

OILSEED

20th February, 2006

Soybean March Contract Likely to Improve

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

1. Candlestick showing indecisive market sentiments
2. Prices closed above the 9-day and 18-day EMA showing bullish sentiments.
3. %K is moving upward after bullish cross over with % D line showing bullish market sentiments.
4. MACD is made bullish cross over

Market advice:

Buy above 1246.00, target near 1250.00 and stop loss at 1243.50

NCDEX MARCH SOYBEAN CONTRACT



Soybean Future Closing price

Contract	17.02.06	18.02.06	Chg
March	1241.00	1246.0	+5.0

Expected Support and Resistance Levels

Contract	Supports	Resistances
March	1235.00	1255.40
	1225.00	1260.30

Commodity: RAPESEED

Indicators

1. Candlestick form Doji pattern in uptrend showing possible trend reversal.
2. Prices closed above the 9-day and the 18-day EMA showing bullish market sentiments.
3. %K line is about to make bearish cross over with % D line showing possible trend reversal.
4. MACD moving below its signal line with wide gap showing the trend is likely to continue.

Market advice:

Market at this juncture is risky, better to avoid taking position. Risk lovers can go for short.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	17.02.06	18.02.06	Chg
May	338.60	338.70	+0.10

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	337.12	341.07
	335.44	342.90

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX March contract opened firm at 1244.90 with bearish tone for first fifteen minutes. Then hike in prices was observed for rest 30 minutes and highest value to the day 1250.00 was achieved at 10.30 am. Then the prices remain almost constant and finally settled at 1246.00 with slight fluctuation. Overall market sentiment remained bullish today. Prices at physical market remained same as that of previous day with slight improvements. Mandi rate at Indore was Rs.1150-1170/Qtl. Plant delivery of at remained same as that of previous day at Rs. 1210-1230 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 60,000-70,000, 30,000-35,000 and 8000-10,000 bags respectively. Due to hike in tariff rate by the Govt, the market sore high due to active buying by the bulls. Prices is expected to remain firm for another 2-3 days and trend is expected to remain bullish for medium term but may influenced by international trading reports. The long term trend expected to remain bullish owing to reduce arrivals and fast depleting stocks. Recent hike in custom duty from government sources leads to constant rise of prices.

Rapeseed/Mustard:

NCDEX May contract opened firm today at 339.0 than the previous closing price and started to decline for rest 15 minutes. Prices gain momentum for rest 15 minutes and then declined up to 1130.0. It reached to its highest value 339.40 up to 12.00 pm. Sentiments then tried to improve for some time and then finally settled at 338.70. Overall market sentiments remain indecisive today. Mustard seed prices at physical market were mostly range bound and increased slightly in few pockets. The prices of Jaipur, Alwar, Delhi and Agra are quoted at Rs 1710, 1640-1650, 1745 and 1800-1835 per quintal respectively. Prices in Kota ranged between 1450-1510. Arrival of mustard seed is reported to be 5000, 6000, 500 bags in Jaipur Alwar and Delhi. Arrivals from Agra were quoted at 3900/(Q), same as that of previous day. Arrival from Kota is reported to be 9000-10000 bags. Total arrival of Rajasthan is reported to be 70,000-80,000 bags. Arrivals of new mustard seed started to flush in Rajasthan market. Hike in tariff rate on imported oils results into steep upward movement of prices in Vayda market. It is expected that the prices will remain on the higher side for 2-3 more days until the picture get cleared for another possible hike. Long term futures is expected to remain bearish on account of arrival pressure of mustard seeds.

Status of Price & Supply of the New Crop 18.02.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1710	5000
Alwar(C)	1640-1650	6000
Delhi(C)	1745	500
Agra(C) Katchi Ghani	1800-1835	3900/(Q)
Sri Ganganagar (NC)	1480	100

Kota (NC)	1450-1510	9000-10000
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Vayda Quotes

Mustard futures as on 18.02.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MA	339.0	339.2	339.5	339.0	+0.5	339.5
Hapur	MA	348.2	348.4	348.6	348.2	+0.3	348.5
Hisar	MY	332.7	333.0	333.2	332.9	+0.4	333.1

M: Month; MA: MARCH; MY: May

Groundnut

Price for groundnut remains range bound and steady due to equality in demand and supply. Arrival of groundnut in the Gujarat market remained 45,000-50,000 bags. Groundnut seed in Rajkot Mandi traded at Rs 337 per 20 kg and groundnut oil at Rs 440 per 10 kg. Demand for groundnut seed remained same as that of previous day. Prices of groundnut oil increased by Rs. 2 as compared to previous day price on account of improvement in future market. The groundnut seed rate is expected to increase in future due to depleting present stock and growing demand.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	18.02.06	17.02.06
Gr Kernel	2185*	2185*
Bolds 60/70	2695*	2695*
Javas 60/70	3025*	3025*
Javas 70/80	2925*	2925*
Javas 80/90	2800*	2800*

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

CBOT

CBOT Soy Futures Remain Firm

Soy future settled high at Chicago Boards of Trades on Friday. March Soybeans closed up 9.75 cents at \$6.0125/bushel, 1.75 cents off the high and 11.25 cents up from the low. May Soybeans settled up 10.25 cents at \$6.1425 which was 12 cents up from the low and 2.50 cents off the high. March Soybean Oil settled up \$1.9 at \$185.3/ton that was 1.0 cent up from the low and 1.7 cents off the high. March Soybean Oil settled up 0.76 cents at 23.33 cents/pound, 0.06 cents off the high and 0.58 cents up from the low. Stressful conditions for the Argentina soybean crop for at least for a week remain the key issue for surging the market up. Firmness in other commodity markets also provide underlying support for its firmness. Sellers remain dormant in cash market which further helped the market to go up. Recent energy crisis from Iran and

terrorist threat in Nigeria helped further to boost the market up.

CBOT Soybean Futures as on 17.02.06

Month	PCP	O	H	L	Ch	Close
Mar 06	591.4	596.0	603.0	590.0	+9.8	601.2
May 06	604.2	609.0	617.0	602.4	+10.2	614.4

South American Soybean Futures Maintain Rally

South American soybean futures settled high on Friday. March South American soybeans settled 3 cents higher at \$6.40/bushel and managed to reach highest level since January 5th. Taiwan bought 40,000-60,000 tonnes of Brazil soybeans overnight and as soon as the harvesting will start, world buyers are expected to shift demand to South America. The Argentina weather forecast concern helped to provide some support to the market. Other market looks supportive which further added to its bullish tone. Funds were noted buyers of nearly 2,000 soybeans, 1,000 meal and 2,500 oil showing positive sentiments. Due to possible oil crisis, the prices of oil are high which indirectly helped to boost the market up for soybean. Rumors about China purchasing few cargoes of US soybeans previous day further helped the market up.

LATEST WEATHER WATCH: 18.02.2006

Forecast valid for next 72 hours

Mainly dry weather conditions are likely to prevail over the country for the next 1-2 days outside Jammu & Kashmir and Himachal Pradesh where isolated scattered rain/snow is likely during next 2-3 days. Under the influence of the western disturbance over north Pakistan and adjoining Jammu & Kashmir. Isolated rain/thundershowers also likely over northeastern states for next 1-2 days. Day temperatures continue to remain above normal by 6-8°C over Jammu & Kashmir, Punjab and parts of Bihar and 4-6°C above normal over Haryana, Rajasthan, Gangetic Plains and adjoining central India. They are likely to fall by 2-3°C for next 2-3 days and rise subsequently. Night temperatures are also 6-8°C above normal over northwest India, adjoining

northwest Madhya Pradesh and parts of Saurashtra & Kutch and 3-5°C above normal over West Uttar Pradesh, Gangetic Plains. This scenario is likely to continue for next 2-3 days.

NORTH WEST INDIA: Scattered rain/snow likely over Jammu & Kashmir and isolated Himachal Pradesh and Uttaranchal. Mainly Dry weather over the rest regions. Night temperatures are likely to remain significantly above normal and day temperatures are likely to fall by 2-3°C during next 2-3 days.

EAST INDIA: Isolated rain/thundershowers is likely over Sub- Himalayan West Bengal & Sikkim. Weather will be mainly dry over the rest region. Day & night temperatures over the region are likely to remain 2-5°C above normal.

NORTHEAST INDIA: Rain/thundershowers are likely over at a few places over Assam & Meghalaya and Arunachal Pradesh and isolated over the rest region.

SOUTH INDIA: Isolated rain/thundershowers likely over Nicobar Islands. Weather will be mainly dry over the rest region. Night temperatures over the Peninsula are likely to remain near normal.

WEST INDIA: Weather will be mainly dry over the region. Day and Night temperatures over Rajasthan and Gujarat are likely to remain significantly above normal for the next 2-3 days.

CENTRAL INDIA: Weather will be mainly dry over the region. Day and Night temperatures over Madhya Pradesh and Chhattisgarh are likely to remain significantly above normal.

Source: MDI, GOI

Forex Rate on 18.02.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.34
European Union	Euro	52.79
United Kingdom	GBP	77.17
Japan	100 Yen	37.53

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