

OILSEED DAILY

JULY 11, 2006

SOYBEAN

SPOT MARKETS

The soybean prices prevailed at previous level today but the arrival has increased due to releasing stocks by the stockists. The traders are expecting that the prices would be steady in the near future. The sowing of soybean is almost completed at most of sides, according to the traders. The prices of soybean seed is expected to remain on the lower level until new demand for crushing rekindle.

FUTURES MARKETS:

NCDEX July soybean futures opened mostly weak and traded bearish throughout the trading session on Monday. The main bullish factor for bearish market was weak soy oil prices and weak spot prices at some pockets. Most active July contract opened mostly weak at Rs.1263 and settled down by Rs.7.65 at Rs.1259.25 and traded in between 1258-1263 on Monday.

PRICE DRIVERS:

Bullish:

1. Restricted soy seed stocks
2. Expected increase in soy oil demand

Bearish:

1. Monsoon progress
2. Sowing started in MP and other region
3. Increase in Arrival

Weather

The planting of soybean is started in MP though there is no official data yet available. As per growers the climate looks favourable for sowing in MP and Maharashtra. Tilling operation is nearly completed and waiting for fresh showers for optimum moisture content of the soil.

TECHNICALS

Filled candlesticks indicating bearish sentiments. %K line ruling just below %D line indicating bearish sentiments. MACD remained steady in the negative territory. RSI is lying below its average and remain down indicating bearish sentiments into the market. %R is improving but could not be able to justify the possible trend. Volume increased and open interest decreased marginally.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
July	1248.0	1240.0	1267.0	1274.0

TRADE RECOMMENDATION:

Sell NCDEX July contract above 1260, T1- 1252, T2- 1248 and stop loss at 1267.

SPOT MARKET PRICES

Centers	Market	8.07.06	10.07.06	Change	Arrivals (Bags)
Indore	Plant	1240-1260	1240-1250	0	35000-40000
Indore	Mandi	1180-1210	1180-1190	0	
Maharashtra	Plant	1305-1310	1300-1305	-5.00	15000
Maharashtra	Mandi	1230-1270	1230-1270	0	
Kota	Plant	1240-1260	1243-1255	+3.00	6000
Kota	Mandi	1200-1215	1200-1220	0	

MUSTARD

SPOT MARKETS

The spot prices of mustard seed are fell down at some pockets due to monsoon rains hit at the Northern side and which pulled down the demand. The steady ness in soy oil market also kept pressure on mustard prices. The traders are stocking seeds from the market, which is providing some underlying support. The prices are expected to remain steady in near term in different center amid possible increase in demand.

FUTURES MARKETS:

NCDEX August contract of mustard opened mostly weak but buying support from lower level pushed up the prices and settled slight down as compared to last day. Most active August contract settled at Rs.348.50, down by Rs.1.75 following very weak opening at Rs.347.10 and traded within the range of Rs.347.10-350.00 Monday.

PRICE DRIVERS:

Bullish:

1. Restricted arrivals
2. Blending of 20% mustard oil with Vanaspati now is mandatory

Bearish:

1. Selling of Non conditioned mustard by ITC and NAFED
2. Low demand of mustard seed and oil.
3. Canalization of Vanaspati import by NAFED

Weather

Revival of monsoon is expected to speed up the Kharif sowing in different region, which will result into the early harvesting thereby early planting of mustard crop.

TECHNICALS

Small body unfilled candlesticks with short upper shadow indicating to slight bearish market. %K line moving down but remained just above %D line indicating bearish sentiments into the market. DAV is moving upward along with MACD indicating the bullish sentiments. RSI is moving downward, indicating bearish sentiments. Volume increased while open interests remained steady.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	347.10	345.40	350.10	352.00

TRADE RECOMMENDATION:

Sell NCDEX **August** contract above 349.90, T1- 348.40, T2-348.00 and stop loss at 351.60.

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

Markets	8.07.06	10.07.06	Change	Arrivals (Bags)
Jaipur (C)	1715-1720	1720	+5.00	2500
Alwar(C)	1625-1630	1625-1630	-	500-600
Delhi(C)	1730	1725	-5.00	200-300
Agra(C)/Katchi Ghani	1800/4010	1790/4000	-10.00	-
Sri Ganganagar (NC)	1470	1465	-5.00	300
Kota (NC)	-	1500-1525	-	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Today, the groundnut prices got steady at major mandis in the country due to stable demand supply scenario. The prices are expected to move in the narrow range. Groundnut seed in Rajkot Mandi offered at Rs 371 per 20 kg and groundnut oil increased slightly at Rs 498 per 10 kg. Overall sentiments are expected to depend on the demand and supply scenario of upcoming crop. Arrivals of seed are recorded nearly at 15000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	8.07.06	10.07.06
Gr Kernel	2500*	2500*
Bolds 60/70	3000*	3000*
Javas 60/70	3100*	3100*
Javas 70/80	2975*	2975*
Javas 80/90	2950*	2950*

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

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