

OILSEED DAILY

June 10 2006

SOYBEAN

SPOT MARKETS

Strong arrival coupled with poor buying demand pulled down the soybean prices at most of the mandis today. The weakness in soy oil market also bolstered the soybean market to down. The up coming demand of soybean seed for sowing provided some underlying support to the market but to some extent. The prices are expected to remain slight down in coming days as per the traders.

FUTURES MARKETS:

The market opened weak but move upward after it's opening on speculative buying. The prices then fell down on weak spot market prices. The strong speculative selling from higher level pulled down the prices and settled down. The contract traded between 1273-1287 and finally settled at 1280.05.

PRICE DRIVERS:

Bullish:

1. Low stocks of soy seeds.
2. Anticipated sowing demand

Bearish:

1. Poor demand of soy oil
2. Less demand of DOC for export
3. Low crushing margin
4. Higher arrival.

Weather

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

TECHNICALS

Black candlesticks pattern with moderate lower shadow indicating to bearish ness of prices. %K line bent to down ward to follow the upward trend and remain above %D line. The MACD is also moving downward in negative region. Volume and open interest both decline and indicating weakness in the market. The market at this stage is very volatile and unstable so trade cautiously.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	1272.1	1264.4	1287.6	1295.4

TRADE RECOMMENDATION:

Sell NCDEX June contract near 1284, T1- 1272; and stop loss at 1290.

SPOT MARKET PRICES

Centers	Market	9.06.06	8.6.06	Change	Arrivals (Bags)
Indore	Plant	1210-1220	1260-1275	-50.00	25000-30000
Indore	Mandi	1160-1200	1190-1210	-30.00	
Maharashtra	Plant	1250-1260	1315	-65.00	10000-15000
Maharashtra	Mandi	-	1250-1280	-	
Kota	Plant	1220-1230	1265-1270	-45.00	8000
Kota	Mandi	1180-1200	1225-1235	-45.00	

MUSTARD

SPOT MARKETS

The mustard market showed a mixed sentiment today. The prices remained firm at Rajasthan, Delhi and Agra mandis on slight lower arrival and promising demand while it quoted down at Sriganaganagar mandis amidst weak buying activity coupled with selling pressure from NAFED and NAFED is selling mustard seed at the rate of Rs.1500-1525. 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 June contract opened very weak on Friday and went to low but recovered early weakness and settled slight down. Short covering and profit booking also supported the market up. The prices traded in the range of Rs. 342-344 and finally settled at 343.60.

PRICE DRIVERS:

Bullish:

1. Modertae arrivals
2. Stagnant Demand in Mustard oil

Bearish:

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

Weather

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

TECHNICALS

White candlestick pattern indicates firmness in the market. The %D line intersects the %K from below indicating bullish cross over and strong ness in the market. MACD remained negative region and hinting to bearish 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
June	342.25	340.70	345.50	346.50

TRADE RECOMMENDATION:

Buy NCDEX June contract below 343, T1- 345.00; and stop loss at 342.00

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

Markets	9.06.06	8.06.06	Change	Arrivals (Bags)
Jaipur (C)	1690-1695	1690	-	2000-2500
Alwar(C)	1640	1650	+10.00	4000
Delhi(C)	1730	1735-1740	+5.00	800-1000
Agra(C)/Katchi Ghani	1775-1820	1790-1810/-	+15.00	-
Sri Ganganagar (NC)	1500-2000	1480-1450	-20.00	1500-2000
Kota (NC)	1530-1570	1530-1560	-	1500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

The market sentiment for groundnut seed and oil prices at the physical market witnessed range bound to slightly up despite higher arrival due to low availability of groundnut seed for crushing. Most of the summer crop is exported thereby blowing up the prices. Groundnut seed in Rajkot Mandi offered at Rs 349 per 20 kg and groundnut oil at Rs 460 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)	
	9.06.06	8.06.06
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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