

OILSEED

21st January, 2006

- Downtrend in Soybean Continues

TECHNICAL ANALYSIS

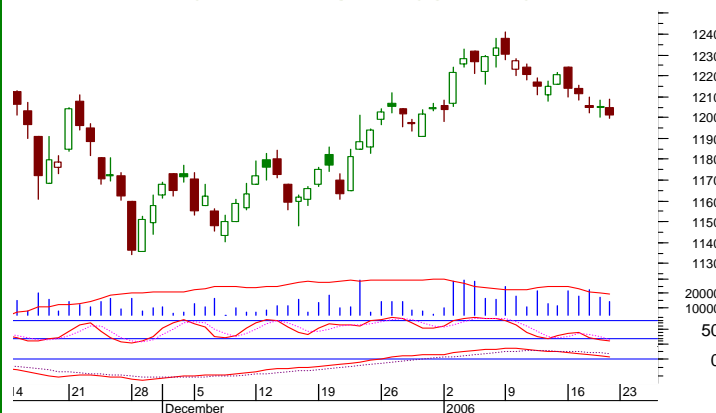
Commodity: SOYBEAN

Indicators -

1. Candlestick pattern shows bearish market sentiments.
2. Prices closed below the 9-day and the 18-day EMA indicates bearish market sentiment.
3. %K line is moving downward in oversold region showing possible trend reversal and bearish sentiment.
4. MACD crossed its signal line from above showing possible price fall.

Market advice: The market seems bearish at the stage. Go short with caution.

NCDEX FEBRUARY CONTRACT



Soybean Future Closing price

Contract	19.01.06	20.01.06	Chg
February	1205	1201	-4

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1197.3	1206.8
	1193.6	1212.6

Commodity: RAPESEED

Indicators -

1. Candlestick favoure bears in market.
2. Prices closed above the 9-day(330.06) and the 18-day (328.63) EMA.
3. %K line is moving downward and crossed % D line from up which shows bearish trend.
4. MACD is moving upwards with wide gap between signal lines.

Market advice: The prices are expected to go down further. Go short with caution.

NCDEX FEBRUARY CONTRACT



Mustard Future Closing price

Contract	19.01.06	20.01.06	Chg
February	333.10	331.35	-1.75

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	330.20	333.00
	329.05	334.65

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX future market opened at 1205, similar to previous closing price. With initial selling pressure, it slightly gained strength and reached highest 1209 at 12.45 pm. Future market experienced steep downfall, reached its lowest value 1199.50 at 3.15 pm. Market tried to gain strength but remained steady and settled at 1201. The overall market sentiment remained bearish. Mandi rate at Indore was found Rs.1140-50/Qtl. Plant delivery of soybean quoted at Rs. 1175-1185 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 100000, 30,000-35,000 bags and 10,000-15,000 bags respectively. The price is expected to remain steady due to closing day of NCDEX and arrival pressure of new stock of mustard.

Rapeseed/Mustard:

NCDEX future market opened at 333.25, the highest rate of the day. Future market then started to loose its strength and struggled hard for gaining strength. Due to strong bull and bear fight the prices remained steady and reached its lowest at 330.7. The future market tried to gain strength and settled at 331.35. The overall market sentiments remained bearish today. Mustard seed prices at physical market were range bound and steady. Mustard seed prices were quoted in Jaipur and Kota Rs 1725-1730/quintal and 1510-1535/quintal respectively. Arrival of mustard seed is 15,000 bags in Jaipur. Today's arrivals of mustard seeds were 1000-1500 bags, 150 bags in Alwar and Kota respectively. Arrivals of new mustard seed started to flush in Kota market.

Status of Price & Supply of the New Crop 20.01.06

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	1725-1730	15,000
Alwar(C)	1690-1700	1000-1500
Delhi(C)	1775	500-600
Agra(C) Katchi Ghani	1760-1780	3900
Sri Ganganagar (NC)	1450	No Arrival
Kota (NC)	1510-1535	150

Vayda Quotes

Mustard futures as on 20.01.06

Centr e	M	Prev. Settl e	Ope n	Hig h	Lo w	Ch	Close
Delhi	F	333	333	333	331	-1.8	331.2

Hapur	F	341.9	341.6	341.6	339.2	-2.4	339.5
Hisar	M y	333.4	333.6	333.6		-0.8	332.6

M: Month; F: Feb; MY: May

Groundnut

Price for groundnut remained range bound and improved slightly due to improvement of future market. Not much fluctuation was observed in the market due to low demand compared to arrivals in the Gujarat market. Groundnut seed in Rajkot Mandi traded at Rs 338 per 20 kg and groundnut oil at Rs 448 per 10 kg. Arrival at Gujarat Mandi is about 45,000-50,000.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	20.01.06	19.01.06
Gr Kernel	2175*	2165*
Bolds 60/70	2710*	2710*
Javas 60/70	2925	2925*
Javas 70/80	2850*	2850*
Javas 80/90	2750*	2750*

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

CBOT

CBOT Soy Futures Settle Lower

Soy future solded lower at Chicago Boards of trades on Thrusday. March Soybean future settled lower 0.75 cent at \$5.65/bushel, 3.75 cent off the high and 1 cent up from the low. May Soybeans closed unchanged at \$5.7475, it was 0.75 cent up from the low and 3.25 cent off the high. March Soymeal closed up \$ 0.9 at \$178.4/ton, it was \$ 0.9 up from the low and \$ 0.4 off the high. March Soybean Oil settled lower 0.08 cents at 21.08 cents/pound, 0.25 cents off the high and 0.02 cent up from the low. Scattered rains are expected in Brazil which is expected to limit the upside recover. Brazil crop production could be near 58-60 million tonnes has been seen as a factor to drive the market lower as a large crop in Brazil may provide extra competition with US soybeans.

CBOT Soybean Futures as on 20.01.06

Mont h	Previo us Settle	Ope n	High	Low	Cha nge	Close
Mar 06	565.6	567.6	579.2	563.4	-0.6	565

May 06	574.6	577	588.4	572.4	0	574.6
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are still bearish forces. The uncertainty associated with the bird flu is still a potential bearish force for lowering down its price.

South American soybean Settle Lower

South American soybeans future settled low on Thursday. March South American soybeans closed 5 cents lower at \$5.97/bushel as compared to previous closing price. There were rumors in previous day of China buying US and Argentina soybeans. The US market tried to improve slightly late yesterday and overnight, and after the recent sharp break, futures were slightly oversold but with a shallow pace. The weather has turned more favorable and less threatening in South America, and weak export and crush demand in the US

Forex Rate

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.25
Malaysia	Ringgits	11.81
European Union	Euro	53.40
United Kingdom	GBP	77.82
Japan	100 Yen	38.38

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