

OILSEED DAILY

AUGUST 16, 2006

SOYBEAN

SPOT MARKETS

The soybean spot market remained steady to firm on good demand. The prices at most of the places remained on the previous trading day's level. However, it was offered at slightly higher prices at Indore and Maharashtra. The spot market is likely to exhibit steady to firm sentiments in the coming days.

FUTURES MARKETS:

All the soybean futures at NCDEX exhibited firm sentiments. The government today hiked the base import prices of CPO, RBD Palm Oil, RBD Palm Oil, Crude Soya Oil and Crude Palm Oil. The prices have been hiked in the line with the firm international prices. Earlier, the government reduced the import duty of crude palm oil and RBD Palm Oil. Earlier, the government reduced the import duty of crude palm oil and RBD Palm Oil. The market positively reacted to the today's news. The futures are likely to exhibit positive sentiments in the coming days. Most active September contract traded in between 1270-1286.65 on Monday.

PRICE DRIVERS:

1. Steady to firm demand in the spot market
2. Good buying interest in the futures market
3. Reduction in duty on Crude Palm Oil (CPO) to 70% from 80% and RBD Palm Oil to 80% from 90%.
4. Increase in Base Import Prices of RBD Palm Oil, CPO, RBD Palm Oil, Crude Soya Oil and Crude Palm Oil.

Weather

Heavy rainfall at a few places is likely over south Chhattisgarh and Vidarbha. Heavy falls at a few places is also likely over East MP and north Telangana during next 24 hours. Isolated heavy rainfall also likely over south Orissa, Gujarat State and southwest Rajasthan and west MP.

SPOT MARKET PRICES

Centers	Market	14.08.06	12.08.06	Change	Arrivals (Bags)
Indore	Plant	1245-1265	1250-1260	+5	20,000-22,000
Indore	Mandi	1190-1220	1190-1220	-	
Maharashtra	Plant	1310	1310	-	10,000-12,000
Maharashtra	Mandi	1250-1270	1250-1260	+10	
Kota	Plant	1240-1255	1250-1255	-	4,500
Kota	Mandi	1200-1220	1210-1230	-10	

TECHNICALS

Candlestick pattern exhibited strong bullish sentiments in the September contract. Prices closed below the 9-days and 18-days EMA. %K line is ready to make a bullish crossover to %D line in oversold region. DAV remained below the MACD in the negative region. RSI has touched its smooth average in the neutral region. Volume increased while open interest declined on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	1273	1270	1283	1295	1300

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX September contract near 1282, T1-1292, and stop loss below 1277.

MUSTARD

SPOT MARKETS

Major mandis at the Rajasthan, Delhi and Agra traded with weak sentiments due to weak demand. Mustard seed was offered at lower prices at all of these places. The supply is more as compared to the existing demand and this pressure is reflected in the spot prices. The prices are expected to hover in the current price range.

FUTURES MARKETS:

All the mustard futures at the NCDEX exhibited bearish sentiments due to more selling pressure in the market. The Indian Government today hiked the base import prices of CPO, RBD Palm Oil, RBD Palm Oil, Crude Soya Oil and Crude Palm Oil. The prices have been hiked in the line with the firm international prices. Earlier, the government reduced the import duty of crude palm oil and RBD Palm Oil. The most active September contract hovered between 355.50-360.90. The futures are expected to trade with a slight bearish undertone.

PRICE DRIVERS:

1. Speculative selling in the Futures market
2. More supply in the spot market
3. Reduction in the duty on Crude Palm Oil (CPO) to 70% from 80% and RBD Palm Oil to 80% from 90%
4. Increase in Base Import Prices of RBD Palm Oil, CPO, RBD Palm Oil, Crude Soya Oil and Crude Palm Oil.

Weather

Heavy rainfall at a few places is likely over south Chhattisgarh and Vidarbha. Heavy falls at a few places is also likely over East MP and north Telangana during next 24 hours. Isolated heavy rainfall also likely over south Orissa, Gujarat State and southwest Rajasthan and west MP.

TECHNICALS

Candlestick pattern exhibited strong bearish sentiments in the September contract. Prices settled below the EMA. %K line ruled below the % D line in the neutral region. DAV also ruled below MACD in the positive territory. RSI moved away from its smooth average line in neutral region Volume and open interest increased on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
September	353	351	356.6	361	362

TRADE RECOMMENDATION:

Sell NCDEX September contract near 358.5, T1-354.5, and stop loss above 360.50.

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

Markets	14.08.06	12.08.06	Change	Arrivals (Bags)
Jaipur (C)	1750	1755-60	-10	4000
Alwar(C)	1650-60	1670-75	-15	1000
Delhi(C)	1770	1780	-10	300-400
Agra(C)/Katchi Ghani	1840/4300	1850/4300	-10	-
Sri Ganganagar (NC)	1560-70	1600	-30	200
Kota (NC)	1550-80	1580-90	-10	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut traded with firm sentiments on lower arrival as rain disrupted mandi arrivals. Groundnut seed in Rajkot Mandi was offered at Rs 385 per 20 kg and groundnut oil traded at Rs 525 per 10 kg. Arrivals remained at 7000 bags in Gujarat Mandi.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	14.08.06	12.08.06
Gr Kernel	2675*	2710*
Bolds 60/70	3250*	3225*
Javas 60/70	3300*	3275*
Javas 70/80	3225*	3200*
Javas 80/90	3150*	3125*

***Plus Tax / Against Form. X CST Paid. @ VAT Exempted**

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