

OILSEED

4th May, 2006

Soybean Improved and Mustard Observed Profit Booking

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

Most indicators showing bullish sentiments while open interest decreased and volume increased indicating short covering and profit booking.

Market advice:

Buy above 1338.95 targets near 1349.50 and stop loss at 1333.65.

Support and Resistance Levels:

The current support levels are at 1325.95 and 1320.75 marks and resistance levels are at 1350.00 and 1356.00 marks as very short term.

Futures market:

NCDEX futures for May contract increased sharply as the physical market remain firm and providing support to the futures. Bio-diesel concern also provided additional support to the market.

NCDEX MAY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	2.05.06	3.05.06	Chg
May	1325.65	1344.05	+18.40

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1325.95	1350.00
	1320.75	1356.00

Commodity: RAPESEED

Indicators

Different indicators indicating short term bearish sentiments while MACD is moving upwards indicating medium term bullish sentiments. Open interest decline while volume increased showing profit booking at this level.

Market advice:

Buy above 346.55, target near 348.50 and stop loss at 345.55.

Support and Resistance Levels:

The current support levels are at 345.60 and 344.65 marks and resistance levels are at 348.75 and 350.30.

Futures market:

Futures market witnessed strength initially on the idea of getting strength by procurement but later on decline on profit booking.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	2.05.06	3.05.06	Chg
May	346.85	347.25	-0.40

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	345.60	348.75
	344.65	350.30

DOMESTIC MARKET COMMENTARY

Soybean:

Prices of soybean seeds in physical market remain steady today without much change. 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. 1300-1320 + 4% VAT and Mandi rate remain range bound and varied between 1255-1280. Moderate arrivals hit the market and varied between 20000 bags from MP, 20000 from Maharashtra and arrivals from Rajasthan observed at 5000-6000.

Rapeseed/Mustard:

Prices at physical market increased amid reduced arrivals due to the stocks held by the producers in anticipation of fetching premium. Steady procurement by the NAFED results into firmness into 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 250000 bags.

Status of Price & Supply of the New Crop 3.05.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1690-1700	8000
Alwar(C)	1640-1650	5000-6000
Delhi(C)	1740	3000
Agra(C)/Katchi Ghani	1790/4075	-
Sri Ganganagar (NC)	1510	3000
Kota (NC)	1525-1550	4000

Vayda Quotes

Mustard futures as on 3.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	346.1	347.0	347.7	347.0	+1.2	347.3
Delhi	AU	371.25	372.5	373.4	372.25	+2.15	373.4
Hapur	MY	355.3	356.25	357.4	355.4	+0.2	355.5
Hapur	AU	381.4	382.5	384.1	382.4	+2.0	383.4

M: Month; MY: May; AU: August

Groundnut

Groundnut prices continue to decline in Gujarat Mandi, as the demand decreased slightly today at the retail end combined with the possible exemption of VAT on groundnut which may results into steep decline in its prices. Seed and oil both decline sharply in the physical market. Groundnut seed in Rajkot Mandi traded at Rs 346 per 20 kg and groundnut oil at Rs 458 + 4% VAT per 10 kg. Overall sentiments are expected to remain mixed and will much depend on the futures marked prices of other oils. Arrivals of seed are recorded nearly at 30000 bags in Gujarat Mandi.

CBOT

CBOT Soy Futures Stumble Down

July Soybeans settled down 3.75 cent at \$6.03/bushel, 9.50 cent off the high and 2.50 cent up from the low. November Soybeans settled down 3.50 cent at \$6.225, which was 2 cent up from the low and 9.50 cent off the high. July Soybean Oil settled down \$1.5 at \$177.5/ton that was \$1.2 up from the low and \$3.5 off the high. July Soybean Oil closed down 0.15 cent at 25.73 cent/pound, 0.31 cent off the high and 0.11 cent up from the low. The market tried to retrieve its firm position due to the strength in gold and energy initially but later on slipped to the lower side as the gold weaken up to the mid session. The main driving factor that pulls down the market to its lower side is due to better than expected planting progress in the weekly crop update. USDA marked planted area at 10% complete as compared to 4-8% expected and 8% last year. July meal improved and fetch the highest level since March 31st while July oil improve on the later part of the day.

CBOT Soybean Futures as on 2.05.06

Months	PCP	Open	High	Low	Change	Close
May 06	593.2	593.4	599.0	588.0	-2.6	590.4
July 06	606.6	605.6	612.4	600.4	-3.6	603.0

LATEST WEATHER WATCH: 3.05.06

During past 24 hrs rainfall/thundershowers activities has occurred at a few places over northeastern states, Sub-Himalayan West Bengal & Sikkim, South Interior Karnataka and south Tamil Nadu and isolated over Himachal Pradesh, Jammu & Kashmir, East Uttar Pradesh, Chhattisgarh and Orissa. Isolated duststorm/ thunderstorm has also occurred over Punjab and northwest Madhya Pradesh. Due to the rainfall activity, the heat wave conditions have abated from Tamil Nadu. The day temperatures have fallen by 2- 4°C over Tamil Nadu, Andhra Pradesh, Punjab, East Uttar Pradesh, Bihar, Sub-Himalayan West Bengal and northeastern States. However they are still above 40°C over Rajasthan, Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Jharkhand, interior Maharashtra, and northern parts of Andhra Pradesh and Karnataka. Further fall of 2-3°C is expected over Peninsula and central India.

Source: IMD, GOI

Forex Rate on 3.05.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.86
European Union	Euro	56.77
Japan	100 Yen	39.71
United Kingdom	GBP	82.84

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