

OILSEED DAILY

AUGUST 25, 2006

SOYBEAN

SPOT MARKETS

Soybean traded with firm sentiments on increased demand in all major mandis in MP, Rajasthan and Maharashtra. Plant prices remained higher than previous day's level while mandi prices did not change much. Indore mandi received reduced arrivals. There are talks of losses to the soybean crop in some areas of MP and MH. The spot prices are likely to remain stable with slight bullish undertone.

FUTURES MARKETS:

Soybean futures at the NCDEX traded with firm sentiments following a firm opening. All the active contracts exhibited the similar positive sentiments. The news of some losses to soybean crop in Maharashtra and Madhya Pradesh might have improved the sentiments of soybean futures despite the reports that total area under soybean is significantly increased in the country. The most active September contract hovered in the range of 1285-1300 on Thursday.

PRICE DRIVERS:

1. Improved spot market demand
2. Strong demand in futures market
3. Higher acreage under soybean
4. Reports of some loss to the soybean crop in MH and MP

WEATHER

Heavy falls at a few places are likely over interior Orissa, Jharkhand, Chhattisgarh and East Madhya Pradesh during next 24 hours. Isolated heavy falls also likely over southwest Rajasthan and East Uttar Pradesh.

TECHNICALS

Candlestick pattern show Marubozu formation, which indicates strong bullish sentiments in the September contract. EMA touched the price candlestick from below. %K line made a bullish cross over to the %D line in neutral region. DAV also made a bullish cross over to the MACD in the negative region. RSI departed from its smooth average and started its upward journey in the neutral region. Volume significantly increased while open interest remained almost on the previous day's level on Thursday. Technicals suggests towards improved futures market sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1288	1282	1300	1310	1315

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX September contract near 1297, T1-1307, and stop loss below 1292.

SPOT MARKET PRICES

Centers	Market	24.08.06	23.08.06	Change	Arrivals (Bags)
Indore	Plant	1240-1265	1240-1250	+15	18000-20000
Indore	Mandi	1195-1225	1190-1225	-	
Maharashtra	Plant	1310	1300	+10	12000
Maharashtra	Mandi	1240-1260	1240-1260	-	
Kota	Plant	1230-1255	1240-1245	+10	5000
Kota	Mandi	1210-1225	1210-1225	-	

MUSTARD

SPOT MARKETS

Mustard spot market exhibited slightly improved sentiments due to increased demand in almost all the major mandis like Jaipur, Alwar, Delhi and Sriganaganagar. Supply remained slightly restricted at some of these places. Mustard seed market will remain in its current price range in the coming days.

FUTURES MARKETS:

At the NCDEX, mustard seed futures traded with firm sentiments initially. But later on, due to increased selling pressure most of the active contracts closed below their opening prices. The most active September contract traded between 351-352.50.

PRICE DRIVERS:

1. NAFED is having enough stock of mustard to dispose off.
2. Improved demand in the spot market
3. Comfortable supply condition in the spot market

WEATHER

Heavy falls at a few places are likely over interior Orissa, Jharkhand, Chhattisgarh and East Madhya Pradesh during next 24 hours. Isolated heavy falls also likely over southwest Rajasthan and East Uttar Pradesh.

TECHNICALS

At the NCDEX, in September contract candlestick formed doji pattern. Narrow movement was observed with slight bearish undertone. Prices closed below the EMA. %K line made a bullish cross over to the %D line in the oversold region. DAV touched the MACD in the negative territory. RSI ruled above its smooth average line in neutral region. Volume and open interest declined on Thursday. Technicals indicate towards steady sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	349	348	351.7	354	355

TRADE RECOMMENDATION:

Buy NCDEX September contract near 351.5, T1-353.5, and stop loss below 350.5.

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

Markets	24.08.06	23.08.06	Change	Arrivals (Bags)
Jaipur (C)	1735	1720	+15	4000
Alwar(C)	1650-60	1640-50	+10	500-600
Delhi(C)	1790-95	1785	+10	600-700
Agra(C)/Katchi Ghani	1825/4150	1825/4150	-	-
Sri Ganganagar (NC)	1475	1470	+5	300
Kota (NC)	1540-60	1540-60	-	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market traded steady with slight bullish sentiments on increased demand. Groundnut seed in Rajkot was offered at Rs 397 per 20 kg and groundnut oil traded at Rs 550 per 10 kg. Arrival remained about 15000 bags at the Rajkot mandi.

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