

OILSEED

8th May, 2006

Soybean Recover and Mustard Witness Choppy Trade

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

Most of the indicators indicating bearish sentiments while stochastic made bullish cross over. Open interest decreased while volume increased indicating squaring off the position.

Market advice:

Buy above 1330.15 targets near 1342.00 and stop loss at 1324.25.

Support and Resistance Levels:

The current support levels are at 1319.00 and 1311.20 marks and resistance levels are at 1349.35 and 1352.00 marks as very short term.

Futures market:

NCDEX futures for May contract recovered from yesterday's down fall, as the spot market remained firm enough to recover. The prices are expected to improve in near term as the prices as the demand is high from plants.

NCDEX MAY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	5.05.06	6.05.06	Chg
May	1325.30	1333.00	+7.70

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1319.00	1349.35
	1311.20	1352.00

Commodity: RAPESEED

Indicators

Evening Doji at the downtrend reveal that the prices may recover in near term. Most of the other indicators indicating bearish sentiments likely to continue for medium term.

Market advice:

Buy above 342.90, target near 344.90 and stop loss at 341.50.

Support and Resistance Levels:

The current support levels are at 342.10 and 341.00 marks and resistance levels are at 346.00 and 347.00.

Futures market:

Futures market today witnessed choppy trade and tried to improve yesterday's downfall. The prices initially tried to retrieve but again slip down and finally closed down marginally below the yesterday's close. The prices are likely to improve in near term.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	5.05.06	6.05.06	Chg
May	343.70	343.90	+0.20

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	342.10	346.00
	341.00	347.00

DOMESTIC MARKET COMMENTARY

Soybean:

Soybean seeds remain range bound on the higher levels amid high demand from the mills and lower arrivals in the market yard. Soybean plant delivery rate in Indore remain firm, mainly on account of poor stock and good demand by the millers. Stocks are even in the strong hands and releasing with moderate pace to fetch premiums. Plant delivery rate quoted higher today at Rs. 1300-1330 + 4% VAT and Mandi rate remain range bound and varied between 1260-1285. Arrivals remain in between 20000 bags from MP, and moderately high at 30000 from Maharashtra and arrivals from Rajasthan observed at 5000.

Rapeseed/Mustard:

Prices at most centers remain range bound and likely to continue for some more time. Moderate arrivals with constant pace results into steady prices into the market. Procurement by private companies and local stockists helped to support the market. Spot also get strength from the local millers who regularly procuring the seeds from the market. The prices are expected to improve in range bound fashion in the physical market in coming days. Average arrivals remain at 200000-2500000 bags.

Status of Price & Supply of the New Crop 6.05.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1675-1685	8000-10000
Alwar(C)	1610-1615	5000
Delhi(C)	1730	1500
Agra(C)/Katchi Ghani	-	-
Sri Ganganagar (NC)	1525	8000
Kota (NC)	1500-1530	5000

Vayda Quotes

Mustard futures as on 6.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	344.2	343.8	343.8	342.6	-0.8	343.4
Delhi	AU	370.2	369.5	369.7	368.5	-0.8	369.4
Hapur	MY	353.2	352.4	352.85	352.05	-0.5	352.7
Hapur	AU	380.4	379.75	380.2	379.1	-0.4	380.0

M: Month; MY: May; AU: August

Groundnut

Groundnut prices remain range bound in Rajkot Mandi, as the demand is decreasing and demand comes in trickle combined with the possible exemption of VAT on groundnut, which may results into steep decline in its prices. Seed and oil both decline slightly and remains range bound in the physical market. Groundnut seed in Rajkot Mandi traded at Rs 344 per 20 kg and groundnut oil at Rs 450-452 + 4% VAT per 10 kg. Overall sentiments are expected to decline due to postpone of the

government declaration on GM soy oil for two months. Arrivals of seed are recorded nearly at 30000 bags in Gujarat Mandi.

CBOT

CBOT Soy Futures Improved on Speculation

July Soybeans settled up 2.75 cent at \$6.065/bushel, 8 cent off the high and 2 cent up from the low. November Soybeans settled up 3 cent at \$6.2525/bushel, which was 2.50 cent up from the low and 5.75 cent off the high. July Soymeal settled up \$1.3 at \$178.6/ton that was \$0.3 up from the low and \$1.9 off the high. July Soybean Oil closed up 0.22 cent at 25.53 cent/pound, 0.22 cent off the high and 0.13 cent up from the low. Firmness in grain markets provided strength to the soybean combined with strong support from other commodity market. Farmers protest still continue in Brazil and marketing chain was disturbed which results into meager supply of beans into the market. US futures thus got support from Brazil in anticipation that some business might shift to the US as the Brazil exporters could not be able to fulfill the commitment for export.

CBOT Soybean Futures as on 5.05.06

Months	PCP	Open	High	Low	Change	Close
May 06	590.6	597.0	601.4	593.0	+3.6	594.4
July 06	603.6	609.4	614.4	605.0	+2.6	606.4

LATEST WEATHER WATCH: 6.05.06

During past 24 hrs rainfall/ thundershowers activity has occurred at a few places over Assam, Arunachal Pradesh, Sub-Himalayan West Bengal & Sikkim, and at isolated places over Gangetic West Bengal, Orissa and Interior Karnataka. The day temperatures are above 44°C over Rajasthan, south Haryana, north Punjab, and West Madhya Pradesh and between 42-44°C over rest parts of Punjab, Haryana, Madhya Pradesh and Interior Maharashtra. The temperatures over these areas are likely to increase by 2-3°C during next 2 days. Heat wave conditions have set in over northwest Madhya Pradesh, south Haryana, Delhi and most parts of Rajasthan. They are likely to continue and may extend into more parts of northwest India and adjoining central India.

Source: IMD, GOI

Forex Rate on 6.05.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.86
European Union	Euro	57.11
Japan	100 Yen	39.84
United Kingdom	GBP	83.40

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.