

OILSEED

23rd January, 2006

Improvement in Soybean and Mustard

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators -

1. Candlestick pattern shows bullish market sentiments.
2. Prices closed above the 9-day and 18-day EMA indicates bullish market sentiment.
3. %K line is moves upward in oversold region and crossed %D line and come in the neutral region indicating bullish sentiment.
4. MACD is improving showing possible sentiments.

Market advice: Buy above 1212, target at 1219. Stop loss at 1208. Go with caution.

NCDEX FEBRUARY CONTRACT



Soybean Future Closing price

Contract	20.01.06	21.01.06	Chg
February	1201.00	1213.90	+12.9

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1206.60	1217.50
	1199.30	1221.10

Commodity: RAPESEED

Indicators -

1. Candlestick showing bullish market sentiments.
2. Prices closed above the 9-day(330.06) and the 18-day (328.63) EMA showing possitive market sentiments.
3. %K line is moving downward and showing possible trend reversal, crossed % D line from up in neutral zone.
4. MACD is moving upwards with wide gap between signal lines. The MACD line intends to fill the gap.

Market advice: Buy above 333.80, target at 334.7. Stop loss at 333.20. Take caution.

NCDEX FEBRUARY CONTRACT



Mustard Future Closing price

Contract	20.01.06	21.01.06	Chg
February	331.35	333.70	+2.35

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	331.63	335.13
	329.56	336.56

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX future market opened firm at 1205 compared to previous closing price. From the beginning buying pressure dominated and maintained its upward trend. Future market experienced steep upward trend and reached its highest value 1213.90 at its settlement. However, lowest price achieved initially in the initial half an hour after closing at 1203. The overall market sentiment remained bullish. Mandi rate at Indore was found Rs.1120-50/Qtl. Plant delivery of soybean quoted at Rs. 1190-1200 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 80,000-90,000, 20,000-25,000 bags and 10,000 bags respectively. The prices improved today due to low arrivals in the mandi coupled with low prevailing stock. Millers are also in buying position.

Rapeseed/Mustard:

NCDEX future market opened 0.15 up at 331.5 than previous closing and remained week for further 15 minutes. It gained strength thereafter and reached to its highest rate at 334.50. Future market then dwindled up and down to some extent and finally settled at 333.7. The overall market sentiments remained bullish today. Mustard seed prices at physical market were range bound and steady. Mustard seed prices at physical market were range bound and steady. Mustard seed prices were quoted in Jaipur and Sri Ganganagar at Rs 1730-1735 and 1440-1445 per quintal respectively. Arrival of mustard seed is 1000-15,000 bags in Alwar. Today's arrivals of mustard seeds were 600 bags, 3900 bags in Delhi and Agra respectively. Arrivals of new mustard seed started to flush in Kota market.

Status of Price & Supply of the New Crop 21.01.06

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	1730-1735	-
Alwar(C)	1690-1700	1000-1500
Delhi(C)	1770-1775	600
Agra(C) Katchi Ghani	1750	3900
Sri Ganganagar (NC)	1440-1445	100
Kota (NC)	-	-

Vayda Quotes

Mustard futures as on 21.01.06

Centre	M	Prev. Settle	Open	High	Low	Ch	Close
Delhi	F	331.2	331.4	333.5	331.4	+2.3	333.5
Hapur	F	339.5	339.9	342	339.6	+2.1	341.6

Hisar	M	332.6	332.2	334.6	332.2	+1.6	334.2
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M: Month; F: Feb; MY: May

Groundnut

Price for groundnut remained range bound and steady 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 40,000-45,000. Spot market sentiment improved, influenced by the future market.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	21.01.06	20.01.06
Gr Kernel	2175*	2175*
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 High

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 Soybean Oil 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 21.01.06

Month	Previous Settle	Open	High	Low	Change	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	44.11
Malaysia	Ringgits	11.84
European Union	Euro	53.52
United Kingdom	GBP	78.10
Japan	100 Yen	38.15

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