

OILSEED

9th February, 2006

Soybean and Mustard remain indecisive

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

1. Candlestick showing bearish market sentiments.
2. Prices closed below the 9-day and above 18-day EMA showing indecisiveness.
3. %K line is steep downward curve and approaching to % D line showing possibility of bearish crossover.
4. MACD approaching towards MACD signal line indicating possible bullish crossover.

Market advice:

Market is highly risky this time. Risk lovers can take long position near 1211.00.

NCDEX FEBRUARY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	7.02.06	8.02.06	Chg
February	1218.00	1213.85	-4.15

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	1196	1231
	1182	1238

Commodity: RAPESEED

Indicators

1. Candlestick showing bullish market sentiments.
2. Prices closed above the 9-day and the 18-day EMA showing bullish market sentiments.
3. %K line is moving upward and reached in overbought region & % D line is lagging behind showing indecisiveness in the market.
4. MACD is moving upwards with wide gap indicating indecisiveness.

Market advice:

Market at this juncture is risky. Risk lover can go for short near 340.00.

NCDEX FEBRUARY MUSTARD CONTRACT



Mustard Future Closing price

Contract	7.02.06	8.02.06	Chg
February	339.80	340.35	+0.55

Expected Support and Resistance Levels

Contract	Supports	Resistances
February	337.7	341.6
	336.4	342.8

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX future market opened weak today at 1215 and followed upward trend then after. From 11.30 onwards the market started to fall and reached to its lowest value 1210.50 at 1.30 pm. Market then tried to regain its strength steeply and reached to its highest value 1219.00 at last trading. Closing price remain 1218. Overall market sentiment remained bullish. Prices remained steady as that of previous day. Mandi rate at Indore was Rs.1140-1160/Qtl. Plant delivery of at Rs. 1200-1210 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 70,000-80,000, 30,000-40,000 and 10,000 bags respectively. Weakness in the prices of soybean in international market and low demand of DOC could be the driving force for prices downfall. Recent news from Pakistan for importing soybean from India expected to support the market up in coming days

Rapeseed/Mustard:

NCDEX future market opened firm at 338.80 then previous closing price and started to fall steeply. It then tried to gain strength but reached to its lowest value at 337.55. However, it then gained strength with a steady rise and reached to its highest value 339.80 and finally settle there. Overall market sentiments remained bullish today. Mustard seed prices at physical market were mostly range bound and steady. Mustard seed prices remained range bound in most of the places. The prices of Jaipur, Alwar, Delhi and Agra are quoted at Rs 1725-1730, 1670-1675, 1730-1735 and 1780-1800 per quintal respectively. Slight increase in prices was noticed in Jaipur and Delhi but marginal decrease was noticed in Sri Ganganagar. Arrival of mustard seed is 2000, 1200 and 400-500 bags in Jaipur, Alwar and Delhi respectively. Arrivals from Agra were quoted at 3900/(Q). Total arrival of Rajasthan is reported to be 10,000-15,000 bags. Arrivals of new mustard seed started to flush in Rajasthan market.

Status of Price & Supply of the New Crop 8.02.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1725-1730	2000
Alwar(C)	1670-1675	1000-1200 (N) 500 (O)
Delhi(C)	1730-1735	400-500
Agra(C) Katchi Ghani	1780-1800	3900/(Q)
Sri Ganganagar (NC)	1430-1435	-
Kota (NC)	1450-1500 (N) 1480-1500 (O)	3000 (N) 600 (O)

N-New

O-Old

Vayda Quotes

Mustard futures as on 8.02.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	F	339.8	340.4	341.8	340.4	+0.9	340.7
Hapur	F	346.1	346.5	346.6	345.3	-0.1	346.0
Hisar	My	334.1	334.5	334.5	333.7	-0.4	333.7

M: Month; F: Feb; 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 is 40,000-45,000 bags. Groundnut seed in Rajkot Mandi traded at Rs 338 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 remains in tandem with other oil complex and closely follows other oils like soy oil, palm oil etc. Therefore prices are expected to remain range bound and steady for the time being.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kgs)	
	8.02.06	7.02.06
Gr Kernel	2190*	2170*
Bolds 60/70	2650*	2650*
Javas 60/70	2925*	2925*
Javas 70/80	2840*	2840*
Javas 80/90	2760*	2760*

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

CBOT

CBOT Soy Futures Settle Low

Soy future settled low at Chicago Boards of Trades on Tuesday. March Soybeans settled down 13 cents at \$5.74/bushel, 20 cents off the high and 1 cents up from the low. May Soybeans settled down 12.50 cents at \$5.88/bushel which was 1 cent up from the low and 18.50 cents off the high. March Soybean Oil settled down \$4.3 at 176.7/ton that was \$0.9 up from the low and \$6.3 off the high. March Soybean Oil settled down 0.29 cents at 22.28 cents/pound, 0.56 cents off the high and 0.02 cents up from the low. Due to active speculative selling the market taken a dip and March soybean reached to its lowest level as during late January. Crop condition in Brazil and South America seems to be favourable for soybean. US ending stocks is at the second highest level at 534 million bushel then 1985/86 level of 536 million bushels.

CBOT Soybean Futures as on 7.02.06

Month	PCP	Ope n	High	Low	Ch	Close
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Mar 06	587.0	588.0	593.2	573.4	-13.0	574.0
May 06	600.4	601.0	606.4	587.0	-12.4	588.0

South American Soybean Futures Settle Low

South American soybeans future settled low on Tuesday. March South American soybeans settled 7 cents lower to \$6.08/bushel. Harvesting pressure coupled with steady fund buying in CBOT leads to loosing strength in the market. Southern Brazil and Argentina seems to remain dry for this week but wont be a problem untill it will streached for a long time. Recent announcement from Brazil's Geographic and Statistical Institute forecast reveals that the production of Brazil soybean is likely to dip to 59.0 million tonnes from the January forecast of 59.2 million tonnes, which is still higher than the previous years production of 51.1 million tonnes. Brazil's Ag Minister on Tuesday said the crop may likely to be at 58.2 million tonnes as compared to December forecast of 57.4-58.5 million tonnes. The Vegetable Oils Industry Association in Brazil forecasted for the soybean to be at 57.1 million tonnes. Huge stock of soybean in US and other part of the world could be the other reason for the downfall.

Forecast valid for next 72 hours

NORTH-WEST: Isolated rain/snow likely over higher reaches of Jammu & Kashmir and Himachal Pradesh. Weather will be mainly dry over the rest region.

EAST: Weather will be mainly dry over the region.

NORTHEAST: Isolated rain/thundershowers likely over Sub-Himalayan West Bengal & Sikkim and northeastern States on 10th & 11th. Weather will be mainly dry over the rest region.

SOUTH: Isolated rain/thundershowers likely over Nicobar Islands. Weather will be mainly dry over the rest region.

WEST: Weather will be mainly dry over the region.

CENTRAL: Weather will be mainly dry over the region.

Source: GOI, IMD

Forex Rate on 8.02.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.20
European Union	Euro	52.96
United Kingdom	GBP	77.15
Japan	100 Yen	37.51

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