

## OILSEED

24<sup>th</sup> April, 2006

### Speculative Buying Leads to Strong Improvement in Soybean

#### TECHNICAL ANALYSIS

##### Commodity: SOYBEAN

#### Soybean:

##### Indicators

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

##### Market advice:

Sell below 1296.00 target near 1277.00 and stop loss at 1305.5.

##### Support and Resistance Levels:

The current support levels are at 1259.00 and 1250.00 marks and resistance levels are at 1311.00 and 1319.00 marks as very short term.

#### NCDEX MAY SOYBEAN CONTRACT



#### Soybean Future Closing price

Contract	21.04.06	22.04.06	Chg
May	1265.70	1296.00	+30.30

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1259.00	1311.00
	1250.00	1319.00

##### Commodity: RAPESEED

#### Mustard:

##### Indicators

1. Candlestick showing indecisive market sentiments.
2. Prices closed above 9-day and 18-day EMA showing slightly bearish market sentiments.
3. %K line is made bullish cross over with %D line indicating bullish sentiments.
4. MACD made bullish cross over with its trigger line indicating indecisive sentiments.

##### Market advice:

Go short below 343.40, target near 341.00 and stop loss at 344.85.

##### Support and Resistance Levels:

The current support levels are at 340.10 and 338.90 marks and resistance levels are at 344.50 and 345.50.

#### NCDEX MAY MUSTARD CONTRACT



#### Mustard Future Closing price

Contract	21.04.06	22.04.06	Chg
May	341.10	343.00	+1.90

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
May	340.10	344.50
	338.90	345.50

## DOMESTIC MARKET COMMENTARY

### Soybean:

Futures market gain drastically on speculative buying as there were no strong reason for its such a gain in futures market. Such an abrupt movement may leads to decline the prices for next session. Prices expected to improve on medium term as the physical market is firm. Physical market remain still on the higher end as the stocks are in stronger hands. 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. 1225-1250 + 4% VAT and Mandi rate improved significantly and ranged between 1190-1200. Moderate arrivals could be observed from different regions as stokiets are releasing the stocks for fetching premiums and ranged between 30000-35000 bags from MP while arrivals from Maharashtra and Rajasthan varied between 20000-25000 and 7000-8000 respectively.

### Rapeseed/Mustard:

Mustard remain indecisive today in futures market with both side movement amid both side forces pulling towards each other. Finally the prices stayed in the higher levels. Plants are coming forward for procurement for crushing as they are getting parity amid high rate of soy oil and soybean seeds in the Mandi. Procurement by NAFED also provided underlying support. Spot market remain range bound along with slight improvement. Huge arrivals still flush in the market attracted local stockiest to stock for the lean season. MNC's also keen for procuring the mustard from local Mandi. Average arrivals remain at 300000.

### Status of Price & Supply of the New Crop 22.04.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1645-1650	25000
Alwar(C)	1575-1580	6000-7000
Delhi(C)	1690	2000
Agra(C)/Katchi Ghani	1680/3800/(Q)	-
Sri Ganganagar (NC)	1490	5000
Kota (NC)	1445-1510	15000

### Vayda Quotes

#### Mustard futures as on 22.04.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	339.4	340.5	343.2	340.5	+3.0	342.4
Hapur	MY	349.1	350.8	352.0	350.1	+2.4	351.5

M: Month; MY: May; JU: June

### Groundnut

Groundnut prices decline slightly in Gujarat Mandi owing to low demand and expected huge Rabi production. 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 30000 bags in Gujarat Mandi.

### Spot Rates of Groundnuts in Mumbai

### Indian Agribusiness Systems Pvt. Ltd., New Delhi

Groundnut	(Rates in Rs. Per 100 Kg)	
	22.04.06	21.04.06
Gr Kernel	2380*	2365*
Bolds 60/70	2720*	2720*
Javas 60/70	2925*	2925*
Javas 70/80	2825*	2825*
Javas 80/90	2725*	2725*

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

### CBOT

#### Soy Oil Flare Up in CBOT, Meal and Bean Decline

July Soybeans settled down 2 cent at \$5.8325/bushel, 4.25 cent off the high and 2.75 cent up from the low. November Soybeans settled down 1.25 cent at \$6.04/bushel, which was 3 cent up from the low and 3.75 cent off the high. July Soymeal settled down \$0.8 at \$172.0/ton that was \$0.4 up from the low and \$1.6 off the high. July Soybean Oil settled up 0.54 cent at 25.06 cent/pound, 0.08 cent off the high and 0.68 cent up from the low. Weak export sales data still had an impact over the soybean and initially the market weaken as it didn't find adequate fund buying support. Later soybean got some strength amid solid gains in the December oil on the view that soy oil can be used for making bio-diesel. The oil market then got boost to move upwards and left soybean and meal to lag behind. Soybean also upset by the wheat market as it closed weak combined with the huge world ending stocks. Brazil's Agricultural Research agency Embrapa reduced their production forecast by 1.5 million tonnes to 55.7 million tonnes due to outbreak of Asia rust. The lower opening in July meal had a bearish note in the market and thus helped to settled lower.

#### CBOT Soybean Futures as on 21.04.06

Months	PCP	Open	High	Low	Change	Close
May 06	571.2	568.4	574.0	567.4	-1.4	569.6
July 06	585.2	583.0	587.4	581.4	-2.0	583.2

### LATEST WEATHER WATCH: 22.04.06

Mainly Dry weather prevailed over the country except scattered rain/thundershowers over the Bay islands. This scenario is likely to continue for next 2-3 days except scattered rain/thundershowers activity over Bay islands and slight increase in rainfall activity over northeastern states from 24<sup>th</sup>. Day temperatures above 40 C were reported from some parts of south Rajasthan, southwest Madhya Pradesh and parts of Madhya Maharashtra, however there are still no chances of development of heat wave over any parts of the country during next 1-2 days.

**Chief amounts of rainfall (in cm) during the past 24 hours:** Carnicobar-7, Nancowry & Hut Bay -5 each.

Source: IMD, GOI

### Forex Rate on 22.04.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.07
European Union	Euro	55.62
Japan	100 Yen	38.65
United Kingdom	GBP	80.30

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