

OILSEED DAILY

AUGUST 22, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market exhibited slightly improved sentiments due to increased buying at Indore and Maharashtra. However, at the Kota mandi plant prices remained low due to subdued demand. The market may witness slight improvement in demand in the coming days. News of some losses to the crop in the MP, has given strength to the spot and futures market sentiments.

FUTURES MARKETS:

Soybean futures market exhibited firm trend in the NCDEX futures market due to improved demand. All the active contracts closed above the previous day's close level. The improved soybean futures gave strength to the soybean market sentiments. The futures appears to improve further due to increased demand.

PRICE DRIVERS:

1. Increased spot market demand
2. Firm demand in Futures market
3. Some loss in soybean crop is reported in MP

WEATHER

Heavy to very heavy falls at a few places are likely over Orissa during next 48 hours. Isolated heavy to very heavy is also likely over Gangetic West Bengal during the same period. Isolated heavy falls are likely over southwest Rajasthan during next 24 hours.

TECHNICALS

Candlestick pattern exhibited bullish undertone in the September contract. Prices closed below the EMA. %K line touched the %D line in neutral region. DAV moved flat with the MACD in the negative region. RSI remained above its smooth average in the neutral region. Volume and open interest declined on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1275	1270	1284	1295	1298

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX September contract near 1284.50, T1-1292.50, and stop loss below 1280.50.

SPOT MARKET PRICES

Centers	Market	21.08.06	19.08.06	Change	Arrivals (Bags)
Indore	Plant	1243-1260	1220-1250	+10	30000
Indore	Mandi	1190-1210	1190-1220	-10	
Maharashtra	Plant	1300	1310	-	10000
Maharashtra	Mandi	1250-70	1250	+20	
Kota	Plant	1235-45	1250-1260	-15	5000
Kota	Mandi	1210-15	1210-15	-	

MUSTARD

SPOT MARKETS

Mustard spot market remained weak due to lacklustre demand. In the Agra, Sriganaganagar and Kota mandi, it was offered at lower prices due to lower demand. However, at the Alwar it was offered at higher prices due to increased demand. The higher supply level has kept the market at lower price levels. The market is likely to witness the same trend for few more days.

FUTURES MARKETS:

Mustard futures at the NCDEX exhibited volatile trade with bearish undertone. The most active September contract candlestick made a doji and prices closed at the today's opening level. Most of the other active contracts also exhibited similar sentiments. The technical indicators suggests towards weak sentiments in the market.

PRICE DRIVERS:

1. Weak physical market demand
2. Higher stock levels
3. Low demand in the Futures market

WEATHER

Heavy to very heavy falls at a few places are likely over Orissa during next 48 hours. Isolated heavy to very heavy is also likely over Gangetic West Bengal during the same period. Isolated heavy falls are likely over southwest Rajasthan during next 24 hours.

TECHNICALS

September contract candlestick pattern exhibited doji pattern at NCDEX. EMA ruled above the price line indicating the bearish trend. %K line touched the % D line in the oversold region. DAV also remained below MACD in the negative territory. RSI ruled below its smooth average line in neutral region Volume declined while open interest increased on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	348	347	352	355	356

TRADE RECOMMENDATION:

Sell NCDEX September contract near 353.00, T1-351.00, and stop loss above 354.00.

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

Markets	21.08.06	19.08.06	Change	Arrivals (Bags)
Jaipur (C)	1735-40	1735-40	-	4000
Alwar(C)	1670-80	1650	+30	1000
Delhi(C)	1780	1780	-	600
Agra(C)/Katchi Ghani	1825/4250	1835/4200	-10	-
Sri Ganganagar (NC)	1500	1510	-10	250
Kota (NC)	1540-60	1560-80	-20	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut remained firm on increased demand. Groundnut seed in Rajkot was offered at Rs 392 per 20 kg and groundnut oil traded at Rs 550 per 10 kg. Arrival at Rajkot mandi remained in the range of 12000-15000 in Gujarat Mandis.

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