

OILSEED DAILY

SEPTEMBER 11, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market witnessed marginal decline in the prices due to lacklustre demand in MP, MH and Rajasthan mandis. Arrivals remained more or less same as was on previous trading day. Demand is likely to pick up in the coming days due to start of festive season in the early next month.

FUTURES MARKETS:

Soybean futures on the NCDEX traded with strong bearish sentiments on speculative selling. In all the contracts, prices exhibited similar behavior. The whole oil complex exhibited similar sentiments. The most active October contract hovered in the range of 1243-1255.90 on Saturday. The market is likely to remain weak on Monday.

PRICE DRIVERS:

1. Sluggish spot market demand
2. Upcoming festival demand
3. Speculative selling in the futures market
4. Expected delay in crop arrival

WEATHER

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

TECHNICALS

In October contract on the NCDEX, candlestick formation exhibited bearish pattern. Price closed far below the EMA underlying weakness. MACD hovered in negative region and moved downward. However, the stochastic exhibits bullish undertone in neutral region. Volume declined while open interest slightly increased on Saturday. The market is expected to exhibit slight bearish undertone on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1240	1235	1249	1265	1271

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX October contract near 1253, T1-1243 and stop loss above 1258.

SPOT MARKET PRICES

Centers	Market	09.09.06	08.09.06	Change	Arrivals (Bags)
Indore	Plant	1240-55	1250-60	-5	15000-20000
Indore	Mandi	1180-1200	1180-1200	-	
Maharashtra	Plant	1315	1315	-	10000-12000
Maharashtra	Mandi	1250-60	1250-70	-10	
Kota	Plant	1230-40	1235-40	-	4000-5000
Kota	Mandi	1210-20	1210-30	-10	

MUSTARD

SPOT MARKETS

The mustard seed traded with weak sentiments in all the major mandis of Rajasthan owing to subdued demand. Arrivals slightly increased and prices marginally declined. NAFED is offloading its stock continuously. The market is expected to trade in its current range for few days.

FUTURES MARKETS:

On the NCDEX, all the mustard seed futures contracts traded with bearish sentiments on speculative selling. Whole oil complex exhibited similar sentiments on Saturday. The most active October contracts traded between 350.20-352.95 on Saturday. The market may remain bearish on Monday.

PRICE DRIVERS:

1. Moderate physical demand
2. Upcoming festival demand
3. Speculative selling in futures market
4. Overall bearish sentiments 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 bearish pattern. Prices closed below the 9-days and 18-days EMA. MACD moved upward in negative region hinting some stability in the prices. Stochastic hovered in neutral region and signaled improved sentiments. Volume of trade and open interest slightly declined on Saturday. Mustard futures is likely to trade with slightly bearish undertone on Monday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	348	345	351.0	358	361

TRADE RECOMMENDATION:

Sell NCDEX October contract near 352.30, T1-350.30 and stop loss above 353.30.

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

Markets	09.09.06	08.09.06	Change	Arrivals (Bags)
Jaipur (C)	1725-30	1730-35	-5	4000
Alwar(C)	1650-60	1650-65	-5	12000-13000
Delhi(C)	1785-90	1790-95	-5	1000
Agra(C)/Katchi Ghani	1830/4125	1825-30/4125	-	-
Sri Ganganagar (NC)	1470	1475	-5	250-300
Kota (NC)	1565-75	1560-80	-5	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market traded with weak sentiments in Gujarat on marginally subdued demand. Groundnut seed in Rajkot hovered near Rs 380 per 20 kg and groundnut oil traded at Rs 525 per 10 kg. Arrivals at the Rajkot mandi remained at 15000 bags.

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