

## OILSEED DAILY

May 22, 2006

### SOYBEAN

#### SPOT MARKETS

Soybean seed remain range bound with slight decline in the physical market and no drastic change could be noticed. Weak demand of refined soy oil from the Vanaspati industry also influenced the prices of soybean into the market, Stagnancy in the demand of DOC also had a bearish impact on the market.

#### FUTURES MARKETS:

NCDEX June contract decline sharply on low demand of edible oil from Vanaspati industry. The market also influenced by the weakness in CBOT and major crash in other commodities. The contract ranged between 1374.00-1397.20 and finally settled at 1376.00.

#### PRICE DRIVERS:

##### Bullish:

1. Fast depleting seeds stocks
2. Seeds in strong hands
3. Low arrivals
4. Hike in tariff value

##### Bearish:

1. Weakness in Soy futures
2. Weakness in other oils
3. Low demand from Vanaspati industry

#### Weather

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

#### TECHNICALS

Long filled candlesticks indicating strong bearish sentiments in the market. Stochastic, MACD, RSI indicating prices likely to fall in up coming session. Volume and OI decline significantly indicating weakness in the market and prices are likely to fall in near term.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	1355.25	1345.40	1401.60	1411.50

#### TRADE RECOMMENDATION:

Sell near 1375.95, target near 1366.00 and stop loss at 1485.00

### SPOT MARKET PRICES

Centers	Market	20.05.06	19.05.06	Change	Arrivals
Indore	Plant	1340-1350	1350-1370	-10.00	25000-30000
Indore	Mandi	1290-1310	1290-1310	0	
Maharashtra	Plant	1370	1370-1375	0	20000
Maharashtra	Mandi	1300-1330	1320-1330	-20.00	
Rajasthan	Plant	1320-1330	1330-1335	-10.00	6000-7000
Rajasthan	Mandi	1280-1290	1280-1320	0	

## MUSTARD

### SPOT MARKETS

Mustard seed at physical market remain range bound on weak demand from the consumers. High crushing demands from the millers hold its prices at the current levels. Though there is good demand of Katchi Ghani from different regions, the availability of low quality of mustard oil remains weak there by restriction of the adulteration of the superior quality at high price level. The seed prices at the spot are expected to remain range bound with slight fluctuation.

### FUTURES MARKETS:

NCDEX June contract opened weak and then decline in a phased manner. Low soy oil futures and weakness in mustard seeds results into the weakness in the mustard seed as well. The June contract ranged between 355.10-357.30 and finally settled at 355.50

### PRICE DRIVERS:

#### Bullish:

1. High demand of Kacchi Ghani Oil
2. Good crushing demand from millers
3. Moderate arrivals

#### Bearish:

1. Low consumer demand
2. Weakness in soy oil futures

### 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 indicate bearish sentiments. Volume and OI decline hinting weakness in market.



### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	353.50	352.60	358.35	359.10

### TRADE RECOMMENDATION:

Sell below 356.00, target near 354.00 and stop loss at 3357.50

### Status of Price & Supply of Mustard (Rs./Qtl)

Markets	20.05.06	19.05.06	Change	Arrivals
Jaipur (C)	1735-1740	1735-1740	0	4000-5000
Alwar(C)	1680-1690	1690-1700	-10.00	4000
Delhi(C)	1760	1770	-10.00	2000
Agra(C)/Katchi Ghani	1840/4125	1830/4150	+10.00	-
Sri Ganganagar (NC)	1510-1515	1525	-15.00	5000
Kota (NC)	1560-1600	1560-1610	0	6000

## GROUNDNUT

### SPOT MARKET

Groundnut remains range bound as that of the previous day amid equality in demand and supply scenario. Groundnut seed in Rajkot Mandi remain at Rs 342 per 20 kg and groundnut oil at Rs 451 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)	
	19.05.06	20.05.06
Gr Kernel	2310*	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**

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