

OILSEED

6th February, 2006

Soybean and Mustard Future likely to improve

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

1. Candlestick showing Doji showing indecisive market sentiments.
2. Prices closed below the 9-day and 18-day EMA showing bearish market sentiments.
3. %K line made a bullish crossover showing bullish market sentiments.
4. MACD is separating indicating the trend likely to continue.

Market advice:

Buy above 1212.00, target near 1218.00 and stop loss at 1208.60.

NCDEX FEBRUARY CONTRACT



Soybean Future Closing price

Contract	3.02.06	4.02.06	Chg
February	1211.60	1215.00	+3.4

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1203.00	1222.00
	1194.00	1229.00

Commodity: RAPESEED

Indicators

1. Candlestick showing Marubozu trend showing possible trend reversal but not confirmed by other indicators.
2. Prices closed above the 9-day and the 18-day EMA showing bullish market sentiments.
3. %K line made bullish crossover with %D line showing bullish market sentiments.
4. MACD is moving upwards with wide gap indicating indecisiveness.

Market advice:

Buy near 334.8, target at 336.5 and stop loss at 333.50.

NCDEX FEBRUARY CONTRACT



Mustard Future Closing price

Contract	3.02.06	4.02.06	Chg
February	335.15	336.30	+1.15

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	333.9	333.0
	333.1	337.7

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX future market opened firm at 1214 and started to decline for the first trade. Then market gain strength and reached to its highest price 1216.20 at 10.15 am. Prices then remained steady for some time and then started to fall and reached to its lowest point 1212.00 at 11.30 am. Market then tried to regain its strength oscillate due to fight between bulls and bears and finally settled at 1215.00. Overall market sentiment remained indicesive with Doji formation. Mandi rate at Indore was Rs.1150-1160/Qtl. Plant delivery of soybean quoted at Rs. 1200-1210 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 100000, 30,000-35,000 and 10,000-15000 bags respectively. Increased arrival in MP is due to release of stock from stokist so that they can store fresh arrival of new crops. Hike in the prices of soybean in international market could be the driving force for improvement in prices. Spot market also get support from the future market There are chances that prices might sprut for very short time due to gap between decrease in arrivals of soybean and optimum arrivals of mustard seed in the market.

Rapeseed/Mustard:

NCDEX future market opened firm at 334.20 higher than previous closing price. However, it then gained strength with a steady rise. Overcoming the bears, it finally settled at its highest point 336.30 at 5.00 pm. The overall market sentiments remained bullish today. Mustard seed prices at physical market were mostly range bound and steady. Mustard seed prices improved slightly in jaipur and Si Ganganagar remained steady in Alwar, Delhi and Kota. The prices of Jaipur, Alwar, Delhi and Agra are quoted at Rs 1700-1705, 1660-1665, 1740 and 1770 per quintal respectively. Arrival of mustard seed is 10,000-15,000, 1200 (new)-500 (old) and 700 bags in Jaipur, Alwar and Delhi respectively. Arrivals from Agra were quoted at 3850/(Q). Total arrival of Rajasthan is reported to be 10,000-15000 bags. Arrivals of new mustard seed started to flush in Rajasthan market. Hefty previous stock coupled with fresh arrivals of mustard seed in the market leads to steady prices.

Status of Price & Supply of the New Crop 4.02.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1700-1705	1500
Alwar(C)	1660-1665	1200(N) 500(O)
Delhi(C)	1740	700-800
Agra(C) Katchi Ghani	1770	3850/(Q)
Sri Ganganagar (NC)	1500	-
Kota (NC)	1460-1515	1000-1200

N-New

O-Old

Indian Agribusiness Systems Pvt. Ltd., New Delhi

Vayda Quotes

Mustard futures as on 4.02.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	F	335.2	335.4	336.1	335.4	+0.7	335.9
Hapur	F	341.5	341.7	342.2	341.7	+0.4	341.9
Hisar	My	331.8	332.2	332.6	331.9	+0.4	346.6

M: Month; F: Feb; MY: May

Groundnut

Price for groundnut remained range bound and steady due to equality in demand and supply. Arrival of groundnut in the Gujarat market is 45,000-50,000 bags. Groundnut seed in Rajkot Mandi traded at Rs 333 per 20 kg and groundnut oil at Rs 445 per 10 kg. Harvesting of groundnut in Gujarat is over and whatever reached to the market is the stored stock of farmers. Groundnut prices improved in tandem with the improvement of other oils like soy oil palm oil etc coupled with the improvement in future market. Therefore prices gain strength from the spot as well as future market.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	4.01.06	3.01.06
Gr Kernel	2150*	2150*
Bolds 60/70	2640*	2640*
Javas 60/70	2925*	2925*
Javas 70/80	2850*	2850*
Javas 80/90	2770*	2770*

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

CBOT

CBOT Soy Futures Settle High

Soy future settled high at Chicago Boards of Trades on Friday. March Soybeans settled up 10.75 cents at \$5.9475/bushel off the high and 13.75 cents up from the low. May Soybeans closed up 10.75 cents at \$6.07 cents, which was 14 cents up from the low and 3 cents off the high. March Soymeal settled up \$2.1 at \$184.0/ton which was \$3.1 up from the low and \$2.0 off the high. March Soybean Oil settled up 0.71 cents at 22.66 cents/pound, 0.02 cents off the high and 0.73 cents up from the low. Strength in the market was driven by strong and effective fund buying which helped to boost up. Though, there is a shower in recent past but the recent weekly forecast reveals the chances of hoy dry spell again supporting the reason for strength in the market.

CBOT Soybean Futures as on 3.02.06

Month	PCP	Open	High	Low	Ch	Close
Mar 06	584	585.4	598	577.5	+10.6	594.6
May 06	596.6	597.4	610.4	590	+10.8	607.4

South American soybean Futures Settle High

March South American soybeans settled 5 cents lower on Friday to \$6.05/bushel. Export premiums remain still high in Brazil and producers still reluctant to sell their produce with a strong Brazil currency and relatively low soybean values. However, the selling will increase once the harvesting gets momentum. The production in Brazil and Argentina is expected to increase this year and if comes true, we will definitely witness a flood of supply and the consequent pressure on the prices and low export demand. Adding to this the stock position with U.S. is also high creating further bearish sentiments for the coming times.

Forecast valid for next 72 hours

NORTH: Weather will be mainly dry over the region.

EAST: Isolated rain/thundershowers likely over North Eastern States and Sub- Himalayan West Bengal & Sikkim. Weather will be mainly dry over the rest region.

SOUTH: Isolated rain/thundershowers are likely over Nicobar Island, Tamil Naidu and Kerala. Weather will be mainly dry in the rest region.

WEST: Weather will be mainly dry over the region.

Source: IMD, GOI

Forex Rate on 4.02.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.15
Malaysia	Ringgits	11.79
European Union	Euro	53.06
United Kingdom	GBP	77.81
Japan	100 Yen	37.12

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.