

## OILSEED

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

- Sentiments improved in the soybean markets

### TECHNICAL ANALYSIS

#### Commodity: SOYBEAN

##### Indicators-

- Candlestick making a white body reflecting the bullish signal.
- Prices closed far above of both the 9-days EMA(1186.8) and 18-days EMA(1178.2), also increasing gap between 9-days EMA and 18-days EMA indicate bullishness in near term.
- Stochastic indicator moving upwards now entered the over-bought region.

**Market advice:** JAN NCDEX buy near 1200 with target 1207.5, put stop-loss at 1196.

##### Soybean Future Closing price

Contract	04.01.06	03.01.06	Chg
January	1205.10	1198	+7.10

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	1200.67	1207.62
January	1196.23	1210.13

#### Commodity: RAPESEED

##### Indicators-

- Prices closed above the both the 9-day EMA and the 18-day EMA indicating bullish trend.
- MACD is moving upwards but is still in the negative territory reflecting weakness in the near-term.
- Stochastic indicator started moving upwards and has now entered the neutral territory reflecting strength in the pattern.

**Market advice:** JAN NCDEX buy near 331.5 with target 332.5, put stop-loss at 330.75.

##### Mustard Future Closing price

Contract	04.01.06	03.01.06	Chg
January	332.50	329.95	+2.55

##### NCDEX JANUARY CONTRACT



##### Expected Support and Resistance Levels

Contract	Supports	Resistances
January	330.93	333.83
January	329.37	335.17

## DOMESTIC MARKET COMMENTARY

### Soybean:

Sentiments of the soybean markets followed the sharp gains in CBOT. In Indore soybean was traded at Rs 1150-1160 per quintal, arrivals of 1.25 lakh bags and the plant delivery price of soybean was Rs 1190-1205 per quintal. Arrivals in Rajasthan were reported at 22,000 and traded at Rs 1125-1130 per quintal and in Maharashtra arrivals were around 70,000-80,000 bags traded at Rs 1140 per quintal. According to the traders improvement in the domestic demand was seen in the markets. Dry weather in the forecast of Southern Brazil and Argentina is concerning for the crop.

### Rapeseed/Mustard:

Sentiments improved in the mustard seed due to the shrinking arrivals in the markets. Mustard seed was traded at Rs 1460 per quintal in Kota and Rs 1690 per quintal in Jaipur. According to the traders the carry over stock of mustard seed is sufficient with the stockists. Harvest of mustard seed is expected in the last week of January. Harvest will begin in some areas of Kota division, Jaipur, Mewat and Shekhwati.

### Status of Price & Supply of the New Crop 04.01.06

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1690	1000
Alwar(C)	1635	700
Delhi(C)	1700	500
Agra(C) katchi ghani	1770	1500
Sri Ganganagar (NC)	1450	NA
Kota (NC)	1460	400

### Vayda Quotes

#### Mustard futures as on 04.01.06

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Feb	322.6	323.2	323.7	322.4	+0.6	323.2
Hapu r	Feb	332.7	332.7	333.9	331.8	+0.2	332.9
Hisar	Jan	322.7	322.8	323.8	322.4	+1	323.7

### Groundnut

Improved sentiments of soy at CBOT also spilled over to groundnut markets. Arrivals are also shrinking in the major consuming markets of groundnut. Arrivals for the groundnut in Gujarat have reduced to 90,000-95,000 bags. Groundnut seed in Rajkot mandi traded at Rs 345 per 20kg. A fresh demand is seen from the retail end also demand is increasing from the millers to crush more and more groundnut seed. According to the traders export demand of groundnut see is also high. Prices are expected to improve further in the next few days.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	04.01.06	03.01.06
Gr Kernel	2240*	2205*
Bolds 60/70	2650*	2650*
*Javas 60/70	2900*	2900*
Javas 70/80	2840*	2840*
Javas 80/90	2740*	2740*

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

### CBOT

#### Soy Futures Improve at CBOT

Soy future settled up at Chicago Board of Trade. March soybeans settled up 15 cents at \$ 6.2850 per bushel, 4 cents off the high and 11.5 cents up from the low. May soybeans settled up 16.75 cents at \$ 6.3875 per bushel. This was 13.5 cents up from the low and 2.75 cents off the high. March soymeal settled up \$ 1.4 at \$ 197.7 per ton. This was \$ 0.2 up from the low and \$ 4.3 off the high. March soybean oil settled up 1.34 cents at 23.24 cents per pound, 0.13 cent off the high and 1.09 cents up from the low. According to traders, China is booking the US soybeans. Scattered rains are expected in Argentina in early next week. A combination of hot and dry weather in southern Brazil and Argentina is in the forecast during the week. Weekly export inspections, released during the session, came in at 13.87 million bushels as compared with trade expectations at 18 to 26 million.

#### CBOT Soybean Futures as on 03.01.06

Mo nth s	Previous Settle	Open	High	Low	Ch ang e	Close
Jan 06	602.0	615.0	621.4	613.0	+15.4	617.4
Mar 06	613.4	626.4	632.4	624.0	+15.0	628.4

## South American Soybean Futures Improves

March South American soybeans closed 5 cents higher from the last closing of \$ 635 per bushel whereas volume came down to 24 contracts as compared to 52 contracts of Friday. A lack of rains in the forecast of South Brazil and Argentina is the major concern for the crop. Dry weather forecast and some scattered showers will not hold the crop conditions for long. According to traders China are expected to buy during this week. Brazil soybean exports this December is increased to 952,800 tonnes as compared to 400,200 tonnes of last year. Brazil and Argentina have a good carryover stock with them. Iran also bought 10,000 tonnes of oil from Brazil.

## Canola Future at WCE Settles High

Canola futures at Winnipeg Commodity Exchange closed after sharp gains. Improvement of Soy at CBOT also made a big impact on the Canola futures. Active selling pressure over the market was due the strong of Canadian dollar, which helped to move the markets up. Stocks are short and the major stocks remains with the farmers.

### WCE Soybean Futures as on 03.01.06

Commodity	Contract	Open	High	Low	Close	Chg
Canola	Jan -06	239.7	252.0	239.7	249.6	+12.4

## Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.74
Malaysia	Ringgits	11.86
European Union	Euro	54.08
United Kingdom	GBP	78.58
Japan	100 Yen	38.51

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