

OILSEED DAILY

SEPTEMBER 01, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market traded with improved sentiments as it was offered at higher prices at Indore, Kota and major mandis in Maharashtra due to increased demand. However, arrivals remained restricted due to rains in Indore. The plant prices are expected to gather some momentum with the nearing in of the festive season, as demand for edible oil will increase during this period.

FUTURES MARKETS:

Soybean futures on the NCDEX traded with firm sentiment in the most active September. However, in other contracts, the trend remained slightly bearish. The festive edible oil demand is likely to start in few days and traders can expect the prices to remain firm in this contract. It hovered in the range of 1279.10-1290.10 on Friday.

PRICE DRIVERS:

1. Improved demand in spot market
2. Normal production prospects
3. Upcoming festival demand

WEATHER

Heavy isolated falls are likely over Chhattisgarh, East and West MP and interior Orissa, north Telangana, Vidarbha and Uttaranchal during next 24 hours

TECHNICALS

In September contract on NCDEX, a long upper shadow indicates that bulls dominated for most part of the game but lost control in the end and bears made a come back. MACD is moving towards positive territory implying some stability in the prices. However, price closed below the 9-days and 18-days EMA. The stockiest remained in neutral region but hinting towards slight weakness. Volume and open interest slightly declined on Thursday. Market may remain firm on Friday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1270	1268	1282.5	1292	1295

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX September contract near 1277, T1-1287, and stop loss below 1272.

SPOT MARKET PRICES

Centers	Market	31.08.06	30.08.06	Change	Arrivals (Bags)
Indore	Plant	1260-75	1260-70	+5	12000-15000
Indore	Mandi	1210-25	1210-25	-	
Maharashtra	Plant	1320	1315	+5	15000-20000
Maharashtra	Mandi	1270-90	1260-80	+10	
Kota	Plant	1240-45	1225-30	+15	5000-6000
Kota	Mandi	1210-15	1210-15	-	

MUSTARD

SPOT MARKETS

Mustard seed markets exhibited slightly improved sentiments on increased demand in Jaipur, Agra and Kota mandi. In other mandis also, the prices remained more or less same at the previous day's level. The festive demand of edible oil is likely to start emerging in few days and traders can expect more stability in the mustard seed prices in the coming days.

FUTURES MARKETS:

On the NCDEX, mustard seed futures exhibited bearish sentiments on profit booking, however hovered in a very narrow range. The mustard seed prices remained affected by the other oil complex prices, which largely exhibited bearish trend. The most active September contracts traded between 346.10-347.55 on Thursday.

PRICE DRIVERS:

1. Improved spot market demand
2. Ample supply in the spot market
3. Profit booking in futures market
4. Upcoming festival demand

WEATHER

Heavy isolated falls are likely over Chhattisgarh, East and West MP and interior Orissa, north Telangana, Vidarbha and Uttaranchal during next 24 hours.

TECHNICALS

On NCDEX, in September contract candlestick formation exhibits bearish sentiments. Prices closed below the 9-days and 18-days EMA. Remaining in neutral region, stochastic is hinting towards slight weakness in the market. MACD moves horizontally in negative region suggesting less volatility in the prices. Volume and open interest slightly declined on Thursday. Prices may witness slight downward movement on Friday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	344	343	346.5	350	352

TRADE RECOMMENDATION:

Sell NCDEX September contract near 347.5, T1-345.5, and stop loss above 348.50.

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

Markets	31.08.06	30.08.06	Change	Arrivals (Bags)
Jaipur (C)	1735-40	1730-35	+5	3500
Alwar(C)	1640	1635-40	-	1000-1200
Delhi(C)	1780-85	1785-1790	-5	600-700
Agra(C)/Katchi Ghani	1840/4150	1830/4150	+10	-
Sri Ganganagar (NC)	1470	1470	-	200
Kota (NC)	1560-80	1540-60	+20	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market remained steady in Gujarat on normal demand. Groundnut seed in Rajkot hovered near Rs 391 per 20 kg and groundnut oil traded at Rs 542 per 10 kg. The oil prices are slightly higher than yesterday's price. Arrivals at the Rajkot mandi remained at 15000 bags.

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