

OILSEED

19th January, 2006

- Mustard maintained the upward movement
- Downtrend in Soybean Continues

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators -

1. Candlestick pattern shows slightly 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 after crossing %D from above in neutral region showing bearishness to continue.
4. MACD is moving slightly downwards after crossing its signal line from above which indicates medium term bearish trend.

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

NCDEX FEBRUARY CONTRACT



Soybean Future Closing price

| Contract | 17.01.06 | 18.01.06 | Chg |
|----------|----------|----------|-------|
| February | 1211.15 | 1204.6 | -6.55 |

Expected Support and Resistance Levels

| Contract | Supports | Resistances |
|----------|----------|-------------|
| February | 1201.0 | 1209.0 |
| | 1197.5 | 1213.5 |

Commodity: RAPESEED

Indicators -

1. Candlestick pattern shows bullish market sentiments.
2. Prices closed above the 9-day(330.06) and the 18-day (328.63) EMA, which indicates bullish market sentiments.
3. %K line moving upward and crossed % D line from down in neutral zone which shows bullish trend.
4. MACD is moving upwards which is negating bearish sentiments.

Market advice: The prices are expected to remain in the positive territory.



Mustard Future Closing price

| Contract | 17.01.06 | 18.01.06 | Chg |
|----------|----------|----------|-------|
| February | 330.45 | 334.50 | +4.05 |

Expected Support and Resistance Levels

| Contract | Supports | Resistances |
|----------|----------|-------------|
| February | 331.6 | 336 |
| | 328.7 | 337.5 |

DOMESTIC MARKET COMMENTARY

Soybean:

Soybean future of Feb contract at NCDEX opened at highest value of 1206 but lower than previous closing. Market begin to fall just after opening and reached to its lowest at 1202. Market sentiment then improved slightly and became steady due to strong bull-bear fight in the market. Sentiments remained indecisive in spot market and closed higher than today's low and lower than previous closing. Mandi rate at Indore was found Rs.1150-60/QtI. Plant delivery soybean quoted at Rs. 1180-1195 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 60,000-65,000, 40,000-45,000 bags and 25,000 bags respectively. The price is expected to remain steady due to arrival pressure of Mustard seed in the market.

Rapeseed/Mustard:

Mustard take stride in NCDEX and open strong at 330.85 compared to previous closing. While maintaining upward movement it reached today's high at 334.6 due to buying pressure and maintained the upward trend throughout the day. Bullishness was observed in the Feb contract in future market. Mustard seed prices at physical market were range bound and showed upward trend as that of the previous day close. Mustard seed prices were quoted in Jaipur and Kota Rs 1725-1730/quintal and 1515-1540/quintal respectively. Arrival of mustard seed is 1200 bags in Delhi. Today's arrivals of mustard seeds were 1000 bags, 150 bags in Alwar and Kota respectively. Traders speculate that prices will go down after 25th Jan due to arrival of new mustard seed having high oil content.

Status of Price & Supply of the New Crop 18.01.06

| Markets | Prices Rs/QtI | Arrivals (Bags) |
|----------------------|---------------|-----------------|
| Jaipur (C) | 1725-1730 | 30,000 |
| Alwar(C) | 1690-1700 | 1000 |
| Delhi(C) | 1775 | 1200 |
| Agra(C) Katchi Ghani | 1800 | 3925 |
| Sri Ganganagar (NC) | 1450 | 50 |
| Kota (NC) | 1515-1540 | 150 |

Vayda Quotes

Mustard futures as on 18.01.06

| Centr e | M | Prev. Settl e | Ope n | Hlg h | Lo w | Ch | Clos e |
|---------|-----|---------------|-------|-------|-------|------|--------|
| Delhi | F | 330 | 329.8 | 333.9 | 329.8 | +3.7 | 333.7 |
| Hapu r | F | 338.7 | 338.8 | 343.2 | 338.8 | +4.4 | 343.1 |
| Hisar | M y | 329.9 | 330 | 334.1 | 330 | +4 | 333.9 |

M: Month; F: Feb; MY: May

Groundnut

Price for groundnut remained steady today. Prices in the markets remained weak as not much difference in demand and supply was observed. Demand from the retail end was low. Arrivals of only 85,000 bags were reported in Gujarat. Groundnut seed in Rajkot Mandi traded at Rs 337 per 20 kg and groundnut oil at Rs 448-450 per 10 kg. As per traders adulteration of rice bran oil with groundnut oil lower its prices and competes with the premium oil in the market in some districts which will reduce the demand of premium groundnut oil. The future price of groundnut is expected to remain steady.

Spot Rates of Groundnuts in Mumbai

| Groundnut | (Rates in Rs. Per 100 Kgs) | |
|--------------|----------------------------|----------|
| | 18.01.06 | 17.01.06 |
| Gr Kernel | 2175* | 2200* |
| Bolds 60/70 | 2710* | 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

Soy future settled lower on Chicago Board of Trade Tuesday. March soybeans settled lower 5.25 cents at \$ 5.7125 per bushel, 8 cents off the high and 1.75 cents up from the low and May soybeans settled lower 4 .75 at \$ 5.8075, it was 1.25 cents up from the low and 7.75 cents off the high. March soymeal settled lower \$ 1.4 at \$ 180.3 per ton, it was \$ 0.7 up from the low and \$ 1.0 off the high. March soybean oil settled lower 0.45 cents at 21.22 cents/pounds, 0.28 cents off the high and 0.06 cents up from the low. Argentina received good rain at the weekend and Southern Brazil also received light rains. Rains in South America would bring positive impact on production of soybeans and added bearish tone. The NOPA crush report revealed December crush at 142.245 million bushels as compared with trade expectations range from 142-147 million bushel. December oil stocks were pegged at 1.829 billion pounds it is up from 973.4 million pounds last year during the same period.

CBOT Soybean Futures as on 18.01.06

| Month | Previous Settle | Open | High | Low | Change | Close |
|--------|-----------------|-------|-------|-------|--------|-------|
| Mar 06 | 576.4 | 572 | 579.2 | 569.4 | -5.2 | 571.2 |
| May 06 | 0 | 582.6 | 588.4 | 579.4 | 580.6 | 580.6 |

South American Soybeans Futures Settle Slightly Higher

South American soybeans future settled slightly higher on Tuesday. March South American soybeans settled 5 cents higher at \$6.07/bushel as compared to previous closing price. The weather for the South American crops for this week seems to be comfortable than last week's threat. Low demand than expected for crush in the US, the downward selling pressure might continued due to warm and dry conditions for early this week. The NOPA crush report today revealed December crush at 142.245 million bushels as compared with trade expectations in range of 142-147 million bushels. Huge export from US on Friday to unknown destination helped support the market.

Forex Rate

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 44.40 |
| Malaysia | Ringgits | 11.82 |
| European Union | Euro | 53.86 |
| United Kingdom | GBP | 78.52 |
| Japan | 100 Yen | 38.60 |

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