

May 24, 2006

Centers	Market	23.05.06	22.05.06	Change	Arrivals
Indore	Plant	1300-1325	1330-1350	-30.00	35000
Indore	Mandi	1260-1275	1260-1290	0	
Maharashtra	Plant	1345	1360	-15.00	10000-12000
Maharashtra	Mandi	1240-1260	1280-1330	-40.00	
Rajasthan	Plant	1310-1315	1315-1320	-5.00	3000-3500
Rajasthan	Mandi	1260-1275	1270-1275	-10.00	

MUSTARD

SPOT MARKETS

Mustard seed at physical market remain mixed as the prices at few places improved while other places witness slight decline. Low arrivals at few centers results into the improvement while in other centers the prices remain range bound to steady in absence of any fresh news. The prices are expected to remain range bound to decline slightly from current level. Weak sentiments of other oil also influenced the mustard seed prices to its lower levels.

FUTURES MARKETS:

NCDEX June contract opened weak today and followed to its down ward trend. Intermittent improvement then could be noticed owing to reduced arrivals amid rains in selected pockets of Rajasthan and adjoining areas. But the prices could not cope up with the improving trend and decline afterwards. Low soy oil futures and weakness in mustard oil results into the weakness in the mustard seed as well. The June contract ranged between 353.50-354.70 and finally settled at 353.50

PRICE DRIVERS:

Bullish:

1. Good crushing demand from millers
2. Low arrivals

Bearish:

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

Weather

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

TECHNICALS

Bearish closing bozu formation by the candlestick reflects the bearish sentiments in the market. Stochastic just entered into the oversold region while MACD entered into the negative zone indicating bearish sentiments. Other oscillators such as RSI and %R decline confirming the bearish sentiments. Volume decline while open interest remain steady.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	351.00	349.60	355.00	356.10

TRADE RECOMMENDATION:

Sell below 353.50, target near 351.50 and stop loss at 354.85

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

Markets	23.05.06	22.05.06	Change	Arrivals
Jaipur (C)	1720	1720-1725	0	4000
Alwar(C)	1680	1640-1650	+40.00	2000
Delhi(C)	1740	1740	0	1500
Agra(C)/Katchi Ghani	1790/4025	1780-1790/4075-4100	+10.00	-
Sri Ganganagar (NC)	1500	1500	0	3500-4000
Kota (NC)	1530-1560	1540-1560	-10.00	2000

GROUNDNUT

SPOT MARKET

Groundnut prices at the physical market remain range bound to steady in absence of any fresh news. Groundnut seed in Rajkot Mandi remain at Rs 341 per 20 kg and groundnut oil at Rs 449 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)	
	23.05.06	22.05.06
Gr Kernel	2300*	2300*
Bolds 60/70	2775*	2775*
Javas 60/70	2975*	2975*
Javas 70/80	2900*	2900*
Javas 80/90	2775*	2775*

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

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