

## Reduction of Tariff Hunt Soybean and Mustard

### TECHNICAL ANALYSIS

#### Commodity: SOYBEAN

##### FUTURES MARKET COMMENTARY

###### Soybean:

NCDEX April contract opened weak at 1174.00, decline initially to touch the bottom value at 1173.0 and then observed bullish sentiments for next 30 minutes with a giant leap. Prices remain range bound from 10.45 am to 4.15 pm with few dips. Prices then again shoots up to touch the day's high 1200.0 near 4.30 pm and finally settled at 1188.0. Sentiments seems to be much affected by the implication of VAT as well as on CST. Prices were low enough to get a correction.

###### Indicators

1. Candlestick showing bullish market sentiments.
2. Prices closed below 9-day and 18-day EMA showing bearish market sentiments.
3. %K made bullish cross over with % D line in over sold region indicating slight bullish sentiments.
4. MACD is moving upward in negative zone showing slight improvement sentiments.

###### Market advice:

Buy above 1183.0, target near 1190.0 and stop loss at 1178.0.

##### NCDEX APRIL SOYBEAN CONTRACT

###### Support and Resistance Levels:

The current support levels are at 1171.45 and 1165.50 marks and resistance levels are at 1206.60 and 1210.00 marks as very short term.



##### Soybean Future Closing price

Contract	1.04.06	3.04.06	Chg
April	1177.15	1188.00	+10.85

##### Expected Support and Resistance Levels

Contract	Supports	Resistances
April	1171.45	1206.60
	1165.50	1210.00

#### Commodity: RAPESEED

##### FUTURES MARKET COMMENTARY

###### Mustard:

NCDEX May contract opened weak at 338.00, with slight improvement taken a dip initially and then surge high to fetch the days high 339.0 near 12.45 pm followed by steep fall to touch the day's low near 4.15 pm, with slight improvement finally settled at 336.25. Implementation of VAT in Rajasthan would have bearish impact on the sentiments.

###### Indicators

1. Candlestick showings bearish market sentiments.
2. Prices closed below 9-day and 18-day EMA showing bearish market sentiments.
3. %K line entered in the oversold region and moving downwards with %D line indicating bearish market

##### NCDEX MAY MUSTARD CONTRACT



sentiments.

4. MACD is moving down in negative zone indicating bearish sentiments likely to continue.

#### Market advice:

Sell near 337.50, target near 335.80 and stop loss at 338.50.

#### Support and Resistance Levels:

The current support levels are at 334.80 and 333.70 marks and resistance levels are at 339.50 and 340.85.

#### Mustard Future Closing price

Contract	1.04.06	3.04.06	Chg
May	338.20	336.25	-1.95

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
May	334.80	339.50
	333.70	340.85

## DOMESTIC MARKET COMMENTARY

### Soybean:

Soybean prices improved in case of plant delivery while Mandi rate witnessed steep decline as compared to last day prices. Implementation of VAT in MP had negative impact on the Mandi rate and traders are still waiting for the consequences. Confusion still persists in the market regarding CST and implication of VAT. Plant delivery rate quoted at Rs. 1205-1210 and Mandi rate ranged from Rs. 1090-1110. Average arrivals remain 30000-35000 from MP, 25000 from Maharashtra and arrivals from Rajasthan remain at 8000-9000 bags.

### Rapeseed/Mustard:

Prices remain range bound in different region of Rajasthan market with slight fluctuation. Procurement by NAFED in various Mandis with huge arrivals results into restricted movement of prices in the Mandis. Harvesting pressure in one hand and procurement by NAFED on the other kept the prices in a range bound fashion and prices restricted in a narrow band. In Jaipur, Alwar, Delhi and Agra prices quoted at Rs 1600, 1500-1520, 1665 and 1675 per quintal respectively. Arrival of mustard seed is reported to be 15000, 10000 and 3000 bags in Jaipur, Alwar and Delhi respectively. Prices at Kota Mandi ranged between Rs. 1380-1410 with average arrival of 10000 bags. Total arrival of Rajasthan is reported to be 300000 bags. Prices moving in a range bound fashion in a tight range, one force (procurement by NAFED) pulling the prices up while huge arrivals pushing down.

#### Status of Price & Supply of the New Crop 3.04.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1600	15000
Alwar(C)	1500-1520	10000
Delhi(C)	1665	3000
Agra(C) Katchi Ghani	1675	3750/(Q)
Sri Ganganagar (NC)	1425	8000
Kota (NC)	1380-1410	10000

### Vayda Quotes

#### Mustard futures as on 3.04.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	338.7	338.5	338.9	337.5	-1.2	337.5
Hapur	MY	349.5	349.0	349.2	347.8	-1.7	347.8
Hisar	MY	-	-	-	-	-	-

M: Month; MY: May

### Groundnut

Groundnut prices decreased slightly in Gujarat owing to low demand from the retail end. Groundnut seed in Rajkot Mandi traded at Rs 334 per 20 kg and groundnut oil at Rs 446 per 10 kg. The prices for seed and oil expected to improve after 1<sup>st</sup> week of April.

#### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	3.04.06	1.04.06
Gr Kernel	2215*	2215*
Bolds 60/70	2770*	2790*
Javas 60/70	2765*	2775*
Javas 70/80	2765*	2775*
Javas 80/90	2665*	2675*

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

### CBOT

CBOT remain closed on Saturday and Sunday.

#### CBOT Soybean Futures as on 31.03.06

Month	PCP	O	H	L	Ch	Close
May 06	587.6	581.0	588.0	571.0	-16.2	571.4
July 06	601.0	594.4	600.6	585.0	-15.6	585.4

### LATEST WEATHER WATCH: 3.04.06

In view of incursion of moist southerly flow over northeastern states from the Bay of Bengal, rain/thundershowers are likely at many places over northeastern states accompanied with hailstorm/ squall at a few places. Thunderstorm activity with hailstorm/squall is also likely at a few places over West Bengal & Sikkim and isolated over Bihar, Jharkhand and Orissa. Mainly dry weather is likely over most other parts of the country except isolated rain/thundershowers over peninsular India. Temperatures over northwest and central parts of the country and are likely to increase further while they are likely to decrease over the northeastern states.

**NORTH-WEST INDIA:** Mainly dry weather is likely over the region. Day temperatures over the region are likely to remain 2-4 °C above normal.

**EAST INDIA:** Rain/thundershowers are likely at a few Places over West Bengal & Sikkim and isolated over the rest region. Isolated hailstorm/squall are likely over the region.

**NORTHEAST INDIA:** Rain/thundershowers at many Places with hail/squall at a few Places are likely over the region.

**SOUTH INDIA:** Isolated rain/thundershowers are likely over Kerala, Tamilnadu and Andhra Pradesh. Weather will be mainly dry over the region.

**WEST INDIA:** Weather will be mainly dry over the region with day temperatures over Rajasthan and interior Maharashtra likely be above normal by 2-3° C

**CENTRAL INDIA:** Weather will be mainly dry over the region.

**Outlook for subsequent two days based on NCMRWF and other numerical weather products:** The enhanced rainfall activity over northeastern states is likely to decrease.

**Source: IMD, GOI**

### Forex Rate on 3.04.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.61
European Union	Euro	53.77
Japan	100 Yen	37.62
United Kingdom	GBP	77.15

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