

OILSEED

11th May, 2006

Soybean and Mustard Improved

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

Candlestick showing strong improvement while stochastic and MACD indicating bearish sentiments. RSI and %R line supporting the candles and indicating bullish sentiments.

Market advice:

Buy above 1384.15 targets near 1390.00 and stop loss at 1380.00.

Support and Resistance Levels:

The current support levels are at 1380.00 and 1375.00 marks and resistance levels are at 1392.00 and 1395.00 marks as very short term.

Futures market:

NCDEX futures for June contract improved significantly on speculative buying. The prices at spot remain still on higher levels thereby supporting the futures market. It also gains strength from the futures of soy oil. Open interest and volume both increased today indicating bullish sentiments.

NCDEX JUNE SOYBEAN CONTRACT



Soybean Future Closing price

Contract	9.05.06	10.05.06	Chg
June	1324.95	1385.90	+21.15

Expected Support and Resistance Levels

Contract	Supports	Resistances
June	1380.00	1392.00
	1375.00	1395.00

Commodity: RAPESEED

Indicators

Wide gap opening indicates that there might be chances for moving the prices to fill the gap. Stochastic and MACD indicates bearish sentiments while candles, RSI and %R indicates improvement. Both volume and OI increases indicating strength in the market.

Market advice:

Sell below 358.00, target near 355.10 and stop loss at 359.50.

Support and Resistance Levels:

The current support levels are at 354.60 and 353.50 marks and resistance levels are at 360.00 and 361.95.

Futures market:

Futures market initially decline sharply on speculative buying and maintain its firm position. Speedy procurement helped to give support to the mustard. The prices are expected to improve in near terms.

NCDEX JUNE MUSTARD CONTRACT



Mustard Future Closing price

Contract	9.05.06	10.05.06	Chg
June	353.40	357.35	+3.95

Expected Support and Resistance Levels

Contract	Supports	Resistances
June	354.60	360.00
	353.50	361.95

DOMESTIC MARKET COMMENTARY

Soybean:

The prices of the soybean seed remain range bound in the physical market still on the higher levels. High demand of seeds from mills combined with the fact of fast depleting stocks hold the current situation. 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 1280-1300. Arrivals remain in between 18000-20000 bags from MP, and moderately high at 20000-25000 from Maharashtra and arrivals from Rajasthan observed at 4000.

Rapeseed/Mustard:

Prices at most centers remain range bound and few location witnessed slight decrease. Arrivals remain improve today. Procurement by private companies and local stockists provide some support to the mustard prices. NAFED had stopped procurement in in some area 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 10.05.06

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	1685-1690	2000
Alwar(C)	1625-1630	3000-4000
Delhi(C)	1720-1725	2000
Agra(C)/Katchi Ghani	1800/4075	-
Sri Ganganagar (NC)	1475-1500	7000-8000
Kota (NC)	1525-1575	2000

Vayda Quotes

Mustard futures as on 10.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	342.1	342.4	343.7	342.4	+1.6	343.7
Delhi	AU	366.7	369.0	371.0	367.1	+4.1	370.8
Hapur	MY	353.0	353.5	353.6	353.25	+0.5	353.5
Hapur	AU	379.7	380.25	382.2	380.4	+2.3	382.0

M: Month; MY: May; AU: August

Groundnut

Groundnut prices improved slightly in Rajkot Mandi, as the futures market of soy and other oil improved significantly thereby supporting the groundnut prices up. Seed and oil both improved in the physical market as it was quite related with the futures of other oils. Groundnut seed in Rajkot Mandi traded at Rs 342 per 20 kg and groundnut oil at Rs 450-452 + 4% VAT per 10 kg. Overall sentiments are expected to closely follow other oils and perhaps depends on the demand and supply scenario. Arrivals of seed are recorded nearly at 28000-30000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Indian Agribusiness Systems Pvt. Ltd., New Delhi

Groundnut	(Rates in Rs. Per 100 Kg)	
	9.05.06	10.05.06
Gr Kernel	2315*	2325*
Bolds 60/70	2750*	2760*
Javas 60/70	2975*	2975*
Javas 70/80	2850*	2850*
Javas 80/90	2750*	2750*

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

CBOT

CBOT Soy Futures Rally Up

July Soybeans settled up 5 cent at \$6.045/bushel, 7 cent off the high and 4 cent up from the low. November Soybeans settled up 6 cent at \$6.2375/bushel, which was 4.75 cent up from the low and 6.25 cent off the high. July Soybean meal settled up \$2.3 at \$179.5/ton that was \$0.2 up from the low and \$2.4 off the high. July Soybean Oil closed up 0.16 cent at 25.08 cent/pound, 0.32 cent off the high and 0.02 cent up from the low. Commodity market gain strength by weakening in US dollar and steep rise in gold prices thereby providing support to soybean as well. Slow pace of planting in the US and rise in US soybean demand amid problems in Brazil helped to boost the market up. Protest in Brazil is continuing and expected to last long unless the government will condider their demand. They even blocke the railways and successfully disrupt the supply chain. Talk in the market about shifting of some cargo to US provided underlying support. Strength in oilseeds in overseas also provided some support. The weekly crop progress report reveal that just 18% of the US crop was planted up to Sunday as compared with 24% last year, 22% as the 16-year average and 25-30% expected by the trade.

CBOT Soybean Futures as on 9.05.06

Months	PCP	Open	High	Low	Change	Close
May 06	586.0	598.0	599.0	592.4	+6.4	592.4
July 06	599.4	611.0	611.4	604.0	+5.0	604.4

LATEST WEATHER WATCH: 10.05.06

Due to duststorm/thunderstorm activity, the day temperatures have fallen further by 2-4°C over parts of north Rajasthan, Haryana, Punjab and Delhi resulting in respite from heat wave from these areas. However, the day temperatures are still above 45°C over parts of Rajasthan Madhya Pradesh and Vidarbha, where heat wave conditions are prevailing in isolated pockets. The day temperatures are still likely to remain between 42-44°C over Rajasthan, Haryana, north Gujarat, Madhya Pradesh, Chhattisgarh and Vidarbha with heat wave like conditions over some parts of Rajasthan.

Source: IMD, GOI

Forex Rate on 10.05.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.93
European Union	Euro	57.35
Japan	100 Yen	40.49
United Kingdom	GBP	83.82

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