

## OILSEED DAILY

AUGUST 10, 2006

### SOYBEAN

#### SPOT MARKETS

Meager trade was observed at the major mandis of north and west India as most of the markets remained closed due to the religious festival "*Raksha Bandhan*". Rain continues to disrupt the normal trade in some part of Maharashtra and MP. Possibility of damage to the crop due to heavy rainfall in some areas also cannot be overruled. The soybean market will therefore likely to witness some improvement in near futures.

#### FUTURES MARKETS:

All the soybean futures at NCDEX exhibited bearish sentiments due to more selling pressure. Most active September contract traded in between 1286.55-1301.90. Bearish trend is expected to continue in the near future also. At the CBOT, soybean also exhibited bearish sentiments due to improved weather conditions in the US. Traders expect a good crop harvest in the US.

#### PRICE DRIVERS:

1. Heavy monsoon rainfall in Maharashtra
2. Good demand in spot market
3. Improved weather at the US.
4. Less demand in the futures market

#### Weather

Heavy to very heavy rainfalls at scattered places over Konkan and Goa (including Mumbai) and coastal Karnataka during 1-2 days. Isolated heavy to very heavy falls are also likely over Gujarat Region, southeast Rajasthan, West Madhya Pradesh and Andaman & Nicobar islands.

#### 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 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, moved far away from it. Volume increased while open interest slightly declined on Wednesday.



#### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	1280	1278	1300	1304

#### TRADE RECOMMENDATION: (Intraday)

Sell NCDEX September contract near 1292, T1-1285, and stop loss above 1295.50.

#### SPOT MARKET PRICES

Centers	Market	09.08.06	08.08.06	Change	Arrivals (Bags)
Indore	Plant	1260-1275	1260-1275	-	-
Indore	Mandi	1190-1230	1190-1230	-	
Maharashtra	Plant	1330	1330	-	-
Maharashtra	Mandi	1260-1280	1260-1280	-	
Kota	Plant	1250	1250	-	-
Kota	Mandi	1230	1230	-	

## MUSTARD

### SPOT MARKETS

Meager trade was observed at the major mandis of north and west India as most of the markets remained closed due to the religious festival "*Raksha Bandhan*". However, the good demand will continue in the coming days and prices are expected to hover in its current range for few days.

### FUTURES MARKETS:

Most of the Mustard seed futures at the NCDEX witnessed bearish sentiments due to selling pressure in the market. International markets also affected the futures sentiments as CBOT soy complex traded with bearish sentiments. The most active September contract hovered between 362.50-364.80. The futures is expected to trade with a bearish undertone on speculative selling.

### PRICE DRIVERS:

1. Selling pressure at the futures market
2. Higher demand in the spot market

### Weather

Heavy to very heavy rainfalls at scattered places over Konkan and Goa (including Mumbai) and coastal Karnataka during 1-2 days. Isolated heavy to very heavy falls are also likely over Gujarat Region, southeast Rajasthan, West Madhya Pradesh and Andaman & Nicobar islands.

### TECHNICALS

Candlestick pattern exhibited speculative selling in the September contract. Price line ruled above the 9-days and 18 -days EMA. %K line made a bearish cross over to % D line in the over bought region. DAV touched the MACD in the positive territory. RSI after crossing its smooth average line in neutral region moved away. Volume declined while open interest slightly increased on Wednesday.



### SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	360	359	365	366

### TRADE RECOMMENDATION:

**Sell** NCDEX September contract near 363.75, T1-361.75, and stop loss above 364.75.

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

Markets	09.08.06	08.08.06	Change	Arrivals (Bags)
Jaipur (C)	1770	1770	-	-
Alwar(C)	1670-80	1670-80	-	-
Delhi(C)	1785	1785	-	-
Agra(C)/Katchi Ghani	1850/4200	1850/4200	-	-
Sri Ganganagar (NC)	1540	1540	-	-
Kota (NC)	1570-1660	1570-1660	-	-

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET

Most of the markets remained closed due to "Raksha Bandhan". Hence meager trade was observed.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	09.08.06	08.08.06
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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