

OILSEED

28<sup>th</sup> February, 2006

Mustard Firm Soybean Indecisive

## TECHNICAL ANALYSIS

### Commodity: SOYBEAN

#### Indicators

1. Candlestick showing indecisive market sentiments
2. Prices closed below the 9-day and 18-day EMA showing bearish sentiments.
3. %K line made bearish cross over with % D line showing bearish market sentiments.
4. MACD is moving in negative zone showing bearish sentiments.

#### Market advice:

Market at this juncture is risky, better to stay away.

#### NCDEX MARCH SOYBEAN CONTRACT



#### Soybean Future Closing price

Contract	25.02.06	27.02.06	Chg
March	1215.00	1214.00	-1.00

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
March	1204.00	1233.00
	1189.00	1242.00

### Commodity: RAPESEED

#### Indicators

1. Candlestick showing bullish market sentiments.
2. Prices closed above 9-day and 18-day EMA showing bullish market sentiments.
3. %K line made bullish cross over with % D line and moving upward in overbought region. Technical correction is likely at this stage.
4. MACD made bullish cross over.

#### Market advice:

Market is risky, better to stay away. Possibility of trend reversal. Risk lovers can go for long.

#### NCDEX MAY MUSTARD CONTRACT



#### Mustard Future Closing price

Contract	25.02.06	27.02.06	Chg
May	340.70	343.00	+2.30

#### Expected Support and Resistance Levels

Contract	Supports	Resistances
May	339.10	344.10
	337.60	345.70

## DOMESTIC MARKET COMMENTARY

### Soybean:

NCDEX March contract witnessed very week opening with gap formation at 1212.10 and decline initially and fetch its lowest value 1209.15 at 10.15 am. prices remain range bound thereafter with slight fluctuation up to 11.15 am. slight improvement was noticed till 11.45 am with successive fall then after. fall immediately then after for next 15 minutes. Prices again gain strength for some time and followed upward path with to-and-fro movement and reached to its highest value 1216.10 4.45 pm. Then slight fall was noticed and prices finally closed at 1214.0. Overall market sentiment remained indecisive with positive tone. Prices at physical market remain steady and rangebound as compared to previous day prices. Plant delivery rate were quoted Rs. 1195-1200 per qtl. In Madhya Pradesh, and Rajasthan markets arrivals were 40,000, and 8000-10,000 bags respectively. Markets in Maharashtra remain closed on the eve of Maha Shiva Ratri. Low demand of soy products from poultry industry results into low demand of DOC and soybean. Prices is expected to remain weak for another 1-3 days and trend is expected to remain bullish for medium term but may influenced by international trading reports. The long term trend expected to remain bullish owing to reduce arrivals and fast depleting stocks. Lahiri Committee report had bearish impact on oilseeds.

### Rapeseed/Mustard:

NCDEX May contract opened firm at 340.90, which taken a dip then after and remain in lower levels for 15 minutes. The prices then decline initially and reached to its lowest value 340.1 at 10.45 am then after increased steadily. The market then remain steady with slight from 11.15 am-3.00 pm fluctuation in the range between 340.78-341.30. prices then taken a steep jump at 3.15 pm and reached to its highest value 343.25 at 3.30 pm. Finally the prices settled at 343.00. Overall market sentiments remain bullish today. New mustard seed prices at physical market were remain range bound and improved slightly. The prices of Jaipur, Alwar, Delhi and Agra are quoted at Rs 1670, 1620-1625, 1685-1690 and 1650 per quintal respectively. Arrival of mustard seed is reported to be 10000 and 1000 bags in Alwar and Delhi. Arrivals from Agra were quoted at 3850/(Q). Kota market remain closed today on the eve of Shiva Ratri. Total arrival of Rajasthan is reported to be 100000 bags. Arrival increases with pace and new mustard seed started to flush in rajasthan market. Announcement for procurement of mustard by NAFED in 1<sup>st</sup> week of March results into hike in futures market. Long term futures is expected to remain bearish on account of huge arrival pressure of mustard seeds. Procurement of mustard by NAFED at the support price of Rs 1715 per quintal would begin in Madhya Pradesh on March 1, according to governmental sources. There is strong chances that the NAFED may go for advance procurement by one month.

### Status of Price & Supply of the New Crop 27.02.06

Markets	Prices Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1670	-
Alwar(C)	1620-1625	10000
Delhi(C)	1685-1690	1000

Agra(C) Katchi Ghani	1650	3850/(Q)
Sri Ganganagar (NC)	1450	50
Kota (NC)	-	-

### Vayda Quotes

#### Mustard futures as on 27.02.06

Spot	M	PCP	O	H	Low	Ch	C
Delhi	MY	340.9	340.5	343.1	340.5	+2.1	343.0
Hapur	MY	350.1	349.8	352.2	349.8	+1.9	352.0
Hisar	MY	333.6	334.1	335.3	334.1	+1.5	335.1

M: Month; MY: May

### Groundnut

Price for groundnut remains range bound and steady due to equality in demand and supply. Arrival of groundnut in the Gujarat market remained 45,000-50,000 bags. Groundnut seed in Rajkot Mandi traded at Rs 330 per 20 kg and groundnut oil at Rs 432 per 10 kg. Demand for groundnut seed remained same as that of previous day. Prices of groundnut seed and oil decreased by Rs. 2.0 and Rs. 3.0 respectively. Falling prices in futures market for other oils had bearish impact on its prices. The groundnut seed rate is expected to increase in long term due to depleting present stock.

### Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 Kg)	
	27.02.06	25.02.06
Gr Kernel	2165*	2165*
Bolds 60/70	2675*	2675*
Javas 60/70	3000*	3000*
Javas 70/80	2890*	2890*
Javas 80/90	2775*	2775*

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

### CBOT

CBOT remained closed on Saturday and Sunday.

### CBOT Soybean Futures as on 24.02.06

Month	PCP	O	H	L	Ch	Close
Mar 06	571.6	578.0	579.6	572.0	+5.6	577.2
May 06	584.6	592.0	592.6	585.0	+5.6	590.2

### LATEST WEATHER WATCH: 27.02.2006

#### Forecast valid for next 72 hours

Under the influence of the western disturbance over Jammu & Kashmir, light to moderate rain/snow has occurred at many places over Jammu & Kashmir and Himachal Pradesh and at a few places over Uttaranchal.

Light rain/ thundershowers have occurred at a few places over Punjab, Haryana and north Rajasthan. The Day & night temperatures over northwest India have fallen by 2-3° C. The night temperatures are likely to fall further by 2-3° C over northwest India and adjoining Gangetic Plains during next 2-3 days. Day temperatures remained 5-7° C above normal over East Rajasthan, Gangetic Plains and central India; they were 3-5 ° C above normal over the rest parts of the country outside peninsula where they were above normal by 2-3° C. Forecast valid 0830 hours IST of 2<sup>nd</sup> March, 2006

**NORTH-WEST INDIA:** Isolated rain/snow likely over Jammu & Kashmir. Mainly dry weather over the rest region. Night temperatures over the regions are likely to fall by 2-3° C.

**EAST INDIA:** Weather will be mainly dry over the region. Day & night temperatures are likely to remain 3-5°C above normal.

**NORTHEAST INDIA:** Rain/thundershowers are likely at a few places over Assam & Meghalaya and Arunachal Pradesh. Mainly dry weather over the rest region.

**SOUTH INDIA:** Isolated rain/thundershowers likely over Nicobar Islands. Weather will be mainly dry over the rest

region, However, isolated rain/thundershowers are likely over Tamil Nadu and Kerala over 1<sup>st</sup> & 2<sup>nd</sup> March.

**WEST INDIA:** Weather will be mainly dry over the region. Night temperatures over Rajasthan are likely to fall by 2-3° C.

**CENTRAL INDIA:** Weather will be mainly dry over the region. Day temperatures are likely to remain 4-6° C above normal over Madhya Pradesh & Chhattisgarh.

**Source:** MDI, GOI

### Forex Rate on 27.02.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.42
European Union	Euro	52.70
United Kingdom	GBP	77.45
Japan	100 Yen	38.24

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