

OILSEED DAILY

June 9 2006

SOYBEAN

SPOT MARKETS

The prices of soybean seed at various spot market increased slightly as the prices were already at their lowest value as per the traders. Improvement in soy oil prices also gives some support to lift the prices up. The up coming demand of soybean seed for sowing also providing some support to the market. The prices are expected to improve in coming days as per the traders.

FUTURES MARKETS:

The market opened firm but move downtrend after it's opening on speculative selling and on the news of weak demand. The prices then tried to move upward and traded side ways upto mid session. Later finding some strength by buyers the prices improved slightly. The contract traded between 1283.00-1301.00 and finally settled at 1289.10.

PRICE DRIVERS:

Bullish:

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

Bearish:

1. Low demand of soy oil
2. Weak demand of DOC for export
3. Low crushing margin.

Weather

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

TECHNICALS

Candlestick formed a dark candle having closing bozu formation. The short lower shadow however indicates some recovery from the today's low. %K line continues to follow the upward trend and remain above %D line. The MACD is also moving upward with positive divergence indicating firmness into the market. 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	1271.9	1261.3	1302.0	1312.6

TRADE RECOMMENDATION:

Buy NCDEX June contract above 1280.80, T1- 1295.00; and stop loss at 1272.50

SPOT MARKET PRICES

Centers	Market	8.6.06	706.06	Change	Arrivals (Bags)
Indore	Plant	1260-1275	1250-1275	+10.00	20000-22000
Indore	Mandi	1190-1210	1180-1205	+10.00	
Maharashtra	Plant	1315	1310	+5.00	10000-12000
Maharashtra	Mandi	1250-1280	1250-1280	0	
Kota	Plant	1265-1270	1260-1265	+5.00	4000
Kota	Mandi	1225-1235	1220-1240	+5.00	

MUSTARD

SPOT MARKETS

The prices at the physical market improved slightly in almost in all the centers due to slightly improvement in the demand of mustard oil. The prices were already at their lowest levels and therefore could be expected to improve in the physical market. Improvement in the futures also provides some thrust to move the prices up. 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 Thursday but improved soon after its opening. The prices in the futures market keeps on increasing on speculative buying as the prices were trading below lowest level. Short covering and profit booking also supported the market up. The prices traded in the range of Rs. 340.00-345.20 and finally settled at 343.70.

PRICE DRIVERS:

Bullish:

1. Low arrivals
2. Improvement in Mustard oil demand

Bearish:

1. Selling of Non conditioned mustard by ITC
2. NAFED to sell mustard at Kolkata, Punjab and Haryana.
3. Low volume of work in the Mandi.

Weather

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

TECHNICALS

Long un filled candlestick pattern indicates firmness in the market. Upper long shadow indicates the retreating prices on later half. The %D line intersects the %K from below indicating bearish cross over and weakness in the market. MACD also made a bearish cross over indicating further weakness. Volume increased slightly while open interest remains steady. The over all scenario is expected to remain bearish.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	342.25	340.70	345.50	346.50

TRADE RECOMMENDATION:

Sell NCDEX June contract below 345.00, T1- 343.00; and stop loss at 346.00

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

Markets	8.06.06	7.06.06	Change	Arrivals (Bags)
Jaipur (C)	1690	1680	+10.00	3000
Alwar(C)	1650	1640-1650	+10.00	2000
Delhi(C)	1735-1740	1728-1730	+7.00	800-1200
Agra(C)/Katchi Ghani	1790-1810/-	1785-1790/4075	+5.00	-
Sri Ganganagar (NC)	1480-1450	1475-1480	+5.00	2100-2200
Kota (NC)	1530-1560	1520-1560	+10.00	1500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed and oil prices at the physical market improved in Gujarat Mandi amid low availability of groundnut seed for crushing. Most of the summer crop is exported thereby inflating its prices. Groundnut seed in Rajkot Mandi remain at Rs 345 per 20 kg and groundnut oil at Rs 458 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 15000-20000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	8.06.06	7.05.06
Gr Kernel	2375*	2375*
Bolds 60/70	2800*	2815*
Javas 60/70	3000*	2975*
Javas 70/80	2900*	2890*
Javas 80/90	2790*	2775*

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

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.