

OILSEED DAILY

AUGUST 12, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market traded with firm sentiments due to good demand and less arrival in the major mandis of India. It was offered at higher prices in the mandis of Maharashtra and Rajasthan on less arrival. Traders also fear that some loss may be there due to recent monsoon showers in MP and MH. So in the coming days steady trade can be expected.

FUTURES MARKETS:

All the soybean futures at NCDEX traded with weak sentiments on speculative selling. The government has reduced the duty on crud palm oil and RBD palm oil to check the prices. The market is expected to show bearish undertone over this news. Most active September contract traded in between 1287.30-1295

PRICE DRIVERS:

1. Firm spot market
2. Heavy rain in the MH and MP
3. Govt. reduces 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, north coastal AP during the nest 48 hours.

TECHNICALS

Candlestick pattern exhibited bearish sentiments in the September contract. Prices closed below the 9-days and 18-days EMA. %K line remained below the %D line in the neutral region indicating the bearish behavior of the market. DAV also remained below the MACD in the negative region. RSI after making a bearish cross over with its smooth average in the neutral region came closer to it. Volume and open interest declined on Friday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	1280	1278	1292	1295

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX September contract near 1287, T1-1282, and stop loss above 1289.50.

SPOT MARKET PRICES

Centers	Market	11.08.06	10.08.06	Change	Arrivals (Bags)
Indore	Plant	1250-1260	1260	-	10,000
Indore	Mandi	1195-1230	1190-1230	-	
Maharashtra	Plant	1320	1300	+20	10,000-12,000
Maharashtra	Mandi	1260-1290	1260-1280	+10	
Kota	Plant	1250-1255	1240	+15	3,000-3,300
Kota	Mandi	1210-1230	1225	+5	

MUSTARD

SPOT MARKETS

Mustard seed at the spot market sentiments improved on increased demand at Alwar, Sri Ganga Nagar and Kota where it was offered at higher prices. Although the farmers have enough stock to sell in the market, the steady demand is helpful in stabilizing the prices. The spot market is likely to trade with steady to firm sentiments in the coming days.

FUTURES MARKETS:

Most of the Mustard seed futures at the NCDEX witnessed firm sentiments on increased demand. However, in morning session, some contracts traded with bearish undertone, which recovered in the last trading hours on speculative buying. The most active September contract hovered between 361.25-364.30. The futures is expected to trade with a slight bullish undertone, however, the market may react negatively on the news of the reduction of the duty on crude palm oil and RBD Palm Oil.

PRICE DRIVERS:

1. Speculative buying in the futures market
2. Higher demand in the spot market
3. Govt. reduces 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 48 hours.

TECHNICALS

Candlestick pattern exhibited firm sentiments in the September contract. EMA crossed the price line in between. %K line ruled below the % D line in the neutral region. DAV crossed the MACD in the positive territory. RSI also touched its smooth average line in neutral region Volume declined while open interest increased on Friday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	357	356	365	366

TRADE RECOMMENDATION:

Buy NCDEX September contract near 361, T1-364, and stop loss below 358.50.

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

Markets	11.08.06	10.08.06	Change	Arrivals (Bags)
Jaipur (C)	1770	1770	-	4000
Alwar(C)	1670-90	1670-80	+10	800
Delhi(C)	1780	1785	-5	500
Agra(C)/Katchi Ghani	1860/4200	1860/4200	-	-
Sri Ganganagar (NC)	1560	1545	+15	250
Kota (NC)	1580-1610	1570-1600	+10	500

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)	
	11.08.06	10.08.06
Gr Kernel	2710*	2700*
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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