

OILSEED

22nd February, 2006

Soybean and Mustard Remain Indecisive

TECHNICAL ANALYSIS

Commodity: SOYBEAN

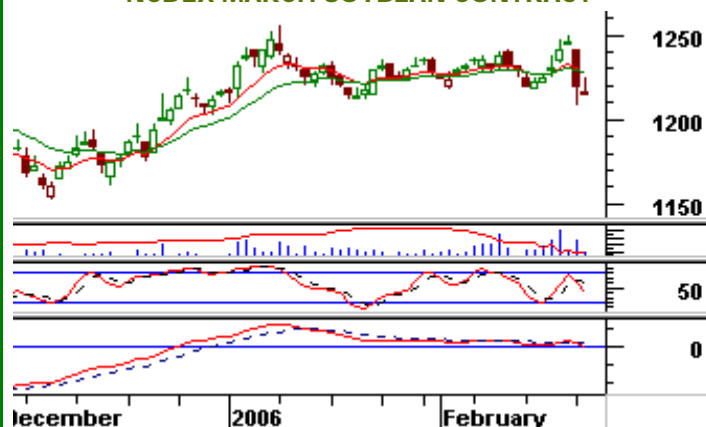
Indicators

1. Candlestick showing bearish market sentiments
2. Prices closed below the 9-day and 18-day EMA showing bearish sentiments.
3. %K is moving down with % D line showing bearish market sentiments.
4. MACD is moving downward with wide gap showing bearish sentiments.

Market advice:

Buy above 1216.0, target near 1219.5 and stop loss at 1213.5

NCDEX MARCH SOYBEAN CONTRACT



Soybean Future Closing price

Contract	20.02.06	21.02.06	Chg
March	1218.0	1216.4	-1.6

Expected Support and Resistance Levels

Contract	Supports	Resistances
March	1212.00	1242.00
	1201.00	1254.00

Commodity: RAPESEED

Indicators

1. Candlestick showing indecisive market sentiments.
2. Prices closed above the 9-day and the 18-day EMA showing bullish market sentiments.
3. %K line is moving upward with % D line with wide gap showing the trend likely to be continued.
4. MACD moving below its signal line with approaching towards its signal line.

Market advice:

Sell below 340.30, target near 339.60 and stop loss at 341.00.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	20.02.06	22.02.06	Chg
May	340.20	340.30	+0.10

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	337.00	341.50
	335.40	342.90

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX March contract witnessed weak opening at 1215.0 that also remain the lowest value of the day and then followed upward path and reached to its highest value 1224.0 at 10.45 am. Then the prices fall steadily up to 12.30 pm and remain constant for some time. Then the prices pick downward tone and finally settled at 1216.4. Overall market sentiment remained indecisive today with slight bullish tone. Prices at physical market decreased slightly owing to recent outbreak of bird flu in India. Mandi rate at Indore was Rs.1130-1150/Qtl. Plant delivery also observed slight decline at Rs. 1190-1200 per qtl. In Madhya Pradesh, Maharashtra, Rajasthan markets arrivals were 60,000-70,000, 30,000-35,000 and 8000-10,000 bags respectively. Recent outbreak results decline in prices both in spot as well as futures market. Low demand from poultry industry results into low demand of DOC and soybean. Prices are expected to remain weak for another 1-3 days and trend is expected to remain bullish for medium term but may be influenced by international trading reports. The long term trend is expected to remain bullish owing to reduced arrivals and fast depleting stocks.

Rapeseed/Mustard:

NCDEX May contract opened weak at 340.45 and fell steeply for next five minutes and reached today's low 339.25 at 10.05 am. The prices then followed upward movement and reached to today's high 341.45 at 11.00 am. The prices then oscillate between 340.1 to 341.25 up to 2.15 pm. Sluggish movement then witnessed with bearish sentiments. Prices finally settled at 340.30. Overall market sentiments remain bearish today. Mustard seed prices at physical market were mostly range bound and steady coupled with slight decline in a few pockets. The prices of Jaipur, Alwar, Delhi and Agra are quoted at Rs 1720-1725, 1620-1625, 1705 and 1810 per quintal respectively. Prices in Kota ranged between 1450-1500. Arrival of mustard seed is reported to be 4000, 2000, 400 bags in Jaipur Alwar and Delhi. Arrivals from Agra were quoted at 3950/(Q), with slight improvement. Arrival from Kota is reported to be 9000 bags. Total arrival of Rajasthan is reported to be 80000 bags. Arrival increases with pace and 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 gets cleared for another possible hike on Budget. Long term futures are expected to remain bearish on account of arrival pressure of mustard seeds.

Status of Price & Supply of the New Crop 21.02.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1720-1725	4000
Alwar(C)	1620-1625	2000
Delhi(C)	1705	400

Agra(C) Katchi Ghani	1810	3950/(Q)
Sri Ganganagar (NC)	1480	100
Kota (NC)	1450-1500	9000

Vayda Quotes

Mustard futures as on 21.02.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MA	340.1	339.7	341.1	339.7	+0.4	340.5
Hapur	MA	349.3	349.0	351.0	349.0	+0.6	349.9
Hisar	MY	333.7	334.2	334.2	334.0	+0.3	334.0

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 331 per 20 kg and groundnut oil at Rs 435 per 10 kg. Demand for groundnut seed remained same as that of previous day. Prices of groundnut oil decreased by Rs. 3 as compared to previous day price on account of lower demand and bearish impact of future market on physical market. The groundnut seed rate is expected to increase in long term due to depleting present stock and growing demand.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	21.02.06	20.02.06
Gr Kernel	2170*	2190*
Bolds 60/70	2695*	2695*
Javas 60/70	3040*	3040*
Javas 70/80	2940*	2940*
Javas 80/90	2815*	2820*

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

CBOT

CBOT remain close on Monday for celebration of Presidents Day.

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

LATEST WEATHER WATCH: 21.02.2006

Forecast valid for next 72 hours

During past 24 hours, Rain/thundershowers have occurred at a few places over Assam, Meghalaya, Arunachal Pradesh and Sikkim. Dry weather conditions prevailed over the remaining parts of the country. As no significant weather system is affecting the country, largely dry weather conditions are likely to continue over most parts of the country for the next 3-4 days outside northeastern states and Sub-Himalayan west Bengal & Sikkim where light to moderate rain/thundershowers are likely during next 48 hours. A fresh western disturbance is also likely to cause scattered rain/snow over western Himalayan region from 23rd onwards for the next 2-3 days. Both day & night temperatures were above normal by 4-6° C over many parts of northwest India, Gangetic plains and central India. They were 6-8 ° C above normal over some parts of Rajasthan, northwest Madhya Pradesh and Delhi. Numerical models predictions suggest a further rise of 1-2° C in the prevailing temperature conditions during the next 3-4 days.

NORTH-WEST INDIA: Isolated rain/snow likely over higher reaches of Jammu & Kashmir on 23rd only. Mainly Dry weather over the rest region. Day temperatures are likely to remain 6-8°C above normal over the region.

EAST INDIA: Isolated rain/thundershowers likely over Sub-Himalayan West Bengal & Sikkim. Weather will be mainly dry over the rest region. Temperatures over the region are likely to remain 4-6°C above normal.

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

SOUTH INDIA: Weather will be mainly dry over the region. Night temperatures over the Peninsula are likely to remain near normal, though the day temperatures will remain 2-3°C above normal.

WEST INDIA: Weather will be mainly dry over the region. Day and Night temperatures over many parts of Rajasthan are likely to remain 6-8°C above normal.

CENTRAL INDIA: Weather will be mainly dry over the region. Day and night temperatures over northwest Madhya Pradesh are likely to remain 6-8 ° C above normal and 4-6 ° C over rest Madhya Pradesh and Chhattisgarh.

Source: MDI, GOI

Forex Rate on 21.02.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.40
European Union	Euro	52.95
United Kingdom	GBP	77.42
Japan	100 Yen	37.46

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