

## OILSEED

10<sup>th</sup> May, 2006

### Soybean and Mustard Ended Indecisive

#### TECHNICAL ANALYSIS

##### Commodity: SOYBEAN

###### Indicators

Most of the indicators indicating bearish sentiments while moving averages still remain below the price line indicating possible recovery..

###### Market advice:

Sell below 1366.00 targets near 1359.00 and stop loss at 1370.00.

###### Support and Resistance Levels:

The current support levels are at 1354.65 and 1345.95 marks and resistance levels are at 1375.45 and 1382.00 marks as very short term.

###### Futures market:

NCDEX futures for June contract witness choppy trade with candlestick showing spindle top formation indicating indecisiveness in the market. Open interest and volume both decline. All other indicators indicating bearish sentiments.

##### NCDEX JUNE SOYBEAN CONTRACT



###### Soybean Future Closing price

Contract	8.05.06	9.05.06	Chg
June	1366.90	1363.60	-3.30

###### Expected Support and Resistance Levels

Contract	Supports	Resistances
June	1354.65	1375.45
	1345.95	1382.00

##### Commodity: RAPESEED

###### Indicators

Hanging man formation by the candlestick at the bottom of the trend indicating improvement in the bearish scenario. Stochastic, MACD indicating bearish sentiments while RSI and R% indicating towards possible improvement. Prices are expected to improve at this stage.

###### Market advice:

Buy above 352.50, target near 354.55 and stop loss at 351.40.

###### Support and Resistance Levels:

The current support levels are at 349.35 and 347.45 marks and resistance levels are at 356.20 and 357.60.

###### Futures market:

Futures market initially decline sharply on speculative selling and later on tried to retrieve its position. Speedy procurement helped to give some support to the mustard. The prices are expected to improve in near terms.

##### NCDEX JUNE MUSTARD CONTRACT



###### Mustard Future Closing price

Contract	8.05.06	9.05.06	Chg
June	352.35	353.10	+0.75

###### Expected Support and Resistance Levels

Contract	Supports	Resistances
June	349.35	356.20
	347.45	357.60

## 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. 1310-1330 + 4% VAT and Mandi rate remain range bound and varied between 1270-1300. Arrivals remain in between 20000-22000 bags from MP, and moderately high at 25000 from Maharashtra and arrivals from Rajasthan observed at 5000.

### Rapeseed/Mustard:

Prices at most centers remain range bound and few location witnessed slight decrease. Arrivals remain low today as farmers are holding the stock in anticipation of fetching premiums in off-season. Procurement by private companies and local stockists provide some support to the mustard prices. NAFED had stopped procurement in Kota and nearby division 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 bags.

### Status of Price & Supply of the New Crop 9.05.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1665-1685	4000
Alwar(C)	1610-1615	4000
Delhi(C)	1725	1500
Agra(C)/Katchi Ghani	1785-1790/4100	-
Sri Ganganagar (NC)	1475	8000
Kota (NC)	1520-1555	2000

### Vayda Quotes

#### Mustard futures as on 9.05.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	341.5	341.7	342.7	341.6	+0.6	342.1
Delhi	AU	367.1	366.8	369.0	366.7	+1.6	368.7
Hapur	MY	353.0	353.25	353.85	353.0	0	353.0
Hapur	AU	378.1	377.75	380.0	377.7	+1.6	379.7

M: Month; MY: May; AU: August

### Groundnut

Groundnut prices decline in Rajkot Mandi, as the demand is decreasing and demand comes in trickle combined with the influence of weakness in soy and other oils in the market. Seed and oil both remain range bound in the physical market. Groundnut seed in Rajkot Mandi traded at Rs 340 per 20 kg and groundnut oil at Rs 445 + 4% VAT per 10 kg. Overall sentiments are expected to decline due to postpone of the

government declaration on GM soy oil for two months. Arrivals of seed are recorded nearly at 28000-30000 bags in Gujarat Mandi.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	8.05.06	9.05.06
Gr Kernel	2325*	2315*
Bolds 60/70	2770*	2750*
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 Slip on Weather Concern

July Soybeans settled down 7 cents at \$5.9925/bushel, 12 cents off the high and 3 cents up from the low. November Soybeans settled down 7.50 cents at \$6.1775/bushel, which was 2.75 cent up from the low and 12 cent off the high. July Soymeal settled down \$1.4 at \$177.2/ton that was \$1.7 up from the low and \$0.6 off the high. July Soybean Oil settled down 0.61 cent at 24.92 cent/pound, 0.45 cent off the high and 0.12 cent up from the low. Solid gain was recorded initially as the soybean got supports from other commodity market and the problems going over in Brazil. Later on the prices dwindle and taken a plunge at mid session on the news of bearish weather forecast for both US and Brazil. Lack of fund buying also added to its bearish tone. Oil found a strong commercial stopper of 470 oil deliveries. Oil delivery also taken a giant leap to fetch 1414 contracts.

#### CBOT Soybean Futures as on 8.05.06

Months	PCP	Open	High	Low	Change	Close
May 06	594.4	586.4	587.4	584.4	-8.4	586.0
July 06	606.4	597.0	601.4	596.4	-7.0	599.4

### LATEST WEATHER WATCH: 9.05.06

Due to scattered duststorm/thunderstorm activity, the day temperatures have fallen by 2-4°C over parts of north Rajasthan, Haryana, Punjab, Delhi and West Uttar Pradesh resulting in respite from heat wave from some parts. However, the day temperatures are still above 45°C over parts of north Rajasthan and adjoining parts of Haryana, West Madhya Pradesh and Vidarbha, where heat wave conditions are prevailing. Heat wave conditions are likely to abate from remaining parts of northwest India and Madhya Pradesh.

Source: IMD, GOI

### Forex Rate on 9.05.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.96
European Union	Euro	57.00
Japan	100 Yen	40.22
United Kingdom	GBP	83.42

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