

OILSEED DAILY

SEPTEMBER 13, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market treaded with steady sentiments on moderate demand and increased arrival in the major mandis in MP, MH and Rajasthan. With the start of festive demand, the prices are likely to get some support. Further, slack demand of soy meal is affecting the soybean spot prices. The prices are expected to hover in its current range.

FUTURES MARKETS:

Soybean futures on the NCDEX exhibited strong bullish sentiments on speculative buying. Except September, all active contracts exhibited firm sentiments. However, international markets remained weak on speculative selling. The most active October contract hovered in the range of 1221-1237 on Tuesday. Market is expected to remain firm on Wednesday.

PRICE DRIVERS:

1. Weak spot market demand
2. Upcoming festival demand
3. Speculative buying in the futures market

WEATHER

Weather is presently fine for the soybean crop in its growing areas.

TECHNICALS

In October contract on the NCDEX, candlestick formation indicates bullishness in the market. Price closed far below the EMA. MACD moved downward in the negative region. Stochastic also favors the bears. Volume increased while open interest slightly declined on Tuesday. Market is expected to show bullish pattern.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1210	1200	1235	1265	1271

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX October contract near 1232, T1-1242 and stop loss below 1227.

SPOT MARKET PRICES

Centers	Market	12.09.06	11.09.06	Change	Arrivals (Bags)
Indore	Plant	1230-50	1235-50	-	25000-30000
Indore	Mandi	1185-1215	1190-1220	-5	
Maharashtra	Plant	1300	1300	-	10000-12000
Maharashtra	Mandi	1250-60	1250-60	-	
Kota	Plant	1220-30	1225-30	-	6000
Kota	Mandi	1180-1205	1185-1210	-5	

MUSTARD

SPOT MARKETS

The mustard seed spot market traded with slightly bearish undertone due to subdued demand at the major mandis of Rajasthan and Delhi. It was offered at lower prices in most of these mandis. Mustard seed selling by NAFED still continues. The seed demand is likely to improve in the coming days as festival season is approaching.

FUTURES MARKETS:

On the NCDEX, all the mustard seed futures contracts traded with bullish sentiments on speculative buying. The soybean and soy oil futures also traded with bullish sentiments. The most active October contracts traded between 346.50-349.50 on Tuesday. Market is expected to remain firm on Wednesday.

PRICE DRIVERS:

1. Lacklustre physical demand
2. Upcoming festival demand
3. Speculative buying in futures market

WEATHER

Mustard, being a rabi crop is not in existence in its growing areas. So weather is no more a concern for this crop.

TECHNICALS

On the NCDEX, in October contract candlestick pattern exhibited strong bullish sentiments. Prices closed far below the 9-days and 18-days EMA. MACD moved horizontal in negative region hinting stability in the prices. Stochastic hovered in neutral region and hinted towards bearish sentiments. Volume and open interest slightly declined on Tuesday. Market is likely to remain stable with slight bullish undertone on Wednesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	340	335	349.5	355	357

TRADE RECOMMENDATION:

Buy NCDEX October contract near 348.5, T1-351.5 and stop loss below 347.00.

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

Markets	12.09.06	11.09.06	Change	Arrivals (Bags)
Jaipur (C)	1720-25	1720-25	-	3500
Alwar(C)	1640-50	1640-45	-5	1000-1200
Delhi(C)	1760	1775-80	-20	1000
Agra(C)/Katchi Ghani	1825/4075	1825/4100	-	-
Sri Ganganagar (NC)	1460	1460	-	200
Kota (NC)	1520-45	1520-50	-5	600

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market traded with weak sentiments in Gujarat on subdued demand. Groundnut seed in Rajkot hovered near Rs 370 per 20 kg and groundnut oil traded at Rs 510 per 10 kg. Arrivals at the Rajkot mandi remained at 15000 bags.

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