

OILSEED

9th May, 2006

Soybean and Mustard Witnessed Speculative Selling

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

Most of the indicators indicating bearish sentiments while moving averages still remain below the price line indicating possible recovery.

Market advice:

Buy above 1364.40 targets near 1372.10 and stop loss at 1360.15.

Support and Resistance Levels:

The current support levels are at 1355.55 and 1345.10 marks and resistance levels are at 1378.00 and 1384.00 marks as very short term.

Futures market:

NCDEX futures for June contract decline on speculative selling and for profit booking. The prices are expected to improve in near term amid demand is high from plants.

NCDEX JUNE SOYBEAN CONTRACT



Soybean Future Closing price

Contract	6.05.06	8.05.06	Chg
June	1331.90	1366.40	-5.00

Expected Support and Resistance Levels

Contract	Supports	Resistances
June	1355.55	1378.00
	1345.10	1384.00

Commodity: RAPESEED

Indicators

Long filled candle indicates bearish tone of the market, which is supported by different price oscillators. The market is expected to follow the current trend and likely to remain on the lower side.

Market advice:

Sell below 352.50, target near 350.00 and stop loss at 353.75.

Support and Resistance Levels:

The current support levels are at 348.55 and 346.55 marks and resistance levels are at 353.00 and 355.65.

Futures market:

Futures market decline sharply on speculative selling and on the news that NAFED temporarily halt the procurement of mustard in Kota and nearby division. The prices are expected to decline in near terms.

NCDEX JUNE MUSTARD CONTRACT



Mustard Future Closing price

Contract	6.05.06	8.05.06	Chg
June	343.55	351.80	-4.05

Expected Support and Resistance Levels

Contract	Supports	Resistances
June	348.55	353.00
	346.55	355.65

DOMESTIC MARKET COMMENTARY

Soybean:

The current rates continue for soybean seeds and remain range bound on the higher levels amid high demand from the mills and decreasing arrivals in the market yard. Soybean plant delivery rate in Indore still remains on the higher side, 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. 1310-1335 + 4% VAT and Mandi rate remain range bound and varied between 1280-1305. Arrivals remain in between 20000-22000 bags from MP, and moderately high at 25000 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 hit the market with steady pace of procurement by stockist. Procurement by private companies and local stockists provided support to the mustard prices. Spot also get strength from the local millers who regularly procuring the seeds from the market. NAFED had stopped procurement in Kota and nearby division from the local markets as they are finding difficulties for proper warehousing of the produce. The prices are expected to remain range bound in the physical market in coming days and the fate of mustard seed prices will much depends on the procurement by stockist. Average arrivals remain at 150000-200000 bags.

Status of Price & Supply of the New Crop 8.05.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1675-1680	7000-8000
Alwar(C)	1610-1615	7000-8000
Delhi(C)	1725-1730	1500
Agra(C)/Katchi Ghani	1790/4075	-
Sri Ganganagar (NC)	1510	2000
Kota (NC)	1500-1540	2500

Vayda Quotes

Mustard futures as on 8.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	343.4	343.2	343.2	341.3	-1.9	341.5
Delhi	AU	369.4	369.5	369.5	367.0	-2.3	367.1
Hapur	MY	352.7	352.25	353.25	352.0	+0.3	353.0
Hapur	AU	380.0	379.5	379.5	377.8	-1.9	378.1

M: Month; MY: May; AU: August

Groundnut

Groundnut prices decline in Rajkot Mandi, as the demand is decreasing and demand comes in trickle combined with the influence of weakness in soy and other oils in the market. Seed and oil both decline slightly in the physical market. Groundnut seed in Rajkot Mandi traded at Rs 340 per 20 kg and groundnut oil at Rs 448 + 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.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	6.05.06	8.05.06
Gr Kernel	-	2325*
Bolds 60/70	-	2770*
Javas 60/70	-	2975*
Javas 70/80	-	2850*
Javas 80/90	-	2750*

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

CBOT

CBOT remain closed on Saturday and Sunday

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: 8.05.06

The day temperatures are above 45°C over north Rajasthan, and adjoining parts of Haryana, Punjab, West Madhya Pradesh, Vidarbha and north Madhya Maharashtra where heat wave to severe heat wave conditions are prevailing. They are between 42-44°C over rest parts of northwest India, Madhya Pradesh and Interior Maharashtra. A temporary respite from the heat wave is expected over northwest India due to possibility of scattered duststorm/thunderstorm.

Source: IMD, GOI

Forex Rate on 8.05.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.88
European Union	Euro	56.94
Japan	100 Yen	39.47
United Kingdom	GBP	83.07

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