

## OILSEED DAILY

JULY 25 2006

### SOYBEAN

#### SPOT MARKETS

Rainfall continued to affect the trade of soybean in the major mandis at Indore and Maharashtra. Arrivals increased while demand did not emerge at these mandis. It was offered at lower prices as against Saturday's trade. Soybean has so far been sown on about 69.39 lakh ha in India, which is about 9% less compared to the last year. However, due to good monsoon rainfall good crop harvest is expected. The soybean spot market is likely to hover in its current price range in the coming days.

#### FUTURES MARKETS:

At the NCDEX, due to speculative buying prices increased substantially but could not sustain later on and it closed at little higher level from the opening price. Most active August contract traded in between 1284-1295 and closed at 1286.

#### PRICE DRIVERS:

1. Sluggish spot market due to lower demand
2. Good production prospects
3. Removal of restriction from imported GM soy oil
4. Steady global market

#### Weather

Weather remains to be favourable so far as soybean is concerned. Sowing is almost over in most of the soybean growing areas.

#### TECHNICALS

Candlestick pattern showed slight bullish pattern. EMA is far above the price line. %K line, which is below the %D line, moved away from it. Gap between DAV and MACD also widened in the negative region. Volume declined while open interest almost remained same on Monday.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	1272	1267	1293	1297

#### TRADE RECOMMENDATION: (Intraday)

Sell NCDEX August contract near 1284, T1-1277 and stop loss at 1287.50.

#### SPOT MARKET PRICES

Centers	Market	24.07.06	22.07.06	Change	Arrivals (Bags)
Indore	Plant	1250-1270	1260-1270	-	25000
Indore	Mandi	1200-1225	1200-1230	-5	
Maharashtra	Plant	1300	1305-1310	-10	15000-20000
Maharashtra	Mandi	1240-1260	1240-1250	+10	
Kota	Plant	1250-1260	1265-1270	-10	2500-3000
Kota	Mandi	1205-1225	1200-1235	-10	

## MUSTARD

### SPOT MARKETS

The mustard spot market exhibited slight improvement in the prices as it was offered on higher prices at Alwar, Delhi and Sri Ganga Nagar. The arrival remained same as was reported on the Saturday. NAFED has also slightly increased its prices. The spot market is likely to hover in its current price range.

### FUTURES MARKETS:

All the active contracts at the NCDEX exhibited positive sentiments as the buying pressure kept the futures prices up. The sentiments at the CBOT also remained steady today. The most active August Contract hovered between 348.10 - 351.00 and closed at 349.30.

### PRICE DRIVERS:

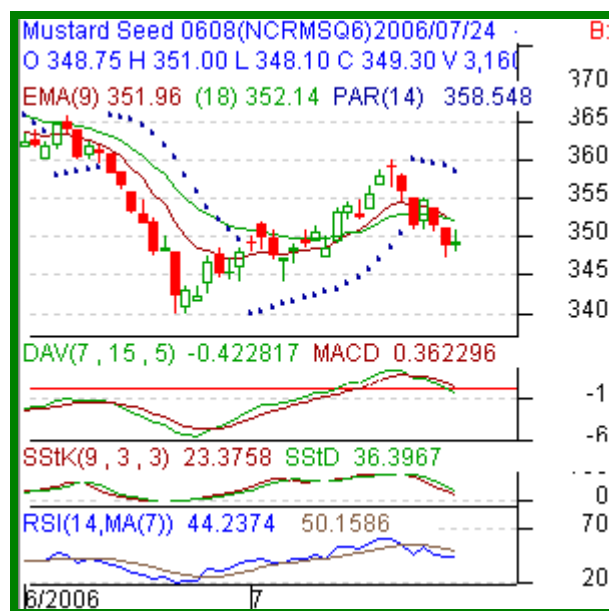
1. Mandatory blending of 20% mustard oil with Vanaspati
2. Rainfall in the mustard growing areas.
3. Weak demand
4. Removal of restriction from imported GM soy oil
5. Steady Global market

### Weather

Fairly widespread rainfall with isolated heavy falls likely over Konkan & Goa (including Mumbai), Madhya Maharashtra, Sub-Himalayan West Bengal & Sikkim, Assam & Megalaya and Arunachal Pradesh.

### TECHNICALS

Candlestick pattern indicate some positive sentiments. %K line moved away from % D line and the gap between them widened. Gap between DAV and MACD has also widened, however, they are proceeding towards negative territory. Volume declined while open interest slightly increased. EMA is far above the price line.



### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
August	345.25	343.50	351.00	352.30

### TRADE RECOMMENDATION:

**Sell** NCDEX **August** contract near 348.00, T1-346.00 and stop loss at 349.00

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

Markets	24.07.06	22.07.06	Change	Arrivals (Bags)
Jaipur (C)	1730	1725-1730	-	4000
Alwar(C)	1640-1645	1635-1640	+5	500-600
Delhi(C)	1740-1745	1740	+5	700-800
Agra(C)/Katchi Ghani	1800/4050	1800/4050	-	0
Sri Ganganagar (NC)	1485	1480	+5	200
Kota (NC)	1510-1535	1500-1535	-	1000

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET

Steady sentiments were observed in the groundnut spot market. 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)	
	24.07.06	22.07.06
Gr Kernel	2625*	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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