

OILSEED DAILY

JULY 21 2006

SOYBEAN

SPOT MARKETS

Soybean spot market exhibited mixed sentiments in the major mandis in India. Widespread rainfall in these area restricted active trade and weak demand was observed specially in MP and Rajasthan. However, at Maharashtra it was offered at slightly higher prices. Arrivals were also affected at these places due to rains. Range bound trade is likely to be observed in near future.

FUTURES MARKETS:

NCDEX August soybean futures opened with a positive note and bulls and bears remained active throughout the day. Most active August contract traded in between 1295-1309 and closed at 1305.60. Futures market is likely to hover in a range bound fashion in coming days.

PRICE DRIVERS:

Bullish:

1. Firm overseas market

Bearish:

1. Slack demand in spot market
2. Good monsoon rainfall in the at the time of sowing

Weather

SW monsoon has further advanced into remaining parts of East Rajasthan and some more parts of West Rajasthan. The Northern Limit of Monsoon as on 20th July passes through Jalore, Jodhpur and Ganganagar.

TECHNICALS

Soybean futures at NCDEX witnessed bullish sentiments. The EMA is far above the price line. %K line crossed the % D line in the over bought region and is lying below it. DAV has also made a bearish crossover to MACD in positive territory. Volume and open interest slightly declined.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	1300	1295	1318	1320

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX August contract near 1313.60, T1- 1306.70 and stop loss at 1317.10.

SPOT MARKET PRICES

Centers	Market	20.07.06	19.07.06	Change	Arrivals (Bags)
Indore	Plant	1260-1280	1260-1280	-	25000
Indore	Mandi	1200-1230	1215-1230	-	
Maharashtra	Plant	1320-1340	1315-1310	+30	20000
Maharashtra	Mandi	1290-1310	1250-1265	+45	
Kota	Plant	1270-1285	1285-1300	-15	6000
Kota	Mandi	1225-1250	1230-1265	-15	

MUSTARD

SPOT MARKETS

The spot market of the mustard also exhibited mixed sentiments with bearish undertone due to monsoon rain in these areas. Heavy amount of mustard seed is lying in the mandis of Rajasthan and the farmers are not getting parity prices. At the international front, Australia cuts its canola production forecast further by 19pc. to 1.14 Mln. This would further support prices of Raw Mustard Seeds and hence Soya complex also should narrowly get positive undertone.

FUTURES MARKETS:

NCDEX August contract strong bullish sentiments and traded high throughout day. The prices traded within the range of 351-355 finally settled at 345.95 on Thursday. Futures are expected to trade with a slightly bullish undertone.

PRICE DRIVERS:

Bullish:

1. Mandatory blending of 20% mustard oil with Vanaspati

Bearish:

1. Monsoon rainfall in mustard growing area
2. Steady spot market
3. Canalization of Vanaspati import by NAFED

Weather

SW monsoon has further advanced into remaining parts of East Rajasthan and some more parts of West Rajasthan. The Northern Limit of Monsoon as on 20th July passes through Jalore, Jodhpur and Ganganagar.

TECHNICALS

The candlestick pattern exhibited bullish sentiments in the futures market. %K line has made a bearish cross over to %D line and both are in overbought region. DAV has also made a bearish cross over to MACD and remains in positive territory indicating some positive sentiments in long run. Volume and open interest slightly increased.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	352.30	349.60	359.00	361.00

TRADE RECOMMENDATION:

Buy NCDEX **August** contract near 356.00, T1-358.40, and stop loss at 354.80.

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

Markets	20.07.06	19.07.06	Change	Arrivals (Bags)
Jaipur (C)	1740-1760	1750-1760	-	4000
Alwar(C)	1640-1650	1640-1650	-	500-600
Delhi(C)	1740	1740-1745	-5	1000
Agra(C)/Katchi Ghani	1785/4050	1785/4050	-	0
Sri Ganganagar (NC)	1495	1540	-45	250
Kota (NC)	1540-1560	1540-1550	+10	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

The spot groundnut prices witnessed steady to slightly improved sentiments due to good demand. Prices are likely to see some upward movement in near future. Groundnut seed in Rajkot Mandi offered at Rs 380 per 20 kg and groundnut oil declined 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)	
	20.07.06	19.07.06
Gr Kernel	2600*	2625*
Bolds 60/70	3200*	3200*
Javas 60/70	3300*	3300*
Javas 70/80	3225*	3225*
Javas 80/90	3150*	3150*

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

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