

OILSEED DAILY

18th MAY, 2006

SOYBEAN

SPOT MARKETS:

Soybean markets witnessed steady to range bound today at most of the pockets. The sentiment remained on mostly upper side due to the high demand from the mills for crushing and reducing arrivals in the market. Soybean plant delivery rate in Indore is on the higher side, mainly on account of poor stock and good demand by the millers. Stocks are even in the strong hands and releasing with moderate pace to fetch premiums.

FUTURES MARKETS:

NCDEX soybean futures fell down today on speculative selling as the futures prices are prevailing mostly upper side than the spot price. The prices opened firm and went to upper side at the morning but fell down and settled slight down as compared with previous day.

PRICE DRIVERS:

Bullish:

1. High domestic demand
2. Reducing the stocks
3. Stocks to the big traders
4. Weak arrival
5. Increasing tariff value

Bearish:

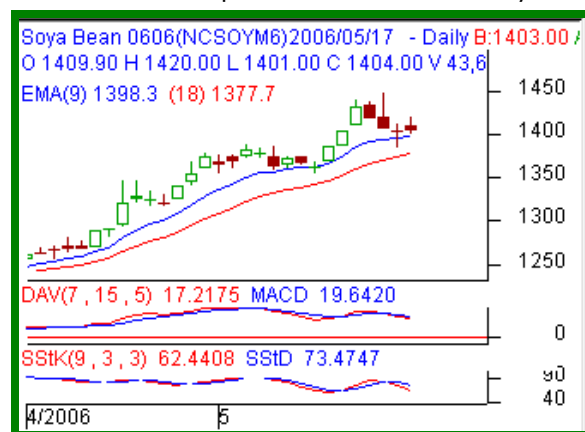
1. Weakness in soy futures
2. Weakness in other oils

WEATHER:

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

TECHNICALS:

Most of the indicators are indicating to bearish ness of soybean futures but MA is hinting to upward ness. Volume as well as open interest decreased today.



SUPPORT / RESISTANCES:

Month	S1	S2	PCP	R1	R2
June	1390.2	1382.3	1404.0	1410.5	1420.8

TRADE RECOMMENDATION:

Sell near 1407, **Target** towards 1400 next 1395, and put **Stop Loss** at 1410.5.

SPOT MARKET PRICE FOR SOYBEAN (Rs./Quintal)

Markets	Prices/Q	Arrivals (Bags)
Indore	(P) 1345-1375	19000
	(M) 1285-1310	
Maharashtra	(P) 1365-1370	16000-18000
	(M) 1305-1325	
Rajasthan	(P) 1340-1355	5000
	(M) 1305-1325	

MUSTARD

SPOT MARKETS:

Mustard seed remained mixed with range bound at different centers. ITC, Ruchi groups etc are still procuring and hold the prices in current level. Local stockists continue 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 stockists. Average arrivals remain at 1.5 lakh bags. Long black candle formation indicates the possible weakness in the prices. Other indicators are indicating bearish sentiments.

FUTURES MARKETS:

NCDEX mustard futures witnessed bearish today on strong selling pressure. The prices opened firm and settled above the previous closing price therefore the overall sentiment remained slight strong as compared with previous day.

PRICE DRIVERS:

Bullish:

- Stocks to the big traders
- MNCs procurement
- Weak arrival

Bearish:

- NAFED postponed procurement

WEATHER:

Harvesting is almost completed and therefore there is no direct impact on seeds.

TECHNICALS:

Most of the indicators are indicating to bearish sentiment of mustard futures. Open interest as well as volume decreased today.



SUPPORT / RESISTANCES:

Month	S1	S2	PCP	R1	R2
June	356.5	353.8	358.85	359.8	362.1

TRADE RECOMMENDATION:

Sell near 359.8, **Target** towards 356.5 next 355.2, and put **Stop Loss** at 361.2.

Status of Price & Supply of Mustard

Markets	Prices Rs/Qtl	Arrivals (Bags)
Jaipur (C)	1725-30	4000
Alwar (C)	1680	3000-4000
Delhi (C)	1775	1500
Agra(C)/Katchi Ghani	1825/4075	-
Sri Ganganagar (NC)	1525	6500
Kota (NC)	1540-1580	2000

GROUNDNUT

Groundnut prices slightly increased at the domestic spot market today influenced by steady to slight strong soy and oil complex. Groundnut seed in Rajkot Mandi remain firm at Rs 344 per 20 kg and groundnut oil increased at Rs 455 + 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 28000-30000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnuts	Rates in Rs/100 kg	
	16.05.06	17.05.06
Gr Karnel	2325*	2325*
Bolds 60/70	2770*	2770*
Javas 60/70	2975*	2975*
Javas 70/80	2850*	2850*
Javas 80/90	2750*	2750*

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

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