

OILSEED DAILY

June 12, 2006

SOYBEAN

SPOT MARKETS

The prices rebounded to mostly firm position at the domestic spot market and recovered early losses amidst strong demand and poor arrival. The strength in soyoil prices also bolstered the soybean prices to firm. The up coming demand of soybean seed for sowing provided some underlying support to the market but to some extent. The prices are likely to trade slight up in coming days as per the traders.

FUTURES MARKETS:

NCDEX soybean futures bounced back to up Saturday amidst strong buying pressure from lower level as the prices went to lower side. The strength in the spot market also provided some underlying support to the futures market. The market increased following strong opening and settled on higher side due to speculative buying. The most active July contract traded between 1309.00-1322.90 and finally settled at 1321.45.

PRICE DRIVERS:

Bullish:

1. Poor stocks of soy seeds.
2. Promising sowing demand.
3. Lower arrival.
4. Good soyoil demand.

Bearish:

1. Less demand of DOC for export
2. Low crushing margin

Weather

Early advances of monsoon result into early planting of soybean and expected to have good crops.

TECHNICALS

White long candlesticks pattern is indicating to strong ness of prices. But %K line is going to down after made a bearish crossover with its %D line from up. The MACD is steady in negative region. The prices settled in between 9-days and 18-days MA, indicating to firm ness of prices. Volume decreased and open interest remained steady. The soybean futures are likely to trade bullish following strong opening in the coming trading day.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
July	1316.2	1309.5	1333.8	1341.8

TRADE RECOMMENDATION:

Buy NCDEX June contract below 1318, T1- 1328; and stop loss at 1313.

SPOT MARKET PRICES

Centers	Market	10.06.06	9.06.06	Change	Arrivals (Bags)
Indore	Plant	1250-1260	1210-1220	-50.00	20000-23000
Indore	Mandi	1190-1205	1160-1200	-30.00	
Maharashtra	Plant	1250-1260	1250-1260	-65.00	8000-9000
Maharashtra	Mandi	1185-1200	-	-	
Kota	Plant	1300-1310	1220-1230	-45.00	6000-7000
Kota	Mandi	1250-1280	1180-1200	-45.00	

MUSTARD

SPOT MARKETS

The market sentiment for mustard seed witnessed slight upward due to lower arrival on strong demand. NAFED is selling mustard seed at the rate of Rs.1500-1525, which is higher than that of prevailing market price. NAFED is selling mustard seed at Kolkata also. Though ITC also started selling non conditioned mustard seeds in few locations at Rs. 1590 the market is not likely to influence by it's selling.

FUTURES MARKETS:

NCDEX most active July contract traded mostly firm following strong opening on strong spot market price. The strong speculative buying pushed up the futures market following opening and settled Saturday's high level. The prices traded in the range of Rs. 352.60-355.60 and finally settled at 355.60.

PRICE DRIVERS:

Bullish:

1. Lower arrivals
2. Strong Demand in Mustard oil

Bearish:

1. Selling of Non conditioned mustard by ITC
2. NAFED to sell mustard at Kolkata, Punjab and Haryana.
3. Strong buying pressure

Weather

Early arrival of Monsoon is expected to have bearish impact over mustard.

TECHNICALS

White marubozu candlestick pattern indicates bullish market. The prices closed between 9-days and 18-days MA. The %K line is going to upward following made a bullish crossover with its %D line. MACD remained negative region and hinting to slight upward ness of prices. Volume decreased while open interest remains steady. The over all scenario is expected to remain moderately bullish.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
July	353.5	351.8	357.1	358.5

TRADE RECOMMENDATION:

Buy NCDEX July contract below 355, T1- 357; and stop loss a 354.

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

Markets	10.06.06	9.06.06	Change	Arrivals (Bags)
Jaipur (C)	1700-1705	1690-1695	-	3000
Alwar(C)	1650-1660	1640	+10.00	2000
Delhi(C)	1740	1730	+5.00	1500
Agra(C)/Katchi Ghani	1775-1820/4075	1775-1820	+15.00	-
Sri Ganganagar (NC)	1500	1500-2000	-20.00	1500-2000
Kota (NC)	1550-1580	1530-1570	-	1500

GROUNDNUT

SPOT MARKET

The steady to range bound sentiment is continuing at the groundnut market on steady demand supply scenario on steady arrival while the availability of groundnut seed for crushing is remained low. Most of the summer crop is exported thereby blowing up the prices. Groundnut seed in Rajkot Mandi offered at Rs 350 per 20 kg and groundnut oil prevailed slight up at Rs 467 per 10 kg. 50% sowing completed in Gujarat. Overall sentiments are expected to depend on the demand and supply scenario of upcoming crop. Arrivals of seed are recorded nearly at 20000-25000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	10.06.06	9.06.06
Gr Kernel	2375*	2375*
Bolds 60/70	2800*	2800*
Javas 60/70	3000*	3000*
Javas 70/80	2900*	2900*
Javas 80/90	2790*	2790*

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

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