

## OILSEED DAILY

June 6, 2006

### SOYBEAN

#### SPOT MARKETS

Spot market traded side ways in a tight range and witnessed mixed sentiments. The prices at the spot market may fall, as there was meagre demand of the soy oil. Weak export demand of SBM also likely to affect its prices. Weakness in Arabian branch of monsoon likely to influence the sowing of soybean seeds in different regions. Therefore low seed demand likely to hit the market further. The market is now in the wait and watch condition and waiting for any fresh news to react.

#### FUTURES MARKETS:

The market today opened with a gap and tried to gain strength for initial hours but could not sustain the position for long. The futures market today whipsaw trading on account of no fresh news. Low demand of soy oil and weakness in the demand of DOC results into the weakness in its strength. The futures traded between 1287.10-1311 and finally settled at 1293.10.

#### PRICE DRIVERS:

##### Bullish:

1. Low stocks of soy seeds.

##### Bearish:

1. Weakness in the progress in monsoon.
2. Weak demand of DOC for export
3. Low crushing demand.

##### Weather

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

#### TECHNICALS

Filled candlestick indicating weak sentiments into the market. The long upper and lower shadow indicates volatility into the market. %K and %D line continuous to move upward after bullish cross over indicating trend likely to continue. MACD also continue to move up above its trigger line indicating bullish sentiments. The market is in over sold condition, therefore likely to improve. Volume increased slightly while open interest decline slightly. Traders are advised to trade cautiously.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	1262.0	1253.6	1321.70	1331.60

#### TRADE RECOMMENDATION:

Buy NCDEX June contract near 1277.10, T1- 1296.00; T2- 1307.60 and stop loss at 1267.00

#### SPOT MARKET PRICES

Centers	Market	5.06.06	3.06.06	Change	Arrivals
Indore	Plant	1250-1275	1260-1275	-10.00	15000-20000
Indore	Mandi	1200-1225	1190-1225	+10.00	
Maharashtra	Plant	1310	1310	0	15000
Maharashtra	Mandi	1250-1280	1250-1280	0	
Kota	Plant	1270-1275	1265-1275	+5.00	4000
Kota	Mandi	1250-1260	1240-1260	+10.00	

## MUSTARD

### SPOT MARKETS

Market at this stage traded range bound and sentiments remain mixed at various centers. The news of selling the stock held by the NAFED in Sri Ganga Nagar, Kolkata, Punjab and Haryana result pressurized the market. Low demand of mustard oil further added to its bearish tone. The mustard seeds expected to trade range bound with slight decrease in the spot market.

### FUTURES MARKETS:

NCDEX June contract opened steady and gain momentum but could not hold the higher levels amid weak demand and speculative selling. The futures market remains weak for most of the time and traded between 347.05-350 and finally closed at 347.50.

### PRICE DRIVERS:

#### Bullish:

1. Low arrivals

#### Bearish:

1. Weak consumer demand.
2. NAFED to sell mustard at Kolkata, Punjab and Haryana.
3. Weak mustard oil demand

### Weather

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

### TECHNICALS

Doji formation by the candlestick indicates intensive sentiments into the market somewhat resembling inverted hammer. The market at this stage is highly volatile as the volume decline with slight increase in open interest. %D line is moving above %K line indicating some strength. MACD is also moving upward indicating high volatility into the market. Traders are advised to trade cautiously.



### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
June	342.95	341.00	348.00	350.15

### TRADE RECOMMENDATION:

Sell NCDEX June contract below 346.55, T1- 344.40; and stop loss at 347.60

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

Markets	5.06.06	3.06.06	Change	Arrivals (Bags)
Jaipur (C)	1700	1695	+5.00	1500
Alwar(C)	1650-1660	1650-1680	0	1500
Delhi(C)	1725-1730	1735-1740	-10.00	400-500
Agra(C)/Katchi Ghani	1775-1780/4050-4100	1770-1775/4000-4025	+5.00	-
Sri Ganganagar (NC)	1475-1500	1475	0	2500-3000
Kota (NC)	1525-1545	1525-1540	0	1800

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET

Groundnut seed and oil prices at the physical market traded range bound on equality in demand and supply scenario in Gujarat Mandi. Groundnut seed in Rajkot Mandi remain at Rs 342 per 20 kg and groundnut oil at Rs 450 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 bags in Gujarat Mandi.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	5.06.06	3.06.06
Gr Kernel	2375*	2365*
Bolds 60/70	2820*	2800*
Javas 60/70	2990*	3000*
Javas 70/80	2940*	2925*
Javas 80/90	2840*	2825*

**\*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.