

OILSEED

2nd May, 2006

Rumour Hit Mustard and Soybean Futures

TECHNICAL ANALYSIS

Commodity: SOYBEAN

Indicators

All the indicators indicating bearish sentiments for short term. MACD though making a turn but still on rise indicating medium term bullishness.

Market advice:

Sell below 1324.80 target near 1311.00 and stop loss at 1342.00.

Support and Resistance Levels:

The current support levels are at 1305.10 and 1291.30 marks and resistance levels are at 1343.80 and 1351.45 marks as very short term.

NCDEX MAY SOYBEAN CONTRACT



Soybean Future Closing price

Contract	29.04.06	1.05.06	Chg
May	1330.35	1321.50	-8.85

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	1305.10	1343.80
	1291.30	1351.45

Commodity: RAPESEED

Indicators

All the indicators hinting towards short term bearish sentiments and decrease in volume and open interest could be seen. MACD is converging but still moving upwards indicating medium term bullish sentiments.

Market advice:

Sell below 347.90, target near 345.20 and stop loss at 349.25.

Support and Resistance Levels:

The current support levels are at 344.00 and 342.60 marks and resistance levels are at 349.95 and 351.00.

NCDEX MAY MUSTARD CONTRACT



Mustard Future Closing price

Contract	29.04.06	1.05.06	Chg
May	349.50	346.00	-3.50

Expected Support and Resistance Levels

Contract	Supports	Resistances
May	344.00	349.95
	342.60	351.00

DOMESTIC MARKET COMMENTARY

Soybean:

NCDEX futures for May contract observed choppy trade today on the rumour about possible suspension of the declaration for 3 months w.e.f today. Till the news could not be varified yet and therefore needs varification. The decline in prices also owing to the possible consolidation and booking profits by various traders. Physical market getting firm day by day. Rising prices of soybean due to poor stocks with farmers would lead to drop in crushing next month, further reducing oil availability. Soybeans have become scarce in the market, as only around 2,00,000 tonne of crop are left with farmers, while last year at the same time around 2 million tonne of stocks were available. Due to high bean prices, most millers would cut down on their crushing, which, in turn, could also affect local oil supply. Soybean plant delivery rate in Indore has risen by about Rs 60-70 per 100 kg since last week, mainly on account of poor stock and good demand. Plant delivery rate quoted at Rs. 1290-1310 + 4% VAT and Mandi rate improved and ranged between 1270-1285. Low arrivals could be noticed today in the various market due to Labour's day and ranged between 10000 bags from MP while arrivals from Rajasthan varied between 3000.

Rapeseed/Mustard:

NCDEX Mustard May contract decreased as the consolidation was expected at this time. The prices also decline on the rumour about possible delay of the order regarding import of GMO soy oil. The prices are expected to remain on the lower levels for couple of days and then expected to improve. Reduced arrivals observed in the physical market owing to Labours day which results into firmness in the market. Active buying by the millers results into improvement in the spot and further also expected to improve the situation. Procrument by NAFED also provided underlying support. Local stockists are also coming forward for the procurement. The prices are expected to improve in the physical in coming days. Average arrivals remain at 200000-250000 bags.

Status of Price & Supply of the New Crop 1.05.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1685-1690	4000
Alwar(C)	1590-1600	4000-5000
Delhi(C)	-	-
Agra(C)/Katchi Ghani	-	-
Sri Ganganagar (NC)	1520	2000
Kota (NC)	1525-1550	2000

Vayda Quotes

Mustard futures as on 1.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	349.0	348.1	349.3	347.0	-2.0	347.0
Hapur	MY	356.7	356.6	358.6	355.1	-1.6	355.1

M: Month; MY: May; JU: June

Groundnut

Groundnut prices decrease slightly in Gujarat Mandi, as influenced by the weak futures of other oil. Seed and oil both decline slightly. It is expected that the oil prices are expected to improve in near terms slightly as soy oil expected to improve in coming days. Groundnut seed in Rajkot Mandi traded at Rs 348 per 20 kg and groundnut oil at Rs 468 + 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 remain closed on Saturday and Sunday.

CBOT Soybean Futures as on 28.04.06

Months	PCP	Open	High	Low	Change	Close
May 06	575.2	598.0	598.0	585.0	+12.0	587.2
July 06	590.4	614.0	614.0	598.0	+10.4	601.0

LATEST WEATHER WATCH: 1.05.06

Mainly dry weather prevailed over the country except isolated rainfall over Andaman & Nicobar Islands, coastal Orissa and western Himalayan region. Mainly dry weather will continue to prevail over most parts of the country except isolated to scattered rain/thundershowers activity over northeastern States from 3rd onwards. Heat wave conditions continue to prevail over south-coastal Andhra Pradesh and north coastal Tamil Nadu. The day temperatures over plains of northwest India, Gangetic plains, Jharkhand, central India, interior Maharashtra and parts of Andhra Pradesh and north Tamil Nadu are likely to remain above 40° C.

Source: IMD, GOI

Forex Rate on 1.05.06

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.97
European Union	Euro	56.41
Japan	100 Yen	39.93
United Kingdom	GBP	81.04

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