

OILSEED

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

## Improvement in Soybean and Mustard

### TECHNICAL ANALYSIS

Commodity: SOYBEAN

#### Indicators -

1. Candlestick pattern shows formation of Doji pattern indicating indecisive sentiments.
2. Prices closed above the 9-day and 18-day EMA indicates medium term bullish market sentiment.
3. %K and %D line is moving upward in neutral region indicating indecisive market sentiment.
4. MACD is improving and bending indicating possible crossovers.

#### Market advice:

Sell below 1219, target at 331.7, stop loss at 1222.

#### NCDEX FEBRUARY CONTRACT



#### Soybean Future Closing price

Contract	21.01.06	23.01.06	Chg
February	1213.90	1216	+2.1

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1212.71	1219.56
	1209.43	1223.13

Commodity: RAPESEED

#### Indicators -

1. Candlestick showing bearish market sentiments.
2. Prices closed above the 9-day(330.06) and the 18-day (328.63) EMA showing positive market sentiments.
3. %K line crossed %D line from above and showing bearish market sentiments.
4. MACD is moving upwards with wide gap between signal lines and tends to bend indicating possible crossover. The MACD line intends to fill the gap.

#### Market advice:

Sell below 333.00, target at 331.7, stop loss at 333.8.

#### NCDEX FEBRUARY CONTRACT



#### Mustard Future Closing price

Contract	21.01.06	23.01.06	Chg
February	333.70	332.30	-1.4

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
February	331.16	334.46
	330.03	336.63

## DOMESTIC MARKET COMMENTARY

### Soybean:

NCDEX future market opened firm at 1216 than previous closing price. Market gaining initial and reached to its peak 1219.85 at 11.15 am. Prices remained steady up to 1.23 pm then started to declined and settled at 1216. The overall market sentiment remained indecisive. Mandi rate at Indore was found Rs.1130-1160/Qtl. Plant delivery of soybean quoted at Rs. 1195-1200 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 75,000, 40,000 bags and 17,000-18,000 bags respectively. The prices improved today due to low arrivals in the mandi and improved demand in international market. Millers are also showing interest in soybeans.

### Rapeseed/Mustard:

NCDEX future market opened firmed at 333.95 and higher than previous closing. It gained strength thereafter and reached to its highest rate 335.50 at 12.30 pm. Future market then declined and finally settled at 332.30, lower than the previous closing price. The overall market sentiments remained bearish today. Mustard seed prices at physical market were range bound and steady. Mustard seed prices were quoted in Alwar and Sri Ganganagar at Rs 1690-1700 and 1440 per quintal respectively. Arrival of mustard seed is 1000 bags in Alwar. Today's arrivals of mustard seeds were 800-900 bags and 3925 bags in Delhi and Agra respectively. Arrivals of new mustard seed started to flush in Rajasthan.

### Status of Price & Supply of the New Crop 23.01.06

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	-	-
Alwar(C)	1690-1700	1000
Delhi(C)	1770	800-900
Agra(C) Katchi Ghani	1760	3925
Sri Ganganagar (NC)	1440	-
Kota (NC)	1510-1515	50

### Vayda Quotes

#### Mustard futures as on 21.01.06

Centr e	M	Prev. Settl e	Ope n	Hig h	Lo w	Ch	Close
Delhi	F	333.5	333.8	335.3	332.9	-0.63	332.9
Hapu r	F	341.6	342.5	343.3	340.35	-1.25	340.35
Hisar	M y	334.2	335	336.5	334.4	+0.3	334.5

M: Month; F: Feb; MY: May

### Groundnut

Price for groundnut remained range bound and steady. 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 335 per 20 kg and groundnut oil at Rs 446 per 10 kg. Arrival at Gujarat Mandi is about 60,000. Spot market sentiment remained steady due to low demand.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	22.01.06	21.01.06
Gr Kernel	2190*	2175*
Bolds 60/70	2690*	2710*
*Javas 60/70	2950*	2925*
Javas 70/80	2860*	2850*
Javas 80/90	2770*	2750*

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

### CBOT

#### CBOT Soy Futures Settle High

CBOT remained closed on Saturday and Sunday therefore the prices remained same as that on Friday. Soy future settled higher at Chicago Boards of trades on Friday. March Soybeans settled high 3 cent at \$ 5.68/bushel, 3.75 cent off the high and 3 .50 cent up from the low. May Soybeans closed up 3 cent at \$ 5.7775, it was 3.75 up from the low and 3.75 off the high. March Soymeal closed up \$ 1 at \$ 179.4/ton it was \$ 1.4 up from the low and \$ 1.1 off the high. March Soybean Oil finished up 0.2 cent at 21.28 cents/pound, 0.14 cent off the high and 0.27 cent up from the low. Increase in weekly soybean sales and short-covering after the recent sharp break supported solid gains in soybeans. Weekly US export sales for soybeans show higher gain than expected and further boost the market.

#### CBOT Soybean Futures as on 23.01.06

Mont h	Previo us Settle	Ope n	High	Low	Cha nge	Close
Mar 06	565	567	579.2	563.4	+3	568
May 06	574.6	578	588.4	572.4	+3	577.6

## South American soybeans Future Settled Unchanged

South American soybeans future remained unchanged on Friday. March South American soybeans closed unchanged on Friday at \$ 5.97/bushel. The US market's fundamentals remained bearish and the trend remains down, but futures were oversold enough to experience a slight upshift. With the large crops and large stocks in South America, the export from US soybeans is slowing down. The cheaper South American soybeans have pushed US soy at lower price. Weather looks favorable in South America and expected to have bumper crop. Weekly export sales for soybeans came in at 1,278,700 tonnes for current crop and 72,000 for new crop for a total of 1,350,700, which is above the expectations. Meal sales came in at 158,000 for current crop and 900

for new crop for a total of 158,900, also above expectations, and oil sales came in at 1100 tons (all current crop), which was towards the low end of expectations.

## Forex Rate

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.20
Malaysia	Ringgits	11.79
European Union	Euro	54.25
United Kingdom	GBP	78.80
Japan	100 Yen	38.67

## Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.