

## OILSEED

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

- Downtrend in Soybean Likely to Halt

### TECHNICAL ANALYSIS

#### Commodity: SOYBEAN

##### Indicators-

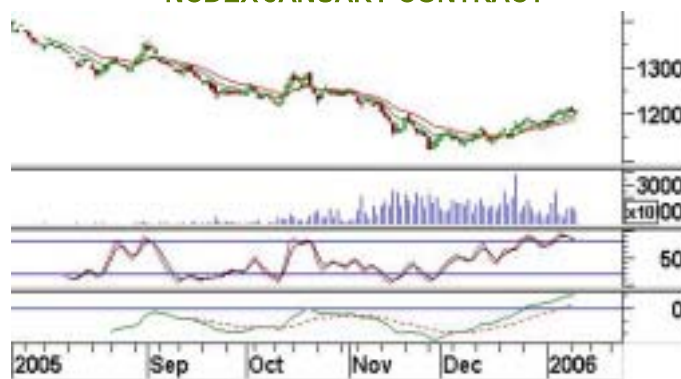
1. Prices closed far above of both the 9-days EMA(1200) and 18-days EMA(1190), also increasing gap between 9-days EMA and 18-days EMA indicate bullishness in near term
2. Stochastic indicator moving downwards towards the neutral zone.
3. MACD has moved upwards in the neutral zone confirming strength in the current pattern.

**Market advice:** JAN NCDEX buy near 1205 with target 1210, put stop-loss at 1202.

##### Soybean Future Closing price

Contract	10.01.06	09.01.06	Chg
January	1206	1205.25	+0.75

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1199	1210
January	1192	1214

#### Commodity: RAPESEED

##### Indicators-

1. Stochastic moving upwards and has entered the over bought zone reflecting the bullish pattern.
2. Prices closed above the both the 9-day EMA and the 18-day EMA indicating bullish trend.
3. MACD indicator is in the neutral zone reflecting strength in the pattern.

**Market advice:** JAN NCDEX sell near 340.05 with target 338.25, put stop-loss at 340.75.

##### Mustard Future Closing price

Contract	10.01.06	09.01.06	Chg
January	339.50	337.40	+2.10

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	337.80	340.40
January	336.10	341.30

## DOMESTIC MARKET COMMENTARY

### Soybean:

Sentiments eased in the soybean prices on the reports of decline in the prices on Chicago Board Of Trade soy futures. In Indore soybean was traded at Rs 1150-1160 per quintal with arrivals of 1.25-1.50 lakh bags and the plant delivery price of soybean was Rs 1190-1205 per quintal. Arrivals in Rajasthan were reported at 30,000 and traded at Rs 1120-1140 per quintal and plant delivery price was Rs 1180 per quintal. And in Maharashtra arrivals were around 70,000bags traded at Rs 1150 per quintal and plant delivery prices were at Rs 1190-1200 per quintal. According to the traders demand for the soybean has been increased from millers end for crushing. DOC demand has been increased recently from the overseas markets and is touching the higher levels. India sold 100,000 tonnes of meal to China, which might be factors, along with bird flu concerns, to keep China from aggressively booking soybeans.

### Rapeseed/Mustard:

Sentiments improved for mustard seed in the major consuming markets. Mustard seed was traded at Rs 1505 per quintal in Kota and Rs 1725 per quintal in Jaipur. Arrivals are shrinking for the mustard seed in the major producing markets. Carry-over stock for the same is sufficient, NAFED only contains around 10-12 lakh tonnes and around 10 lakh tonnes is with the stockists. NAFED is shifting its stock out from Rajasthan to Punjab and UP to make the space for the next crop. NAFED will be acquiring around 40 lakh tones of mustard from the coming crop.

### Status of Price & Supply of the New Crop 10.01.06

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1725	1500
Alwar(C)	1670	1200
Delhi(C)	1740	600
Agra(C) katchi ghani	1790	900
Sri Ganganagar (NC)	1450	NA
Kota (NC)	1505	700

### Vayda Quotes

#### Mustard futures as on 10.01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	328.1	328.6	330.8	328.6	+2.6	330.7
Hapu r	Feb	337.1	336.75	340.1	336.75	+2.9	340
Hisar	Jan	325.8	326.7	327	326.3	+0.8	326.6

### Groundnut

Sentiments eased for the groundnut prices in the markets. 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. Arrivals of only 80,000 bags were reported in Gujarat. Groundnut seed in Rajkot mandi traded at Rs 342 per 20 kg and groundnut oil at Rs 455 per 10 kg.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	10.01.06	09.01.06
Gr Kernel	2215*	2225*
Bolds 60/70	2660*	2660*
*Javas 60/70	2950*	2950*
Javas 70/80	2875*	2875*
Javas 80/90	2780*	2780*

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

### CBOT

#### CBOT Soy Futures Settle Lower

March Soybeans settled lower 17 cents at \$ 5.94 per bushel, 12.50 cents off the high and 4.5 cents up from the low. May soybeans settled lower 18 cents at \$ 6.03 per bushel, 3 cents up from the low and 13.5 cents off the high. March soymeal settled down \$ 4.1 at \$ 184.6 per ton, \$ 1.8 up from the low and \$ 1.3 off the high. March soybean oil settled down 0.4 cent at 22.59 cents per pound, which is 0.16 cent off the high and 0.24 cent up from the low. The forecast for a good rain event in Argentina made a bearish impact on the market. Renewed bird flu concerns added to the bearish tone. While the Argentina crop conditions look to improve this week with the forecast for rain, crop conditions in southern Brazil look to deteriorate with a high pressure ridge bringing hot and dry weather for much of the next week. According to the traders exports are reported to be reduced. Cumulative shipments have reached just 40.8% of the USDA export forecast for the season as compared with 50.2% as the 5-year average for this time of the year.

#### CBOT Soybean Futures as on 09.01.06

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	600.4	609.4	611	580	-16.4	584
Mar 06	611	617.2	623.4	590	-17	594

CBOT remains close on Saturday & Sunday

### South American Soybean Futures Settle Lower

March South American soybeans settled 7 cents lower from the Friday closing to \$ 6.365 per bushel. The outlook for a significant rain event with cooler temperatures for later this week in Argentina helped pressure in the market. A high pressure ridge, however, is expected to continue to build in southern Brazil over the next week, which could begin to stress some of the Brazil crop. Weather forecast shows major relief for the Argentina growing areas for the second half of this week with cooler and wetter weather now expected. More stories of bird flu outbreaks and deaths added to the negative tone on the market, and traders believe that China buyers are reluctant to book more soybeans under these circumstances.

### Canola Future at WCE Settles Lower

Canola futures at Winnipeg Commodity Exchange followed decline in Chicago board of trade soy complex futures. Weakness in the Canadian dollar added to the bearish trend. According to the traders crushers were the only small buyers in the markets. Farmers were reluctant sellers as canola is well priced in the international markets.

#### WCE Soybean Futures as on 09.01.06

Commodity	Contract	Open	High	Low	Close	Chg
Canola	Jan -06	240.9	240.9	238.2	239.8	-3.6

### Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.25
Malaysia	Ringgits	11.81
European Union	Euro	53.39
United Kingdom	GBP	78.15
Japan	100 Yen	38.67

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