

## OILSEED DAILY

May 20, 2006

### SOYBEAN

#### SPOT MARKETS

Most of the centers today witnessed range bound movements of the prices in the physical market and mostly remain at the same level as that of previous day. The prices still remain on the higher levels amid reduced arrivals.

#### FUTURES MARKETS:

NCDEX June contract witness choppy trade in absence of any fresh news. The contract stumble initially and later on tried to regain strength. The futures followed the international bearish news and likely to be influenced by CBOT. The contract ranged between 1388.00-1405.00 and finally settled at 1400.10. The market is expected to recover in near terms.

#### PRICE DRIVERS:

##### Bullish:

1. High crushing demand
2. Fast depleting seeds
3. Seeds in strong hands
4. Low arrivals
5. Hike in tariff value

##### Bearish:

1. Weakness in Soy futures
2. Weakness in other oils

#### Weather

Sowing is done usually in June-July and will much depends on the monsoon.

#### TECHNICALS

Candlesticks showing indecisive sentiments with the formation of Doji. Other oscillators indicating bearish sentiments. Volume increased slightly while open interest decline indicating the weakness in market.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	1386.00	1372.00	1421.00	1430.00

#### TRADE RECOMMENDATION:

Sell near 1407.60, target near 1399.00 and stop loss at 1415.00

## SPOT MARKET PRICES

Centers	Prices/Q	Arrivals (Bags)
Indore	(P) 1350-1370	20000-25000
	(M) 1290-1310	
Maharashtra	(P) 1370-1375	10000-12000
	(M) 1320-1330	
Rajasthan	(P) 1330-1335	5000-6000
	(M) 1280-1320	

## MUSTARD

### SPOT MARKETS

Mustard seed remain steady in different centers in absence of any fresh news in different centers. The prices maintain its previous levels with slight variations. ITC, Ruchi groups etc are still procuring and hold the prices in high level. Local stockist continues to procure mustard seeds. The prices are expected to remain range bound in the physical market in coming days and the fates of mustard seed prices will much depend on the procurement by stockist. Average arrivals remain at 150000 bags.

### FUTURES MARKETS:

NCDEX June contract opened steady and initially tried to regain strength but speculative selling amid weakness in mustard and soy oil results into decline in the contract. The prices are expected to remain range bound on the lower side in near term unless there would be any improvements in the sentiments of other oil.

### PRICE DRIVERS:

#### Bullish:

1. High demand of Kacchi Ghani Oil
2. Procurement by MNC's
3. Low arrivals

#### Bearish:

1. NAFED stopped procurement
2. Weak futures of soy oil

### Weather

Harvesting is completed in most of the region and therefore has no direct impact on the seeds.

### TECHNICALS

Candle sticks showing filled spinning top formation indicating indecisiveness in the market. Other oscillators indicates bearish sentiments. Volume and OI decline hinting weakness in market.



### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	356.50	355.00	360.50	361.50

### TRADE RECOMMENDATION:

Sell below 359.00, target near 357.00 and stop loss at 360.00

### Status of Price & Supply of Mustard

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1735-1740	4000-5000
Alwar(C)	1690-1700	4000
Delhi(C)	1770	1500
Agra(C)/Katchi Ghani	1830/4150	-
Sri Ganganagar (NC)	1525	2500
Kota (NC)	1560-1610	2000-2500

## GROUNDNUT

### SPOT MARKET

Groundnut remains steady at the same level as that of the previous day. Groundnut seed in Rajkot Mandi improve slightly at Rs 343 per 20 kg and groundnut oil improve at Rs 450 + 4% VAT per 10 kg. Overall sentiments are expected to depend in the futures market of others oil. Arrivals of seed are recorded nearly at 30000 bags in Gujarat Mandi.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	18.05.06	19.05.06
Gr Kernel	2325*	2310*
Bolds 60/70	2770*	2770*
Javas 60/70	3000*	3000*
Javas 70/80	2900*	2900*
Javas 80/90	2800*	2800*

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

### 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.