

## OILSEED

13<sup>th</sup> June 2005

- Rapeseed Market Improved Marginally on Increased Buyers Support

### \*Latest Procurement details of NAFED (24.05.05)

#### Soybean:

The domestic market improved significantly after the day of mild technical correction on Saturday amidst growing buying support in the domestic exchanges.

The uncertainty with the time and amount of rainfall during the current monsoon is causing anxiety in the traders and on these reasons the market is expected to go bullish in the coming days.

The activity in the domestic market was greatly dominated by strong rumours that the Central Government has imposed a 35 % duty on refined vanaspati oil imported from Sri Lanka, the news of which is yet to be confirmed.

The domestic future market trading started on a firm note and continued on further on the upper side for the day amidst increasing buyers' support.

The Hazir market today continued range bound amidst lack of support from the consistently declining retail demand.

The price of soybean in Kota market was quoted at Rs. 1240-1250 per quintal. In Madhya Pradesh it was between Rs. 1420, in Karnataka it was Rs. 120-1240 and in Maharashtra it was between Rs. 1240.

Overall the market is expected to continue on the higher side for Tuesday amidst continuous increased support from the international markets.

#### Rapeseed/Mustard:

A weak trend of the market witnessed mild recovery amidst increased gains in the soyoil market.

The marketing strategy of NAFED is still not yet clear. Its indecisiveness regarding the sale of mustard seed in the Indian market is causing great anxiety in the domestic market, forcing the market to move range bound.

Today, the rape oil found partial support from the buyers at major exchanges.

Today the new crop arrival reached 1.00 lakh bags in Rajasthan and about 0.30 lakh bags in Madhya Pradesh.

Overall, it is expected that the rape oil will continue trading range bound on lower side for Tuesday due lack of retail demand.

### Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Lakh Bags)
Jaipur	1690-1695	-
Alwar	1620	0.02
Delhi	1720	0.01
Agra	1740	-
Sri Ganganagar	1500	0.02
Kota	1460-1500	0.04

#### Groundnut:

Groundnut continued improving marginal marginally at various centres amidst support from the growing local demand at various centres in southern markets.

The uncertainty in the demand of the other edible oils is causing range bound movement in the groundnut oil prices.

The market is also varying in accordance with the monsoon progress, which has become greatly uncertain both in terms of timings and amount.

The range-bound lower trade in groundnut oil prices in the domestic markets is likely to continue range bound on Monday in absence of increased buying support.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2560 per quintal, the bold (60-70 Count) is Rs. 2720 per quintal, the 50-60 count seed is Rs. 2670 and for 40-50 count the rate is Rs. 2280 in Mumbai market. In Gujarat the price varied from Rs. 1440, in Tamil Nadu it was between Rs. 1300 in Rajasthan it was between Rs. 1340, in Karnataka it was between Rs. 1470 and in Andhra Pradesh it was Rs. 1345.

### Vayda Quotes

#### Mustard futures as on 13<sup>th</sup> June 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	5-Aug	332.40	333.00	334.60	333.00	+2.40	334.80
Hapur	5-Aug	350.90	352.00	354.00	352.00	+2.90	353.80
Bikaner	5-Jun	335.00	330.00	330.00	330.00	-5.00	330.00
Bikaner	5-Aug	330.00	326.00	326.00	325.80	-4.20	325.80
Hisar	5-Aug	331.20	331.70	333.60	331.70	+2.40	333.60

## CBOT

CBOT Exchange remained closed on regular weekend holiday. It will reopen on Monday evening (13.06.05).

### CBOT Soybean futures as on 10 June 2005 Cents/bushels)

Months	Previous Settle	Open	High	Low	Change	Close
Jul'05	673.2	678.0	678.4	666.0	-7.0	666.2
Aug'05	676.2	680.4	681.4	669.0	-6.8	669.4

## TECHNICAL ANALYSIS

### COMMODITY: MUSTARD SEED

Perspective: Very Short Term

#### NCDEX June Contract

Rapeseed June contract opened on a on the positive note and continued on the higher side for the day. The market is

expected to continue with its upward movement in the coming days as the retail buyers' support is expected to increase gradually.

**Stochastic Oscillators:** The %D-line continued up in the oversold region indicating stability in the prices. The % K-line also moved marginally higher in the neutral region supporting the rising sentiments in the prices.

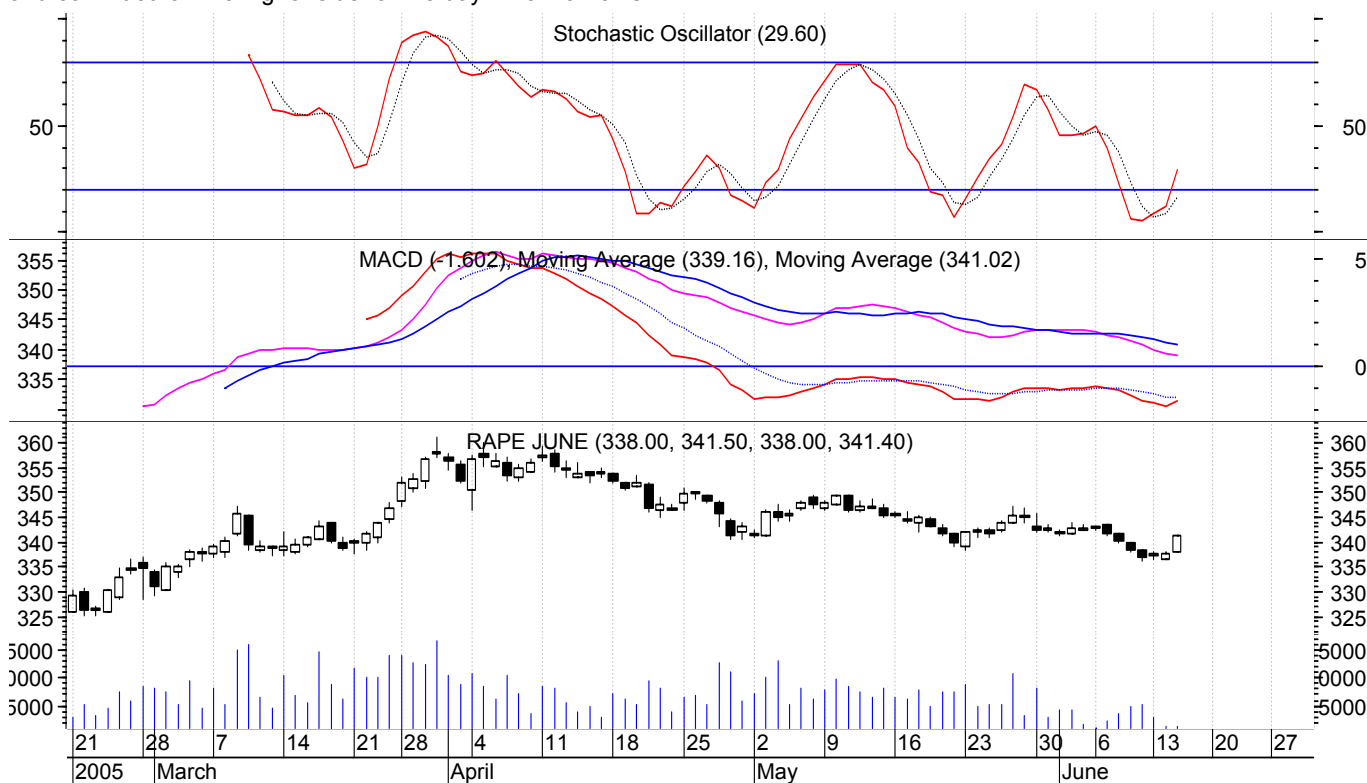
**MACD** turned up in the negative region indicating the rising strength in the prices. The **7-Day MA** still continued down along with the **14-Day MA** hinting to the existing weakness in the market.

#### Market advice:

Trade is expected to open steady but trade marginally on the higher side for Tuesday. Trade cautiously with an eye on support and resistance level given below. Sell with very short-term outlook.

#### Advisable trade limits:

Support at 338.60 and Resistance 343.90



### COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

#### NCDEX June Contract

Soybean seeds June contract opened on the positive note and traded further higher for the day amidst rising support in the soybean oil futures and uncertain monsoon conditions.

**Stochastic Oscillators:** The %K line continued up entering the neutral region indicating the steady increase in the domestic prices. The % D-line also moved up in the oversold region hinting to the steadiness in the price trends. The market is expected to open firm and continue range bound on the higher side.

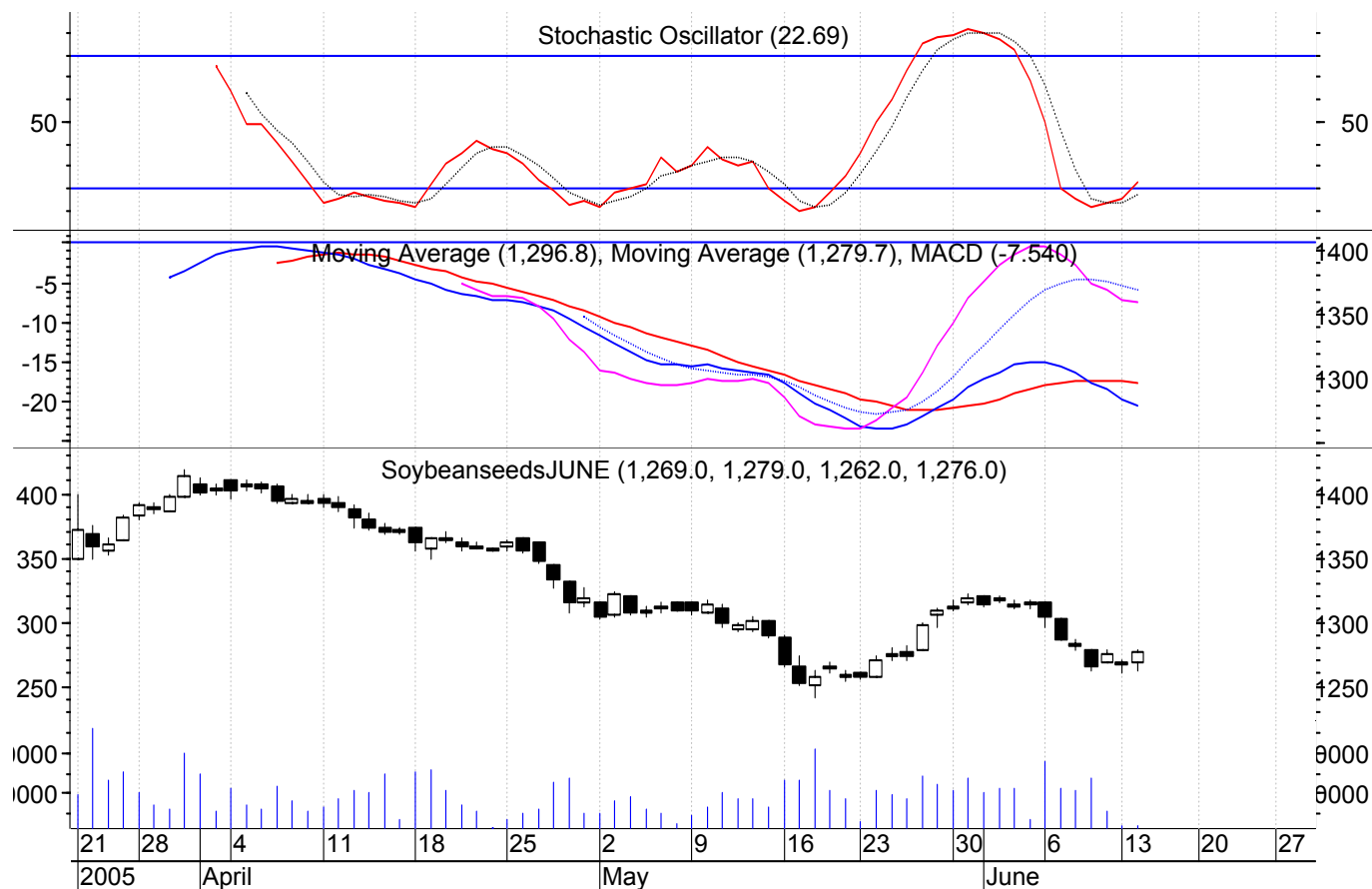
**MACD** continued further in the negative region, after intersected the **EMA** from below indicating the loosing strength in the prices. **7-Day MA** also continued down along with the **14-Day MA** (with declining slope) making a bearish crossover, supporting the weakness in the soybean market.

#### Market advice:

Market is expected to open steady and trade on the higher side for Tuesday amidst increased retail support. Trade cautiously with an eye on support and resistance levels given below.

#### Advisable trade limits:

Support at 1267.00 and Resistance at 1287.00



**\*Latest Procurement details of NAFED (24.05.05)**

Commodity	State	Amount (mt)
Mustard/ Rapeseed	Rajasthan	1334715
	Uttar Pradesh	36280
	Gujarat	188255
	Madhya Pradesh	137509
	Chattisgarh	2159
	Punjab & Haryana	233540
	Delhi	8978
	Punjab	5338
	Total	1946774
Safflower	Maharashtra	19187
	Karnataka	4757
	Andhra Pradesh	4376
	Total	28320
Sunflower	Karnataka	28

**Forex Rates (As on 13.06.2005)**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.62
Malaysia	Ringgit	11.48
European Union	Euro	52.74
United Kingdom	GBP	78.92
Japan	100 Yen	40.17

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