

OILSEED DAILY

JULY 12, 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 August soybean futures traded remarkably strong on speculative buying and strengthen in monsoon therefore buying support from lower level pushed up the prices. It was also underpinned by the gains in other markets like soy oil and mustard seed. The futures market opened weak but gradually increased following opening and settled on mostly upper side. Most active August contract opened weak at Rs.1287 and settled mostly strong by Rs.30.55 at Rs.1320 and traded in between 1287-1322 on Tuesday.

PRICE DRIVERS:

Bullish:

1. Poor soy seed stocks
2. Speculation of increase in soy oil demand
3. Decline arrival
4. Biodisel demand
5. Weak Import of Edible oil in this year

Bearish:

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

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

Unfilled long body candlesticks indicating strongly bullish sentiments. %K line made bullish crossover with its %D line from down at neutral region, indicating bullish sentiments. MACD got up in the negative territory. RSI is also indicating to firmness of soybean prices. Volume increased and open interest decreased marginally.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	1312.00	1303.00	1330.00	1338.00

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX August contract in between 1317-1322, T1- 1330, T2- 1338 and stop loss at 1309.

SPOT MARKET PRICES

Centers	Market	10.07.06	11.07.06	Change	Arrivals (Bags)
Indore	Plant	1240-1250	1240-1255	0	25000-30000
Indore	Mandi	1180-1190	1180-1205	0	
Maharashtra	Plant	1300-1305	1300-1305	0	20000
Maharashtra	Mandi	1230-1270	1240-1270	+10.00	
Kota	Plant	1243-1255	1243-1255	0	6000
Kota	Mandi	1200-1220	1200-1220	0	

MUSTARD

SPOT MARKETS

The spot prices of mustard seed remained mixed today. The prices are surged in Delhi, Agra, Sriganagar but the prices are fell down in Rajasthan mandis 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 seed also hovered up due to strong speculative buying and gained in other oil markets. Therefore the prices opened strong and surged to high amidst strong buying support from lower level and settled at positive territory. Most active August contract settled at Rs.353.20, up by Rs.4.25 following strong opening at Rs.349.20 and traded within the range of Rs.349.05-353.80 Tuesday.

PRICE DRIVERS:

Bullish:

1. Declined arrivals
2. Blending of 20% mustard oil with Vanaspati now is mandatory
3. Sowing Pressure

Bearish:

1. Selling of Non conditioned mustard by ITC and NAFED
2. Monsoon in Rajasthan
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

Long body unfilled candlesticks with short upper shadow indicating to upward ness of prices while %K line made bullish crossover with its %D line from down in overbought region, indicating to upward movement. DAV is moving upward along with MACD indicating the bullish sentiments. RSI is moving upward, indicating bullish sentiments. Volume increased while open interests remained down.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	352.00	350.00	356.00	358.40

TRADE RECOMMENDATION:

Buy NCDEX **August** contract between 353.20-353.70, T1- 355.00, T2-356.10 and stop loss at 351.50.

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

Markets	10.07.06	11.07.06	Change	Arrivals (Bags)
Jaipur (C)	1720	1715-1720	-5.00	2500-3000
Alwar(C)	1625-1630	1620-1625	-5.00	No arrival
Delhi(C)	1725	1735	+10.00	500-700
Agra(C)/Katchi Ghani	1790/4000	1800/4075	+10.00	-
Sri Ganganagar (NC)	1465	1470	+5.00	200
Kota (NC)	1500-1525	1500-1540	-	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Today, the groundnut prices improved at major mandis in the country due to steady arrival, sowing demand and good demand from the buyers. The prices are expected to move in the narrow range. Groundnut seed in Rajkot Mandi offered at Rs 375 per 20 kg and groundnut oil increased slightly at Rs 502 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 15000-18000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	10.07.06	11.07.06
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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