

OILSEED

12th April, 2006

Soybean and Mustard Slipped on Technical Ground

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 is moving upward with % D line indicating bullish sentiments.
4. MACD is moving upward with its signal line in negative zone with divergence showing possibility of trend change.

Market advice:

Go short below 1251.30 target near 1244.50 and stop loss at 1255.40.

Support and Resistance Levels:

The current support levels are at 1229.55 and 1224.50 marks and resistance levels are at 1254.75 and 1262.00 marks as very short term.

NCDEX MAY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	10.04.06	11.04.06	Chg
May	1245.50	1245.00	-0.50

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1229.55	1254.75
	1224.50	1262.00

Commodity: RAPESEED

Mustard:

Indicators

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

Market advice:

Risk lovers can sell below 344.15, target near 342.60 and stop loss at 345.15.

Support and Resistance Levels:

The current support levels are at 342.00 and 341.00 marks and resistance levels are at 345.80 and 346.50.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price				Expected Support and Resistance Levels		
Contract	10.04.06	11.04.06	Chg	Contract	Supports	Resistances
May	345.50	343.00	-1.90	May	342.00 341.00	345.80 346.50

DOMESTIC MARKET COMMENTARY

Soybean:

Futures market taken a dip in technical ground and likely to recover again in near term. Most of the market remain closed on the occasion of Mahavir Jayanti. Plant delivery rate quoted at Rs. 1200 + 4% tax on VAT and Mandi remain closed. Very low scattered arrivals observed from different regions.

Rapeseed/Mustard:

Spot market improved slightly amidst low arrivals combined with the fact of declaration required by importers for GM crops. Talk in the market about government intervention to give some sort of support to the growers by announcing farmer's friendly policy likely to boost the prices up in physical as well as in futures market. The prices are expected to move up for the same reason. The prices are already passing through its lowest prices and there are very less chances that spot market prices will observe any steep fall.

Status of Price & Supply of the New Crop 11.04.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	-	-
Alwar(C)	1575-1600	7000-8000
Delhi(C)	1700	1000
Agra(C)	1740	-
Sri Ganganagar (NC)	1490-1500	5000
Kota (NC)	-	-

Vayda Quotes

Mustard futures as on 11.04.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	344.7	344.75	345.7	344.0	-0.5	344.2
Hapur	MY	354.5	354.0	355.0	353.2	-0.9	353.6
Hisar	MY	-	-	-	-	-	-

M: Month; MY: May

Groundnut

Groundnut prices remain same level as that of previous day in Gujarat Mandi owing to demand from the retail end as well from Andhra Pradesh. Groundnut seed in Rajkot Mandi traded at Rs 350 per 20 kg and groundnut oil at Rs 470 per 10 kg. High futures of other oil had a bullish impact over groundnut. No arrivals are observed in the Mandi, as yards remain closed amid Mahavir Jayanti.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	11.04.06	10.04.06
Gr Kernel	2390*	2390*

Bolds 60/70	2650*	2650*
Javas 60/70	2875*	2875*
Javas 70/80	2750*	2750*
Javas 80/90	2650*	2650*

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

CBOT

CBOT Soy Futures Observed Mixed Sentiments

May Soybeans settled down 2.50 cent at \$5.5525/bushel, 6.25 cent off the high and 1 cent up from the low. November Soybeans settled down 2 cent at \$5.8675/bushel, which was 1.25 cent up from the low and 5.25 cent off the high. May Soybean Oil settled down \$2.7 at \$168.4/ton that was \$0.1 up from the low and \$3.4 off the high. May Soybean Oil closed up 0.09 cent at 22.63 cent/pound, 0.16 cent off the high and 0.05 cent up from the low. The USDA projected ending stocks for the 2005/2006 season at 565 million bushels as compared to trade expectations near 571 million bushels (range 555-589). World ending stocks for the 2005/2006 season were expected at 53.75 million tonnes, high from 54.42 million tonnes last month and from 45.57 million tonnes this past season, which is a new record high for US and world ending stocks. Brazil production was brushed lower to 57 million tonnes from 58.5 million posted last month. Fundamentals still pointing towards short term bearish condition and Commitments of Trader's Report also showed record short position held by speculators. Due to rains in the weekend harvesting in Brazil is expected to slow down. Weekly export inspections came in well within the range at 9.155 million bushels as compared to trade expectations at 9-14 million bushels.

CBOT Soybean Futures as on 10.04.06

Month	PCP	O	H	L	Ch	Close
May 06	557.6	591.4	561.4	554.2	-2.4	555.2
July 06	572.2	575.0	575.4	568.2	-3.2	569.0

LATEST WEATHER WATCH: 11.04.06

Scattered to fairly widespread thundershowers have continued over northeastern states. This scenario is likely to continue during next 3 days also. With the eastward movement of the western disturbance, rainfall/ snowfall activity over Western Himalayas has decreased considerably. Due to relatively cold northerly winds over north & central India, heat wave conditions have abated from Rajasthan, Haryana, Madhya Pradesh and East Uttar Pradesh. However, they are still prevalent over Jharkhand

and Chhattisgarh and may abate from these areas also during next 2 days.

NORTH-WEST INDIA: Isolated rain/snow is likely over Jammu & Kashmir. Mainly dry weather over the rest region. The day temperatures over the region have fallen by 2-4 °C and are likely to decrease further by 1-2°C.

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

NORTHEAST INDIA: Rain/thundershowers are likely at a few places over the region. Day temperatures over the region are likely to remain 3-5 °C below normal.

SOUTH INDIA: Weather will be mainly dry over the region except isolated rain/ thundershowers over north Kerala and Andaman & Nicobar Islands. Day temperatures over interior peninsula are likely to remain 1-3 °C above normal.

WEST INDIA: Weather will be mainly dry over the region. Day temperatures over Rajasthan and Gujarat have fallen by 2-4 °C and may fall further by 1-2°C.

CENTRAL INDIA: Weather will be mainly dry over the region. Day temperatures are likely to decrease by 1-2 °C over Madhya Pradesh and Chhattisgarh.

Outlook for subsequent two days based on NCMRWF and other numerical weather products: Scattered rainfall activity over northeastern States is likely to continue. A weak western disturbance is likely to affect Western Himalayas on 15th & 16th.

Source: IMD, GOI

Forex Rate on 11.04.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.74
European Union	Euro	54.14
Japan	100 Yen	37.84
United Kingdom	GBP	77.95

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