

OILSEED DAILY

AUGUST 08 2006

SOYBEAN

SPOT MARKETS

The soybean spot market exhibited steady to firm sentiments in Madhya Pradesh where prices remained hovering in the previous day's range. However, due to widespread rain trade remained slightly affected in Maharashtra. The ongoing spell of monsoon rainfall in the Maharashtra and MP during the active growth stage may result into water logging which is injurious to the crop growth. Soybean cannot tolerate water logging at any growth stage. In Kota it was offered at slightly higher prices due to good demand. The prices are expected to remain firm for the next few days due to good demand.

FUTURES MARKETS:

The NCDEX September soybean contract exhibited volatile trade as initially bulls controlled the market but could not sustain for long and later on lost control. Other active contracts also exhibited similar sentiments. Most active September contract traded in between 1312.50-1324.70. The futures are expected to trade in a range bound pattern. The futures may exhibit bullish sentiments on the fear of loss to crop due to ongoing heavy rainfall in the soybean growing areas.

PRICE DRIVERS:

1. Fear of loss to crop due to heavy rain
2. Choppy trade in the International market
3. Good demand in spot market

Weather

Heavy rainfall is expected at Marathwada, north Madhya Maharashtra, Gujarat Region during next 2 days. 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 volatile trade with bearish undertone. EMA crossed the price line in between. %K line just touched the %D line in the neutral region. DAV ruled above the MACD in the negative region. RSI made a bearish cross over with its smooth average in the neutral region. Volume and Open interest increased on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	1313	1308	1328	1332

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX August contract near 1318, T1-1324, and stop loss below 1315.

SPOT MARKET PRICES

Centers	Market	07.08.06	05.08.06	Change	Arrivals (Bags)
Indore	Plant	1260-1280	1260-1280	-	40,000
Indore	Mandi	1190-1230	1190-1230	-	
Maharashtra	Plant	1320-1325	1325	-	8,000-10,000
Maharashtra	Mandi	1260-1280	1250-1280	-	
Kota	Plant	1260	1240	+20	4,000-5,000
Kota	Mandi	1230	1230	-	

MUSTARD

SPOT MARKETS

Mustard seed witnessed a firm sentiment in the spot market. Due to good demand it was traded high in almost all the major mandis at the Jaipur, Alwar, Agra and Kota market. NAFED is also selling its current stock at slightly higher prices between Rs. 1575-1585. Spot prices are expected to rule firm in the coming days.

FUTURES MARKETS:

Most of the Mustard seed futures at the NCDEX exhibited profit booking. However, the most active September contract closed above the previous day close and hovered between 366-368. The futures is expected to be supported by the firm spot market.

PRICE DRIVERS:

1. Profit booking at the futures market
2. Higher demand in the spot market
3. Choppy trade in International market

Weather

Heavy rainfall is expected at Marathwada, north Madhya Maharashtra, Gujarat Region during next 2 days. 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 some 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. RSI ruled above the smooth average line in neutral region. Volume and open interest increased on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	R1	R2
September	365	364	371	372

TRADE RECOMMENDATION:

Buy NCDEX August contract near 367.60, T1- 369.60, and stop loss below 366.60.

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

Markets	07.08.06	05.08.06	Change	Arrivals (Bags)
Jaipur (C)	1780	1755	+25	3500
Alwar(C)	1670-1680	1660-1665	+15	1500
Delhi(C)	1780	1780	-	700-800
Agra(C)/Katchi Ghani	1840/4200	1830/4150	+10	-
Sri Ganganagar (NC)	1510-1520	1510-1520	-	200-250
Kota (NC)	1575-1600	1540-1575	+25	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)	
	07.08.06	05.08.06
Gr Kernel	2700*	2650*
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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