

OILSEED DAILY

AUGUST 28, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market traded with slight positive sentiments. Plant prices improved at Indore, Maharashtra and Kota while mandi prices slightly declined in Maharashtra and Kota. The arrival slightly declined in these mandis. The spot prices are likely to remain stable with slight bullish undertone.

FUTURES MARKETS:

Soybean futures at the NCDEX traded with weak sentiments due to decreased demand. All the active contracts exhibited similar bearish sentiments. CBOT sentiments remained weak due to improved weather forecast and higher production estimates. The most active September contract hovered in the range of 1283-1291.50 on Saturday.

PRICE DRIVERS:

1. Improved physical market demand
2. Reduced futures market demand
3. Higher acreage under soybean
4. Reports of some loss to the soybean crop in MH and MP

WEATHER

Rainfall is likely over Orissa, Jharkhand, Chhattisgarh, East Madhya Pradesh and Bihar. Moderate rainfall activity likely to continue over Indo-Gangetic plains.

TECHNICALS

Candlestick pattern exhibits bearish pattern in the September contract. EMA crossed the price candlestick. %K line moved upward from the %D line in neutral region. DAV came closer to the MACD in the negative region. RSI touched its smooth average in the neutral region. Volume and open interest slightly declined on Saturday. Technically market is bearish.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1270	1268	1283.1	1290	1296

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX September contract near 1281, T1-1273, and stop loss above 1285.

SPOT MARKET PRICES

Centers	Market	26.08.06	25.08.06	Change	Arrivals (Bags)
Indore	Plant	1250-1275	1250-1270	+5	20000
Indore	Mandi	1200-1220	1190-1210	+10	
Maharashtra	Plant	1315	1310	+5	8000-10000
Maharashtra	Mandi	1250-1270	1260-1280	-10	
Kota	Plant	1240-1250	1240-1245	+5	4000
Kota	Mandi	1200-1215	1210-1225	-10	

MUSTARD

SPOT MARKETS

Mustard spot market experienced slight improvement on increased demand at the major mandis in Alwar, Agra Delhi and Sriganga Nagar. Prices remained at higher levels at all of these places. NAFED continues its selling of mustard. The spot market will remain steady in the coming days.

FUTURES MARKETS:

At the NCDEX, mustard seed contracts exhibited bearish undertone due to speculative selling. The sentiments remained affected by the soybean and soyoil futures sentiments, which also traded low due to weak demand and international sentiments. The most active September contract traded between 350.30-351.85 on Saturday.

PRICE DRIVERS:

1. Improved spot market demand
2. Weak futures market demand
3. Ample supply in the spot market

WEATHER

Rainfall is likely over Orissa, Jharkhand, Chhattisgarh, East Madhya Pradesh and Bihar. Moderate rainfall activity likely to continue over Indo-Gangetic plains.

TECHNICALS

At the NCDEX, in September contract candlestick pattern exhibited bearish sentiments. Prices closed below the EMA. %K line moved parallel to the % D line in the neutral region. DAV touched the MACD in the negative territory. RSI merged in its smooth average line in neutral region. Volume and open interest declined on Saturday. Technicals indicate towards slight weakness in the market.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	347	346	350.5	353	354

TRADE RECOMMENDATION:

Sell NCDEX September contract near 350.00, T1-348.00, and stop loss above 351.00.

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

Markets	26.08.06	25.08.06	Change	Arrivals (Bags)
Jaipur (C)	1735	1735	-	4000
Alwar(C)	1640-50	1640-45	+5	700-800
Delhi(C)	1805-1810	1805	+5	500-700
Agra(C)/Katchi Ghani	1825/4125	1820/4125	+5	-
Sri Ganganagar (NC)	1480	1465-70	+10	250
Kota (NC)	1540-60	1540-60	-	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market remained firm due to continued good demand and traded at the previous price levels. Groundnut seed in Rajkot was offered at Rs 396 per 20 kg and groundnut oil traded at Rs 545 per 10 kg. Arrival remained about 15000 bags at the Rajkot mandi.

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