

OILSEED DAILY

AUGUST 01 2006

SOYBEAN

SPOT MARKETS

A steady to firm trade was observed at the major soybean mandis at Madhya Pradesh, Maharashtra and Rajasthan where it was offered at higher prices as compared to Saturday. Weather slightly improved as a result demand increased. However, supply remained subdued at these places. Good rains have given a boost to the prospects of good crop harvest in these areas. If seed arrivals remain low, traders can expect firm price situation in coming days.

FUTURES MARKETS:

The NCDEX soybean exhibited a positive sentiments and most of the soybean futures traded high due to speculative buying. The reason being that International markets are continuously exhibiting positive sentiments. The Indian markets are significantly affected by the global sentiments. Most active August contract traded in between 1283-1290.90 and closed at 1288. The futures are expected to trade in a range bound with a slight bullish undertone.

PRICE DRIVERS:

1. Bullish international scenario
2. Increase in tariff value of soyoil
3. Firm spot and futures market
4. Ongoing festival season

Weather

Heavy to very heavy rainfall likely at a few places over Gujarat Region, West Madhya Pradesh, and southeast Rajasthan. Isolated heavy falls also likely over northeast Rajasthan, Saurashtra & Kutch, north Madhya Maharashtra and Konkan & Goa (including Mumbai).

TECHNICALS

In the August contract, candlestick pattern exhibited firm sentiments. EMA straddled the price line. %K line after making a bullish crossover to the %D line is moving upward, but still remains in the oversold region. DAV has made a bullish cross over to MACD in the negative region. RSI continues to remain above the smooth average in the neutral region. Volume and open interest increased on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	1282	1280	1292	1295

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX August contract near 1286.0, T1-1290.0, and stop loss below 1284.0

SPOT MARKET PRICES

Centers	Market	31.07.06	29.07.06	Change	Arrivals (Bags)
Indore	Plant	1260-1280	1250-1265	+15	30,000-33,000
Indore	Mandi	1210-1230	1220-1225	+5	
Maharashtra	Plant	1310	1300	+10	20,000
Maharashtra	Mandi	1220-1260	1220-1260	-	
Kota	Plant	1250-1270	1240-1260	+10	2,500
Kota	Mandi	1220-1230	1200-1225	+5	

MUSTARD

SPOT MARKETS

Mustard spot market exhibited mixed sentiments as it was offered at higher prices at the Jaipur, Alwar and Kota mandis and remained stable at the Sri Ganga Nagar while at the Delhi and Agra it was offered at lower prices due to weak demand. The arrival remained almost same as was on Saturday in all the major mandis. NAFED is also selling its mustard stock in Rajasthan at Rs. 1545-1500 per quintal. Mustard demand remains high in rainy season thus prices are expected to remain in its current price range due to steady demand.

FUTURES MARKETS:

Mustard seed futures at the NCDEX witnessed a good trading activities in all the active contracts, as bulls remained dominated in the trade. The sentiments remained affected by the positive scenario in the world oil markets. The most active August Contract hovered between 349.8-352.35 and closed at 352.20. Mustard futures is expected to remain firm in the coming days.

PRICE DRIVERS:

1. Firm spot and futures market
2. Increase in tariff value of soyoil
3. Bullish International market

Weather

Heavy to very heavy rainfall likely at a few places over Gujarat Region, West Madhya Pradesh, and southeast Rajasthan. Isolated heavy falls also likely over northeast Rajasthan, Saurashtra & Kutch, north Madhya Maharashtra and Konkan & Goa (including Mumbai).

TECHNICALS

Candlestick pattern exhibited bullish sentiments in the mustard seed market. Price line ruled above the 9-days EMA. %K line made a bullish crossover to the % D line in the oversold region. DAV also made a bullish crossover to MACD in the negative region. RSI ruled above the smooth average line in neutral region. Both Volume and open interest increased.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	349.0	347.5	355.6	357.0

TRADE RECOMMENDATION:

Buy NCDEX August contract near 351.8, T1- 353.8 and stop loss at 350.8.

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

Markets	31.07.06	29.07.06	Change	Arrivals (Bags)
Jaipur (C)	1745	1740	+5	5000
Alwar(C)	1650	1635-1640	+10	400-500
Delhi(C)	1745	1750	-5	400
Agra(C)/Katchi Ghani	1810/4050	1810/4070	-20	-
Sri Ganganagar (NC)	1490	1485-1490	-	200-250
Kota (NC)	1550-1575	1540-1560	+15	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut market remained firm amidst good demand. Groundnut seed in Rajkot Mandi offered at Rs 383 per 20 kg and groundnut oil increased slightly at Rs 523 per 10 kg. Arrivals remained low at 1000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	31.07.06	29.07.06
Gr Kernel	2625*	2610*
Bolds 60/70	3225*	3225*
Javas 60/70	3275*	3275*
Javas 70/80	3200*	3200*
Javas 80/90	3125*	3125*

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

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