

## OILSEED

7<sup>th</sup> April, 2006

### Soybean decline and Mustard Remain Indecisive

#### TECHNICAL ANALYSIS

##### Commodity: SOYBEAN

###### Soybean:

###### Indicators

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

###### Market advice:

Risk lovers can sell below 1192.20, target near 1186.95 and stop loss at 1195.30.

###### Support and Resistance Levels:

The current support levels are at 1183.00 and 1177.25 marks and resistance levels are at 1201.30 and 1205.75 marks as very short term.

##### NCDEX APRIL SOYBEAN CONTRACT



##### Soybean Future Closing price

Contract	5.04.06	6.04.06	Chg
April	1193.05	1190.0	-3.05

##### Expected Support and Resistance Levels

Contract	Supports	Resistances
April	1183.00	1201.30
	1177.25	1205.75

##### Commodity: RAPESEED

###### Mustard:

###### Indicators

1. Candlestick showings slight bullish market sentiments.
2. Prices closed below 9-day and 18-day EMA showing bearish market sentiments.
3. %K line entered in the oversold region with %D line indicating bearish market sentiments.
4. MACD is moving down with divergence in negative zone indicating bearish sentiments likely to continue.

###### Market advice:

Sell below 335.20, target near 333.20 and stop loss at 336.40.

###### Support and Resistance Levels:

The current support levels are at 333.00 and 331.40 marks and resistance levels are at 338.10 and 339.65.

##### NCDEX MAY MUSTARD CONTRACT



**Mustard Future Closing price**

Contract	5.04.06	6.04.06	Chg
May	335.10	335.35	+0.25

**Expected Support and Resistance Levels**

Contract	Supports	Resistances
May	333.00	338.10
	331.40	339.65

**DOMESTIC MARKET COMMENTARY****Soybean:**

Plant delivery prices remain still high in Indore including the 4% tax as per the norms of VAT in MP, while Mandi rate still trailing behind. Confusion in the market still persists regarding VAT and its after implication. CST also remain one of the main issue for determining the direction of the spot in coming days. Plant delivery rate quoted at Rs. 1200-1210 and Mandi rate ranged from Rs. 1090-1125. Average arrivals remain 25000-30000 from MP, 25000 from Maharashtra and arrivals from Rajasthan remain at 8000-9000 bags.

**Rapeseed/Mustard:**

Market remain closed in most of the centers in Rajasthan on the occasion of Maha Navami and strike in few regions on VAT issue. Virtually no arrivals could be noticed in different areas.

**Status of Price & Supply of the New Crop 6.04.06**

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1590-1600	-
Alwar(C)	1510-1515	-
Delhi(C)	-	-
Agra(C) Katchi Ghani	-	-
Sri Ganganagar (NC)	-	-
Kota (NC)	-	-

**Vayda Quotes****Mustard futures as on 6.04.06**

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	335.4	336.0	336.0	335.5	+0.1	335.5
Hapur	MY	346.1	346.4	346.7	345.4	-0.5	345.6
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)	
	6.04.06	5.04.06
Gr Kernel	2275*	2250*
Bolds 60/70	2700*	2740*

Javas 60/70	2750*	2720*
Javas 70/80	2725*	2720*
Javas 80/90	2625*	2625*

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

**CBOT****Soybean and Meal Improved, Soy Oil Down in CBOT**

May Soybeans settled up 2.75 cents at \$5.615/bushel, 1 cent off the high and 5 cent up from the low. November Soybeans settled up 1.75 cent at \$5.9175/bushel which was 5.25 cent up from the low and 1 cent off the high. May Soymeal finished up \$1.3 at \$172.3/ton that was \$1.1 up from the low and \$0.3 off the high. May Soybean Oil closed down 0.07 cent at 22.37 cent/pound, 0.12 cent off the high and 0.12 cent up from the low. Talk in the market about extreme oversold condition combined with the recent improved forecast for Brazil crop production, provide the initial thrust to the market. Brazil Agriculture Ministry soybean crop forecast came in at 55.7 million tonnes as compared to 57.2 million tonnes in March which would still be a record high as compared to 51.4 million tonnes last year. Harvest in Brazil is slowing down due to rainy weather further provided underlying support. Weakness in Malaysia palm futures and China soybean futures overnight were the negative short-term factors for pulling down the prices of soy oil in the CBOT. Improving demand of meal in the Far East countries leads to slight improvement in the meal futures. Traders are expecting for USDA weekly export sales for soybean near 200,000-350,000 tonnes as compared to 295,300 tonnes last week. Meal sales are expected near 60,000-125,000 tonnes with oil near 0-10,000 tonnes.

**CBOT Soybean Futures as on 5.04.06**

Month	PCP	O	H	L	Ch	Close
May 06	558.6	559.4	562.5	556.5	+2.9	561.5
July 06	573.0	573.0	576.5	570.2	+3.0	576.0

**LATEST WEATHER WATCH: 6.04.06**

Due to continued incursion of moist southerly flow over northeastern states from the Bay of Bengal, thundershowers have occurred at many places over the region. This activity accompanied with hailstorm/squall at a few places is likely to continue during next 2-3 days. Thunderstorm activity with hailstorm/squall is also likely at a few places over West Bengal & Sikkim and isolated

over Orissa, Jharkhand, Bihar and East Uttar Pradesh. Mainly dry weather is likely over most other parts of the country. Temperatures over northwest and central parts of the country are likely to increase further by 2-3° C.

**NORTH-WEST INDIA:** Mainly dry weather is likely over the region. However isolated to scattered rain /snow likely to commence over Jammu & Kashmir from 8<sup>th</sup> onwards. This activity will increase and extend into Himachal Pradesh and Uttranchal also. Day temperatures over the region are likely to increase further by 2-3° C.

**EAST INDIA:** Rain/thundershowers accompanied with hail/squall are likely at a few places over West Bengal & Sikkim and isolated over the rest of the region.

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

**SOUTH INDIA:** Weather will be mainly dry over the region except isolated rain/thundershowers over South Tamil Nadu, Kerala and Andaman & Nicobar Islands. Day temperatures are likely to increase in Karnataka and Telangana region.

**WEST INDIA:** Weather will be mainly dry over the region with increase in day temperatures.

**CENTRAL INDIA:** Weather will be mainly dry over the region. The day temperatures in this region also are likely to increase further by 1-2° C.

**Outlook for subsequent two days based on NCMRWF and other numerical weather products:** Scattered thundershowers activity over northeastern states is likely to continue. Rainfall/snowfall activity is likely to enhance over the Western Himalayas.

**Source:** IMD, GOI

**Forex Rate on 6.04.06**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.69
European Union	Euro	54.83
Japan	100 Yen	38.24
United Kingdom	GBP	78.59

## Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.