard seeds were 1200-1300 bags and 800 bags in Delhi and Kota 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)	1720-25	No
Alwar(C)	1665-70	1000
Delhi(C)	1750-55	1200-1300
Agra(C) katchi ghani	1800	3950
Sri Ganganagar (NC)	1450-55	No
Kota (NC)	1505	800

### Vayda Quotes

#### Mustard futures as on 11.01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	329.4	329.2	330.5	328.6	+0.1	329.5
Hapu r	Feb	339	339	339.8	338	0	339

Hisar	Jan	326.8	328.5	327	-	-	329
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### Groundnut

Sentiments further eased for the groundnut prices in the markets with the weakening of demand from the retail end. Arrivals of only 80,000 bags were reported in Gujarat. Groundnut seed in Rajkot mandi traded at Rs 337 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. As per traders adulterated oil competes with the premium oil in the market if some districts which will reduce the demand of premium groundnut oil.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	13.01.06	12.01.06
Gr Kernel	2190*	2220*
Bolds 60/70	2660*	2665*
*Javas 60/70	2950*	2975*
Javas 70/80	2875*	2880*
Javas 80/90	2780*	2785*

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

### CBOT

#### CBOT Soy Futures Settle Lower

March soy future settled lower on Chicago Board of Trade Thursday. March Soybeans settled lower 12.5 at \$ 5.72 per bushels 13.5 cents off the high and 3 cents up from the low and May soybeans settled lower 12.25 at \$ 5.815 per bushel, it was 2.5 cents up from the low and 13.25 cents off the high. March Soymeal settled lower \$ 2.7 at \$ 179 per metric ton , it was \$ 1.0 up from the low and \$ 1.5 off the high. March soybean oil settled lower 0.46 cents at 21.69 cents/pounds, 0.09 cents off the high and 0.24 cents up from the low. USDA monthly report released on January 12,2006 and revealed the stock of US soybean increased to 505 million bushels, it is up 52 million bushels from trade expectations. Last

year ending stock of US soybean were 256 million bushels. US soybean export figure were revised lower by 70 million bushels to 950 million bushels, while on the other hand, crushing of soybean revised higher by 10 million bushels. Ending stock of soybean oil were revised higher to 2.469 billion pounds from 2.329 billion pounds last month and it was 1.699 billion pounds last year. US Department of Agriculture Weekly export sales for soybeans came at 448,100 metric tonnes as compared to trade expectations between 450,000-650,000. Meal sales were 70,900 metric tonnes as compared to trade expectations between 75,000-125,000. Oil export sales were just 300 metric tonnes as compared to trade expectations between 4,000-9,000. The USDA weekly export sales added bearish tone.

#### CBOT Soybean Futures as on 12.01.06

Month	Previous Settle	Open	High	Low	Change	Close
Jan 06	574.4	574	686	561	-12.4	562
Mar 06	584.4	584.4	623.4	569.4	-12.4	572

CBOT remains close on Saturday & Sunday

#### South American Soybeans Futures Settle Down

South American soybeans future settled lower on Thursday. March South American soybeans finished down 5 cents at \$ 6.15 per bushels. There is continue to traders attention towards the South American weather situation, it seems that Argentina soybean crop will improve in next week. However, weather situation for soybean crop is not much favourable in Southern Brazil. It is expected to receive 1-2 inch rain in Argentina in weekend, while there is continue to hot and dry weather in Southern Brazil. Despite of unfavorable weather in Southern Brazil, USDA monthly report forecast that the soybean production is expected to increase 2 million tonnes to 53 million tones in Brazil only. USDA monthly report released on January 12,2006 and revealed the stock of US soybean increased to 505 million bushels, it is up 52 million bushels from trade expectatios. Last year ending stock of US soybean were 256 million bushels. US soybean export figure were revised lower by 70 million bushels to 950 milliom bushels, while on the other hand, crushing of soybean revised higher by 10 million bushels. Ending stock of soybean oil were revised higher to 2.469 billion pounds from 2.329 billion pounds last month and it was 1.699 billion pounds last year. Weekly export sales of US department of Agriculture revealed bearish sentimnets.

#### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.24
Malaysia	Ringgits	11.82
European Union	Euro	53.33
United Kingdom	GBP	78.19
Japan	100 Yen	38.60

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