

OILSEED

8th April, 2006

Soybean and Mustard Flares Up on GM Crop Issue

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Soybean:

Indicators

1. Candlestick showing bullish market sentiments.
2. Prices closed slightly above 9-day and 18-day EMA showing slightly bullish market sentiments.
3. %K is moving upward with % D line indicating slight bullish sentiments.
4. MACD made bullish cross over with its signal line in negative zone showing possibility of trend change.

Market advice:

Sell below 1199.95, target near 1195.00 and stop loss at 1203.00.

Support and Resistance Levels:

The current support levels are at 1183.95 and 1180.80 marks and resistance levels are at 1205.30 and 1209.75 marks as very short term.

NCDEX APRIL SOYBEAN CONTRACT



Soybean Future Closing price

Contract	6.04.06	7.04.06	Chg
April	1189.50	1200.00	+10.50

Expected Support and Resistance Levels

Contract	Supports	Resistances
April	1183.95	1205.30
	1180.80	1209.75

Commodity: RAPESEED

Mustard:

Indicators

1. Candlestick showings bullish market sentiments.
2. Prices closed in between 9-day and 18-day EMA showing indecisive market sentiments.
3. %K line made bullish cross over with %D line indicating bearish market sentiments.
4. MACD is moving upward and approaching its signal line indicating improved condition.

Market advice:

Sell below 338.20, target near 336.55 and stop loss at 339.20.

Support and Resistance Levels:

The current support levels are at 333.20 and 333.85 marks and resistance levels are at 339.55 and 341.00.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	6.04.06	7.04.06	Chg
May	335.35	338.50	+3.15

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	335.20	339.55
	333.85	341.00

DOMESTIC MARKET COMMENTARY

Soybean:

Soybean still struggling for VAT issue and finding its way out. Futures market shoots up due to the announcement by the government of government to declare whether it is genetically modified or not. But the prices will stabilize in near term as it will not have any affect on the consumers. Plant delivery rate quoted at Rs. 1165-1170 + 4% tax on VAT and Mandi rate ranged from Rs. 1115-1135. Average arrivals remain 25000 from MP, 25000 from Maharashtra and arrivals from Rajasthan remain at 7000-8000 bags.

Rapeseed/Mustard:

Spot market remain range bound in most of the centers in Rajasthan. The prices are already passing through its lowest prices and there are very less chances that spot market prices will observe any steep fall. The prices are expected to remain in tight range.

Status of Price & Supply of the New Crop 6.04.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1575-1600	12000-15000
Alwar(C)	1525	10000
Delhi(C)	1630-1635	2000
Agra(C) Katchi Ghani	1580	-
Sri Ganganagar (NC)	1420	10000
Kota (NC)	1420-1450	5000

Vayda Quotes

Mustard futures as on 7.04.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	335.5	335.5	338.3	333.6	+2.8	338.3
Hapur	MY	345.6	345.7	348.4	343.8	+2.7	348.3
Hisar	MY	-	-	-	-	-	-

M: Month; MY: May

Groundnut

Groundnut prices improved in Gujarat owing to demand from the retail end as well from Andhra Pradesh. Groundnut seed in Rajkot Mandi traded at Rs 345 per 20 kg and groundnut oil at Rs 462 per 10 kg. Removal of VAT from Groundnut in Gujarat is expected to have bearish impact in near term.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	7.04.06	6.04.06
Gr Kernel	2300*	2275*
Bolds 60/70	2650*	2700*
Javas 60/70	2850*	2750*
Javas 70/80	2725*	2725*
Javas 80/90	2625*	2625*

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

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CBOT

CBOT Soy Futures Bounce Back on Technical Ground

May Soybeans settled up 2.50 cent at \$5.64/bushel, 3.75 cent off the high and 3 cent up from the low. November Soybeans settled up 1.50 cent at \$5.9325/bushel which was 1.75 cent up from the low and 3.75 cent off the high. May Soybean meal settled up \$0.4 at \$172.7/ton that was \$0.2 up from the low and \$2.4 off the high. May Soybean Oil closed up 0.3 cent at 22.67 cent/pound, 0.03 cent off the high and 0.33 cent up from the low. Soybean futures gain strong gain amidst strong gain in metal markets as well as strength in energy. Gain in other commodity also supported the soybean. Soy futures in CBOT gain technical buying support as the market was passing through extreme oversold condition as reveal from last Commitment-of-Traders report. Weekly US export sales for soybeans came well above the range at 368,800 metric tonnes as compared to trade expectations between 200,000-350,000. Meal sales were within the range at 68,200 metric tonnes as compared to trade expectations between 60,000-125,000. Weekly sales for soybean oil showed cancellations of 900 metric tonnes as compared to trade expectations of 0-10,000 tonnes. China purchased 4.98 million tonnes of US soybeans and 20,000 tonnes of US soybean oil.

CBOT Soybean Futures as on 6.04.06

Month	PCP	O	H	L	Ch	Close
May 06	561.5	563.0	564.2	561.0	+2.5	564.0
July 06	576.0	577.0	578.0	575.0	+2.0	578.0

LATEST WEATHER WATCH: 7.04.06

An active western disturbance is likely to affect the Western Himalayas from 8th evening. Under its influence, isolated to scattered rain /snow is likely to commence over Jammu & Kashmir and Himachal Pradesh from 8th evening. This activity is likely to increase on 9th and 10th and extend into Uttaranchal also. Isolated to scattered rain/thundershowers may also occur Punjab, Haryana and north Rajasthan on 9th and 10th. Scattered to fairly widespread activity accompanied with isolated hailstorm/squall is likely to continue over northeastern States and Sub-Himalayan West Bengal & Sikkim during next 2-3 days as moist southerly flow from Bay of Bengal continues. Heat wave conditions have set in over many parts of Rajasthan and isolated pockets of west Haryana, northwest Madhya Pradesh and Telangana where day temperatures are above 40°C which are 5-6 °C above normal. These heat wave conditions are likely to continue during next 2 days.

NORTH-WEST INDIA: Mainly dry weather is likely over the region till 8th afternoon. However scattered rain /snow likely to commence over Jammu & Kashmir and Himachal Pradesh from 8th evening. This activity will increase and extend into Uttaranchal on 9th. Isolated to scattered rain /thundershowers are likely over Punjab

and Haryana on 9th & 10th. Mainly dry weather is likely over rest region.

EAST INDIA: Rain/thundershowers accompanied with isolated hail/squall are likely at a few places over Sub-Himalayan West Bengal & Sikkim and isolated over Gangetic West Bengal, Bihar and coastal Orissa. Mainly dry weather is likely over rest region.

NORTHEAST INDIA: Rain/thundershowers with isolated hail/squall at many Places over Arunachal Pradesh, Assam & Meghalaya and at a few Places over the rest region.

SOUTH INDIA: Weather will be mainly dry over the region except isolated over south Tamil Nadu, South Interior Karnataka and Kerala.

WEST INDIA: Weather will be mainly dry over the region with increase in day temperatures. However isolated rain/thundershowers are likely over north Rajasthan on 9th & 10th.

CENTRAL INDIA: Weather will be mainly dry over the region. The day temperatures in this region also are likely to increase further by 1-2° C with heat wave over Madhya Pradesh.

Outlook for subsequent two days based on NCMRWF and other numerical weather products: Scattered thunder showers activity over northeastern states is likely to continue. Rainfall/snowfall activity is likely to decrease over the Western Himalayas.

Source: IMD, GOI

Forex Rate on 7.04.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.63
European Union	Euro	54.48
Japan	100 Yen	37.91
United Kingdom	GBP	78.20

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