

OILSEED DAILY

JULY 27 2006

SOYBEAN

SPOT MARKETS

Lacklustre trade was observed in the major mandis of MP, Maharashtra and Rajasthan due to lack of demand. The mandi prices were offered at little higher rates at the Indore mandi while at Maharashtra mandis the plant soybean was traded high due to some demand. Arrivals remained more in most of the mandis.

FUTURES MARKETS:

The NCDEX soybean remained bearish today and all the active contracts traded low due to speculative selling. The international market sentiments also affected the futures sentiments. Most active August contract traded in between 1274-1286 and closed at 1277. The futures are expected to witness bearish sentiments in the coming days.

PRICE DRIVERS:

1. Bearish sentiments at CBOT
2. Removal of restriction from imported GM soy oil
3. Poor spot demand
4. Upcoming festive demand

Weather

Heavy to very heavy falls at a few places likely over Jammu division of Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Haryana, Chandigarh & Delhi and Punjab,. Isolated heavy falls also likely over northeastern States, East Rajasthan, Uttar Pradesh, Bihar and Sub-Himalayan West Bengal & Sikkim.

TECHNICALS

For the August contract the candlestick pattern exhibited strong bearish sentiments. Price closed below the 9-days and 18-days EMA. %K line remained below the %D line and both entered in the oversold region and are likely to touch each other. Gap between DAV and MACD also widened in the negative region. RSI is below the smooth average in the neutral region. Volume increased while open interest slightly declined on Wednesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	1266	1256	1283	1287

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX August contract near 1276, T1-1270. and stop loss at 1279.0

SPOT MARKET PRICES

Centers	Market	26.07.06	25.07.06	Change	Arrivals (Bags)
Indore	Plant	1255-1275	1260-1275	-	30000
Indore	Mandi	1210-1225	1195-1220	+5	
Maharashtra	Plant	1305	1300	+5	15000
Maharashtra	Mandi	1240-1260	-	-	
Kota	Plant	1245-1255	1250-1260	-5	4500-5000
Kota	Mandi	1220-1225	1220-1225	-	

MUSTARD

SPOT MARKETS

The mustard spot market witnessed mixed sentiments at most of the mandis and prices varied in major mandis at Jaipur, Alwar and Agra mandis. Non-conditioned mustard was offered at higher prices at the Kota mandi due to higher demand. There was no arrival at Alwar and Sri Ganganagar while Delhi mandi received less arrival. But due to lacklustre demand prices did not see any major change from the previous day. Widespread rain also disrupted trade at the Delhi and other northern state. The mustard market is likely to hover in its current price range in the coming days.

FUTURES MARKETS:

All the active mustard seed contracts at the NCDEX exhibited bearish sentiments due to speculative selling. In the August contract gap down opening was witnessed and it continued to trade downward due to weak sentiments. The most active August Contract hovered between 347.20-348.55 and closed at 347.30. The mustard futures is likely to trade with a bearish undertone.

PRICE DRIVERS:

1. Steady spot market
2. Mandatory blending of 20% mustard oil with Vanaspati
3. Expected increase in the mustard oil demand in the rainy season.
4. Weak sentiments at the CBOT
5. Weak futures market.

Weather

Heavy to very heavy falls at a few places likely over Jammu division of Jammu & Kashmir, Himachal Pradesh, Uttaranchal, Haryana, Chandigarh & Delhi and Punjab, Isolated heavy falls also likely over northeastern States, East Rajasthan, Uttar Pradesh, Bihar and Sub-Himalayan West Bengal & Sikkim.

TECHNICALS

Candlestick pattern showed bearish sentiments in the mustard seed market. %K line moved away from % D line and both have entered the oversold region. Gap between DAV and MACD has widened, and both entered the negative region. RSI ruled below the smooth average line in neutral region. Volume increased while open interest slightly declined. Price is ruling far below the 9-days and 18-days EMA. Indicators suggest weak sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	344	343	348.5	349.3

TRADE RECOMMENDATION:

Sell NCDEX August contract near 346.5, T1-345.20 and stop loss at 347.15.

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

Markets	26.07.06	25.07.06	Change	Arrivals (Bags)
Jaipur (C)	1735-1740	1730-1735	+5	4000
Alwar(C)	1625-1630	1630-1635	-5	Nil
Delhi(C)	1745	1740-1745	-	300-400
Agra(C)/Katchi Ghani	1810/4025	1800/4025	+10	0
Sri Ganganagar (NC)	1490	1500	-10	Nil
Kota (NC)	1525-1550	1510-1530	+20	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut market remained steady amidst moderate demand. Groundnut seed in Rajkot Mandi offered at Rs 378 per 20 kg and groundnut oil increased slightly at Rs 512 per 10 kg. Arrivals of seed were recorded nearly at 15000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	26.07.06	25.07.06
Gr Kernel	2610*	2610*
Bolds 60/70	3200*	3200*
Javas 60/70	3275*	3300*
Javas 70/80	3225*	3225*
Javas 80/90	3125*	3150*

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

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