

OILSEED

20th April, 2006

Soybean and Mustard Decline on Speculation

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Soybean:

Indicators

1. Candlestick showing bearish market sentiments.
2. Prices closed above 9-day and 18-day EMA showing bullish market sentiments.
3. %K moving downward with %D line indicating bearish sentiments.
4. MACD is moving upward with its signal line with divergence indicating bullish trend likely to continue.

Market advice:

Sell below 1249.60 target near 1243.65 and stop loss at 1253.20.

Support and Resistance Levels:

The current support levels are at 1240.75 and 1235.50 marks and resistance levels are at 1257.20 and 1263.80 marks as very short term.

NCDEX MAY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	18.04.06	19.04.06	Chg
May	1250.00	1247.00	-3.00

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1240.75	1257.20
	1235.50	1263.80

Commodity: RAPESEED

Mustard:

Indicators

1. Candlestick showing bearish market sentiments.
2. Prices closed below 9-day and 18-day EMA showing bearish market sentiments.
3. %K line is moving downward with %D line indicating bearish sentiments.
4. MACD is turning downward indicating possible trend change.

Market advice:

Buy above 339.40, target near 341.30 and stop loss at 338.15.

Support and Resistance Levels:

The current support levels are at 338.50 and 336.20 marks and resistance levels are at 343.00 and 345.10.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	18.04.06	19.04.06	Chg
May	342.90	340.00	-2.90

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	338.50	343.00
	336.20	345.10

DOMESTIC MARKET COMMENTARY

Soybean:

Futures decline and followed soy oil amid current cut in base import duty on imported oils. Prices expected to improve on near term as the physical market is firm. Physical market remain tight as demand remain high from the plants. High demand from the plants for crushing still maintain the high rates of bean as more and more crushing are going on. Plant delivery rate quoted at Rs. 1210-1230 + 4% VAT and Mandi rate ranged between 1160-1180. Huge arrivals could be observed from different regions as stockists are releasing the stocks for fetching premiums and ranged between 30000-35000 bags from MP while arrivals from Maharashtra and Rajasthan varied between 13000-15000 and 6000-7000 respectively.

Rapeseed/Mustard:

Mustard closely followed soy oil and impact of reducing import duty could be clearly seen. Mustard seed in futures market also decline on speculation. Procurement by NAFED also provided underlying support. Spot market remain range bound as there were no major developments. Huge arrivals still flush in the market attracted local stockiest to stock for the lean season. Private companies like ITC, Ruchi, Adani groups etc are taking interests in the Mandis and procuring the seeds. MNC's also keen for procuring the mustard from local Mandi. Therefore the prices expected to move upward in a range bound fashion.

Status of Price & Supply of the New Crop 19.04.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1620-1630	25000
Alwar(C)	1540-1550	7000-8000
Delhi(C)	1685-1690	1500
Agra(C)/Katchi Ghani	1700/3800-3850/(Q)	-
Sri Ganganagar (NC)	1500	5000
Kota (NC)	1480-1500	8000

Vayda Quotes

Mustard futures as on 19.04.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	341.5	342.0	342.0	338.6	-2.5	339.0
Hapur	MY	351.3	350.8	351.0	349.0	-1.9	349.4

M: Month; MY: May; JU: June

Groundnut

Groundnut prices decline slightly in Gujarat Mandi owing to reducing the Base Import Duty on Palm and other oils and low demand. Prices are expected to follow other oils and remain in tandem with them. Groundnut seed in Rajkot Mandi traded at Rs 348 per 20 kg and groundnut oil at Rs 465+VAT per 10 kg. Sentiments are expected to remain mixed and will much depend on the futures marked prices of other oils. Arrivals are observed in the range of 35000-40000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	19.04.06	18.04.06

Gr Kernel	2375*	2390*
Bolds 60/70	NT	2720*
Javas 60/70	NT	2940*
Javas 70/80	NT	2840*
Javas 80/90	NT	2740*

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

CBOT

CBOT Soy Futures Rally Up

May Soybeans settled up 4 cent at \$5.755/bushel, 2 cent off the high and 7 cent up from the low. November Soybeans settled up 5.25 cent at \$6.0975 was 7.75 cent up from the low and 1 3/4 off the high. May Soybean Oil settled up \$0.2 at \$177.7/ton, which was \$0.7 up from the low and \$0.8 off the high. May Soybean Oil closed up 0.55 cent at 23.25 cent/pound, 0.1 cent off the high and 0.53 cent up from the low. Market initially decline on the idea of yesterday high but bounce in the wheat prices supported the market later on. Ambiguity continue over the issue of wet weather in certain region. Exports continue with slow pace but expected to recover soon. Strong Brazilian currency helped the US to boost exports. Producers selling is picking fast in the Brazil as the Brazil harvest is near 70% complete.

CBOT Soybean Futures as on 18.04.06

Months	PCP	Open	High	Low	Change	Close
May 06	571.4	570.4	577.4	570.4	+4.0	575.4
July 06	585.4	585.4	591.4	584.4	+4.2	589.6

LATEST WEATHER WATCH: 19.04.06

Bihar, East Uttar Pradesh, Orissa, Jharkhand, West Bengal & Sikkim and northeastern States have experienced rain/thundershowers at many places during past 24 hours. This activity is likely to decrease from today onwards except over northeastern States and Sub-Himalayan West Bengal & Sikkim where it is likely to continue for next 24 hrs. and decrease thereafter. Day temperatures continue to be 6-8 deg. C below normal over Gangetic plains, central & east India and over northeastern States. A general increase in the day temperatures is likely over the country during next 3-4 days.

Chief amounts of rainfall (in cm) during the past 24 hours: Malda-6, Gangtok, Dhubri & Guwahati -3 each, Patna, Jamshedpur, Bhagalpur, Shantiniketan & Jalpaiguri -2 each; Jharsugudha, Varanasi & Allahabad -1 each.

Source: IMD, GOI

Forex Rate on 19.04.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.14
European Union	Euro	55.78
Japan	100 Yen	38.60
United Kingdom	GBP	80.46

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.