

OILSEED DAILY

AUGUST 14, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market witnessed mixed sentiments with bearish undertone. At MP and Rajasthan mandis good arrivals were seen, however, plant prices remained on the previous day's level. In the Maharashtra, it was traded at lower rates due to weak demand. The expected damage to the crop is not as much as was estimated by the traders due to recent rainfall in these areas. The market is expected to remain range bound with a bearish undertone.

FUTURES MARKETS:

All the soybean futures at NCDEX exhibited strong bearish sentiments on the news of the reduction of the duty on crude palm oil and RBD palm oil. Intense selling pressure kept the market prices down. The market is expected to exhibit the same pattern in the coming days also. Most active September contract traded in between 1276.05-1292.00.

PRICE DRIVERS:

1. Lower demand in the spot market
2. More selling pressure in the futures market
3. Reduction in duty on Crude Palm Oil (CPO) to 70% from 80% and RBD Palm Oil to 80% from 90%

Weather

Heavy rainfall is likely at few places over Gujarat region, southeast Rajasthan, southwest MP, Orissa, and north coastal AP during the next 24 hours.

TECHNICALS

Candlestick pattern exhibited strong bearish sentiments in the September contract. Prices closed below the 9-days and 18-days EMA. %K line remained below the %D line and proceeded near oversold region. DAV also remained below the MACD in the negative region. RSI went away from its smooth average in the neutral Volume and open interest declined on Saturday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1268	1265	1280.25	1290	1294

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX September contract near 1281, T1-1271, and stop loss above 1286.

SPOT MARKET PRICES

Centers	Market	12.08.06	11.08.06	Change	Arrivals (Bags)
Indore	Plant	1250-160	1250-1260	-	15,000
Indore	Mandi	1190-1220	1195-1230	-10	
Maharashtra	Plant	1310	1320	-10	10,000-12,000
Maharashtra	Mandi	1250-1260	1260-1290	-30	
Kota	Plant	1250-1255	1250-1255	-	4,300
Kota	Mandi	1210-30	1210-1230	-	

MUSTARD

SPOT MARKETS

Mustard seed market witnessed a steady to weak sentiments on lower demand in most of the Rajasthan and Delhi. Sufficient stock is there with the traders to offload. Besides it NAFED continues to sell its existing stock in the market. The prices are expected to hover in the current price range.

FUTURES MARKETS:

All the mustard futures at the NCDEX exhibited strong bearish sentiments on the news of the reduction in the import duty of crude palm oil and RBD Palm Oil. The most active September contract hovered between 361.20-362.50. The futures is expected to trade with a slight bearish undertone.

PRICE DRIVERS:

1. Speculative selling in the Futures market
2. More supply in the spot market
3. Reduction in the duty on Crude Palm Oil (CPO) to 70% from 80% and RBD Palm Oil to 80% from 90%

Weather

Heavy rainfall is likely at few places over Gujarat region, southeast Rajasthan, southwest MP, Orissa, and north coastal AP during the next 24 hours.

TECHNICALS

Candlestick pattern exhibited bearish sentiments in the September contract. EMA crossed the price line in between. %K line ruled below the % D line in the neutral region. DAV made a bearish cross over to the MACD in the positive territory. RSI moved away from its smooth average line in neutral region Volume declined while open interest increased on Saturday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	358	357	361.20	363	364

TRADE RECOMMENDATION:

Sell NCDEX September contract near 361, T1-359, and stop loss above 362.00.

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

Markets	12.08.06	11.08.06	Change	Arrivals (Bags)
Jaipur (C)	1755-60	1770	-10	4000
Alwar(C)	1670-75	1670-90	-15	1000
Delhi(C)	1780	1780	-	400
Agra(C)/Katchi Ghani	1850/4300	1860/4200	-10	-
Sri Ganganagar (NC)	1600	1560	+40	200
Kota (NC)	1580-90	1580-1610	-20	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut market exhibited steady sentiments amidst normal demand. Groundnut seed in Rajkot Mandi offered at Rs 383 per 20 kg and groundnut oil traded at Rs 525 per 10 kg. Arrivals remained at 10000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	12.08.06	11.08.06
Gr Kernel	2710*	2710*
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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