

OILSEED

1st February, 2006

Steady movement of Mustard and Soybean likely to continue

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators -

1. Candlestick showing bearish market sentiments.
2. Prices closed slightly below the 9-day(330.06) and above 18-day (328.63) EMA.
3. %K line is moving downward and likely to cross %D line from above indicating bearish cross over.
4. MACD is separating again indicating the trend likely to continue.

Market advice:

Go short with caution and risk lovers can take risk.

NCDEX FEBRUARY CONTRACT



Soybean Future Closing price

Contract	30.01.06	31.01.06	Chg
February	1220.30	1213.50	-6.8

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1210.8	1218.1
	1208.1	1222.7

Commodity: RAPESEED

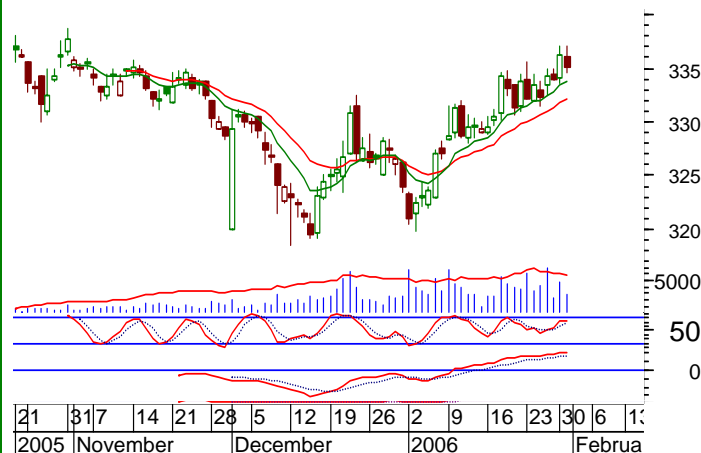
Indicators -

1. Candlestick showing bearish market sentiments.
2. Prices closed above the 9-day(330.06) and the 18-day (328.63) EMA showing bullish market sentiments.
3. %K line turn downward steeply indicating possible bearish crossover with %D line.
4. MACD is moving upwards with wide gap indicating indecisive market sentiments.

Market advice:

Market is indecisive at this juncture, so better to avoid taking position.

NCDEX FEBRUARY CONTRACT



Mustard Future Closing price

Contract	30.01.06	31.01.06	Chg
February	336.20	335.05	-1.15

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	334.10	336.50
	333.15	337.95

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX future market firmed open at 1220 which remained the highest price of the day. Market then steadily came down and tried to retrieve firm position. Prices reached to its lowest value 1212.70 at 5.00 pm and then finally settled at 1213.50 with slight improvement. Prices then tried to improve and finally settled at 1216.50. Overall market sentiment remained slightly bearish. Mandi rate at Indore was Rs.1150-1160/Qtl. Plant delivery of soybean quoted at Rs. 1200-1215 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 80000, 25,000-30,000 bags and 10,000-15,000 bags respectively. Increased arrival in MP is due to release of stock from stokist so that they can store fresh arrival of new crops. The improvement in prices is due to improvement in international market. Increased demand in international market in combination with stress condition weather in South America pushed the prices up. There are chances that prices might sprut for very short time due to gap between decrease in arrivals of soybean and optimum arrivals of mustard seed in the market coupled with increased in demand of DOC.

Rapeseed/Mustard:

NCDEX future market opened weak at 336 lower than previous closing price. It then tried to regain its firm position due to presence of strong buyers and reached to its highest value at 337. It retreats thenafter and finally settled at 335.05. 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, Alwar and Sri Ganganagar at Rs 1720, 1670-1675 and 1475-1480 per quintal respectively. Arrival of mustard seed is 15,000-20,000, 1000 and 600-700 bags in Jaipur, Alwar and Delhi respectively. Arrivals from Agra were quoted at 4025. Arrivals of new mustard seed started to flush in Rajasthan market. Hefty previous stock coupled with fresh arrivals of mustard seed in the market leads to steady prices.

Status of Price & Supply of the New Crop 31.01.06

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	1720	15,000-20,000
Alwar(C)	1670-1675	1000
Delhi(C)	1715-1720	600-700
Agra(C) Katchi Ghani	1770-1780	4025 (Q)
Sri Ganganagar (NC)	1475-1480	200-300
Kota (NC)	1500-1515	1000

Vayda Quotes

Indian Agribusiness Systems Pvt. Ltd., New Delhi

Mustard futures as on 31.01.06

Centre	M	PCP	O	H	Low	Ch	Close
Delhi	F	336.5	336.5	337.5	336.2	-0.1	336.4
Hapur	F	339.5	339.4	341	339.3	+0.3	339.8
Hisar	My	333.1	333.5	333.8	333.3	+0.6	333.7

M: Month; F: Feb; MY: May

Groundnut

Price for groundnut remained range bound and steady due to equality in demand and supply. Arrival of groundnut in the Gujarat market is 55,000-60,000 bags. Groundnut seed in Rajkot Mandi traded at Rs 334 per 20 kg and groundnut oil at Rs 445per 10 kg. Harvesting of groundnut in Gujarat is finished and whatever reached to the market is the stored stock of farmers. Therefore prices remain range bound and expected to improve in coming days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	31.01.06	30.01.06
Gr Kernel	2150*	2165*
Bolds 60/70	2650*	2650*
Javas 60/70	2950*	2950*
Javas 70/80	2870*	2860*
Javas 80/90	2750*	2770*

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

CBOT

CBOT Soy Futures Settle High

Soy future settled high at Chicago Boards of Trades on Monday. March Soybeans settled up 9.50 cents at \$5.9875/bushel, 7.50 cents off the high and 5.50 cents up from the low. May Soybeans settled up 9.75 cents at \$6.0950. This was 6.75 cents up from the low and 7 cents off the high. March Soymeal settled up \$1.8 at \$188.2/ton that was \$1.4 up from the low and \$2.3 off the high. March Soybean Oil finished up 0.15 cent at 22.2 cent/pound, 0.25 cent off the high and 0.05 cent up from the low. Fund buyers took the market high with effective buying coupled with the concern of hot and adverse weather forecast for Argentina in this week. It is expected that the temperature may rise up to 100 °F. Weekly export data from US came about 18.85 million bushels as compared to expected 22-30 million bushel.

CBOT Soybean Futures as on 30.01.06

Month	PCP	Open	High	Low	Ch	Close
Mar 06	589.2	600.4	603.2	563.4	+9.4	598.6
May 06	599.6	612.4	614	572.4	+9.8	609.4

South American soybean Futures Settle High

South American soybeans future settled high on Monday. March South American soybeans settled 14.50 cents higher at \$6.19/bushel. Positive influence of US market and concern of adverse weather condition of Argentina remain the main reason for improvement in the market. Cash markets in Brazil also remained firm due to supplies of market-ready grain are tight ahead of the harvest. The market price went up due to less chances of rains for Argentina for this week. The adverse weather in Argentina imparted stressed crop conditions and lack of chances of improvement over the next few days provided support to the market. Though, short term weather situation in South America looks bullish due to adverse weather condition in South America. Speculators therefore hold a hefty net short

position for better margin. Long term fundamentals for US seems bearish due to pressure of crop arrival in the market. This could be the reason for buying support from speculators and end users.

Forecast valid for next 72 hours

NORTH: Rain/snow is likely at isolated places over higher reaches of Jammu & Kashmir. Weather will be mainly dry over the rest region.

EAST: Weather will be mainly dry over the region.

SOUTH: Weather will be mainly dry over the region.

WEST: Weather will be mainly dry over the region.

Source: IMD, GOI

Forex Rate on 31.01.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.07
Malaysia	Ringgits	11.74
European Union	Euro	53.32
United Kingdom	GBP	77.95
Japan	100 Yen	37.50

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