

OILSEED

17th January, 2006

- Downtrend in Soybean Continues

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators-

1. Candlestick has formed a hammer pattern indicating the possible bearishness in the prices.
2. Prices closed above the 9-day and the 18-day EMA indicates short-term bullishness in the market.
3. %K line is running downward below %D in the neutral region shows bearishness to continue.

4. MACD is moving upwards which is negating bearish sentiments.

Indicators are showing mixed sentiments in the market.

Market advice: The market seems indecisive at the stage, however risk lovers can take long position.

NCDEX JANUARY CONTRACT



Soybean Future Closing price

Contract	13.01.06	14.01.06	Chg
January	1199.20	1203.25	+4.05

Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1198.5	1206.1
	1194.0	1209.2

Commodity: RAPESEED

Indicators-

1. Candlestick has formed a bullish marubozu pattern indicating bullishness in the market sentiments.
2. Prices closed above the 9-day and the 18-day EMA indicates short-term bullishness in the prices.
3. %K line is about to make a bullish crossover with %D in the overbought zone shows tentativeness in the prices.
4. MACD is moving upwards which is negating bearish sentiments.

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

NCDEX JANUARY CONTRACT



Mustard Future Closing price				Expected Support and Resistance Levels		
Contract	13.01.06	14.01.06	Chg	Contract	Supports	Resistances
January	337.5	337.5	0.00	January	336.50	339.00
					334.60	339.90

DOMESTIC MARKET COMMENTARY

Soybean:

Sentiments further eased in the soybean prices and in Indore Mandi. Soybean traded in the range of Rs. 1150-1160 per quintal. Plant delivery soybean quoted at Rs. 1190-1205 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were of around 75000, 40,000-50,000 bags and 20-25,000 bags respectively. The price is expected to remain steady due to flushing of Mustard seed in the market.

Rapeseed/Mustard:

Mustard seed prices at physical market were range bound with indecisive sentiments. Mustard seed prices remained in tandem with the previous day spot prices. Mustard seed prices were quoted in Jaipur and Kota Rs 1710-1715/quintal and 1500-1520/quintal respectively. Arrival of mustard seed is 300 bags less in Delhi and in Agra it remained same as compared to previous day close. Today's arrivals of mustard seeds were 700-800 bags, 800 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 16.01.06

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1710-1715	No Arrival
Alwar(C)	1670-1675	700-800
Delhi(C)	1770-1775	700
Agra(C) katchi ghani	1780-1800	3925
Sri Ganganagar (NC)	1450	50
Kota (NC)	1500-1520	800

Vayda Quotes

Mustard futures as on .01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delh i	Fe b	329.3	329.4	330.5	328.6	-0.1	329.2
Hap ur	Fe b	338.2	338.5	339.1	337.65	-0.1	338.1
Hisa r	Jan	327	-	327	-	-	329

Groundnut

Sentiments remained same as previous days closing for the groundnut. Prices in the markets remained weak as demand from the retail end was low. Its as tandem with the soy oil prices. Arrivals of only 85,000 bags were reported in Gujarat. Groundnut seed in Rajkot Mandi traded at Rs 338 per 20 kg and groundnut oil at Rs 450-455 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)	
	16.01.06	14.01.06
Gr Kernel	2200*	2190*
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 Mixed

CBOT remained closed on Sunday and Monday. Therefore soy future remained the same as that of previous day. March soybean settled higher 4.5 cents at \$ 5.765 per bushel, 0.5 cents off the high and 6.5 cents up from the low and May soybeans settled higher 4 cents at \$5.855 per bushels, 7 cents up from the low and 0.5 cents off the high. March soymeal settled higher \$ 2.7 at \$ 181.7/ton, \$ 2.7 up from the low and \$ 0.2 off the high. March soybean oil settled lower 0.02 cents at 21.67cents/pounds, 0.04 cents off the high and 0.17 cents up from the low. March soybean future were slightly higher just after lower opening prices on Chicago Board of Trade only because there were talk that china is buying US soybean. US ending stock of soybean is projected at 505 million bushels, it is second highest stock of US soybean in the history. It is expected to receive good rain in Argentina and there is forecast for little more rain in Southern Brazil. World ending stocks for the 2005-06 season were pegged at 53.15 million tonnes from 48.11 million tonnes last month and from 44.90 million tonnes this past season. The above-

mentioned point shows the bearish trends and talk of China buying US soybeans is only supported to move higher future market sentiments on CBOT.

CBOT Soybean Futures as on 13.01.06

Month	Previous Settle	Open	High	Low	Change	Close
Jan 06	562	564.4	686	561	+3	565
Mar 06	572	573.4	623.4	569.4	+4.4	576.4

CBOT remains close on Sunday & Monday

South American Soybeans Futures Settle Lower

South American market was closed on Sunday and Monday therefore the future remained the same as that of previous day of closing. Soybeans future settled lower on Friday. March South American soybean settled lower

at \$ 6.02 per bushel. USDA indicated that soybean production of Argentina and Brazil might increase after receiving good rain. According to a forecast, Argentina will receive good rain into weekend and scattered rain is expected for Southern Brazil. Traders hoping that weather must not be constrain for South America and expecting good production and more ending stock. A record world ending stock of soybean and US soybean supported to bearish trends. Ending stock of US soybean increased only due to low export sales to China and Europe and strong competitions between US soybean and South American soybean. Negating all these bearish fundamentals prices got some reason to move up, as there were talks in the market of Chinese demand.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.22
Malaysia	Ringgits	11.80
European Union	Euro	53.61
United Kingdom	GBP	78.20
Japan	100 Yen	39.54

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.