

OILSEED DAILY

AUGUST 09 2006

SOYBEAN

SPOT MARKETS

Mixed sentiments were observed at the soybean spot market. At the Indore and Kota it was offered at slightly lower rates due to slack demand while in Maharashtra it was offered at slightly higher prices as against yesterday due to improved demand. In Maharashtra, the monsoon rains are also supposed to last some adverse effect on the soybean crop, as water logging may be harmful at the current growth stage. The prices are expected to hover in the current range for the next few days.

FUTURES MARKETS:

The NCDEX September soybean contract exhibited bearish trade due to intense selling pressure. Other active contracts also exhibited similar sentiments. Most active September contract traded in between 1297.10 - 1315.5. The futures is expected to witness the similar trend in the coming days also. At the CBOT the soybean also exhibited bearish sentiments. The total oil complex also remained low due to improved weather conditions.

PRICE DRIVERS:

1. Ongoing heavy rain in the growing areas
2. Good demand in spot market
3. Improved weather at the International Market

Weather

Heavy rainfall is expected at Marathwada, north Madhya Maharashtra, Gujarat Region during next 1day. Isolated heavy rainfall is also expected over West MP, southeast Rajasthan, Saurashtra & Kutch, North Interior Karnataka, Vidarbha and Jammu region during next 48 hrs.

TECHNICALS

In the September contract, candlestick pattern exhibited strong bearish pattern. EMA remain above the price line. %K line made a bearish cross over to %D line in the neutral region. DAV has just crossed the MACD in the negative region. RSI after making a bearish cross over with its smooth average in the neutral region is moving away from it. Volume increased while open interest declined on Tuesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	1285	1279	1302	1305

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX September contract near 1297, T1- 1290, and stop loss above 1300.50.

SPOT MARKET PRICES

Centers	Market	08.08.06	07.08.06	Change	Arrivals (Bags)
Indore	Plant	1260-1275	1260-1280	-5	20,000
Indore	Mandi	1190-1230	1190-1230	-	
Maharashtra	Plant	1330	1320-1325	+5	10,000-15,000
Maharashtra	Mandi	1260-1280	1260-1280	-	
Kota	Plant	1250	1260	-10	4,300-5,000
Kota	Mandi	1230	1230	-	

MUSTARD

SPOT MARKETS

The mustard seed spot market exhibited firm sentiments due to continued good demand in major mandis at the Delhi, Agra and Sriganagar. On other places prices remained stable at the previous trading day level. NAFED is still having a stock of about 30 lakh tons and it is selling at the Rs. 1595, 1585, 1590, 1620 and 1810 at Delhi, Rajasthan, Punjab, UP and Bengal respectively. Spot prices are expected to rule firm in the coming days.

FUTURES MARKETS:

Most of the Mustard seed futures at the NCDEX exhibited bearish sentiments due to profit booking. The most active September contract hovered between 363.80-366.95. The futures is expected to trade with a bearish undertone on speculative selling.

PRICE DRIVERS:

1. Profit booking at the futures market
2. Higher demand in the spot market

Weather

Heavy rainfall is expected at Marathawada, north Madhya Maharashtra, Gujarat Region during next 1 day. Isolated heavy rainfall is also expected over West MP, southeast Rajasthan, Saurashtra & Kutch, North Interior Karnataka, Vidarbha and Jammu region during next 48 hrs.

TECHNICALS

Candlestick pattern exhibited profit booking in the September contract. Price line ruled above the 9-days and 18 -days EMA. %K line just touched the % D line in the over bought region. DAV remained above MACD in the positive territory but now starts approaching to it. RSI also crossed its smooth average line in neutral region. Volume declined while open interest slightly increased on Tuesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	361	360	367	368

TRADE RECOMMENDATION:

Sell NCDEX September contract near 364.00, T1-362.00, and stop loss above 365.00.

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

Markets	08.08.06	07.08.06	Change	Arrivals (Bags)
Jaipur (C)	1770	1780	-10	4000
Alwar(C)	1670-80	1670-1680	-	700-800
Delhi(C)	1785	1780	+5	300
Agra(C)/Katchi Ghani	1850/4200	1840/4200	+10	-
Sri Ganganagar (NC)	1540	1510-1520	+20	200-250
Kota (NC)	1570-1660	1575-1600	-	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut market exhibited firm sentiments amidst good demand. Groundnut seed in Rajkot Mandi offered at Rs 383 per 20 kg and groundnut oil increased lightly at Rs 525 per 10 kg. Arrivals remained at 12000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	08.08.06	07.08.06
Gr Kernel	2700*	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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