

OILSEED DAILY

SEPTEMBER 28, 2006

SOYBEAN

SPOT MARKETS

Soybean traded with steady sentiments with slightly bullish undertone as demand remained satisfactory in the major mandis in MP, Rajasthan and MH. As, groundnut production is expected to decline considerably, so soybean prices are expected to remain stable to firm in the coming days.

FUTURES MARKETS:

Soybean futures on the NCDEX traded with mixed sentiments as November and January contracts traded with improved sentiments while the October and December contracts traded in both direction but settled below the opening level due to selling pressure. The futures is expected to trade with slightly weak sentiments on Thursday. The most active October contract hovered in the range of 1227.10-1237.95 on Wednesday.

PRICE DRIVERS:

1. Improved spot demand
2. Speculative trading in the futures market
3. Bearish soyoil futures

WEATHER

Weather is normal in most of the soybean growing areas in MP and MH. However, some parts may receive scattered rains.

TECHNICALS

On the NCDEX, Soybean October contract chart exhibits weak sentiments owing to weak buying support. The price closed below the 9-day and 18-day EMA showing weakness in the market sentiments. Stochastic, MACD and RSI also give bearish signals. Market is expected to behave with slight weak undertone.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1226	1221	1234.2	1252	1255

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX October contract near 1240, T1-1230, and stop loss above 1245.

SPOT MARKET PRICES

Centers	Market	27.09.06	26.09.06	Change	Arrivals (Bags)
Indore	Plant	1225-1240	1220-1230	+10	25000-30000
Indore	Mandi	1180-1210	1180-1220	-10	
Maharashtra	Plant	1260-1275	1275	-	10000-15000
Maharashtra	Mandi	1220-1240	1210-1220	+20	
Kota	Plant	1180-90	1180-1190	-	6000-7000
Kota	Mandi	1150-1170	1150-1170	-	

MUSTARD

SPOT MARKETS

The mustard seed spot market traded with weak sentiments due to hefty stock and comparatively low demand in major centers in Rajasthan while in Delhi some improvement was observed due to slight improvement in the demand. In Rajasthan farmers are very much worried about the prevailing prices scenario of the mustard seed. On the other hand NAFED, also want to reduce its stock. So, the overall, prices are not expected to see any significant upward bias despite the start of the festive season.

FUTURES MARKETS:

On the NCDEX, Mustard Futures traded with weak sentiment s owing to slack demand. All the mustard seed futures traded with bearish sentiments. The hefty stocks at the spot markets also add to the weak sentiments of the futures market. Futures is expected to behave with weak sentiments on Thursday.

PRICE DRIVERS:

1. Weak physical demand
2. Upcoming festive demand
3. Lack of buying interest in the futures market
4. Higher mustard seed stock with the NAFED.

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 the Mustard seed October contract, chart pattern show weak sentiments. The volume of trade slightly increased while open interest marginally declined on Wednesday. EMA patterns, momentum studies and oscillators favor the bears. Market is likely to trade with slight weak sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	344.5	343.5	346	350.5	352.6

TRADE RECOMMENDATION:

Sell NCDEX October contract near 347, T1-345 and stop loss above 348.

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

Markets	27.09.06	26.09.06	Change	Arrivals (Bags)
Jaipur (C)	1710-15	1710-20	-5	3000
Alwar(C)	1635-40	1635-40	-	1100
Delhi(C)	1780	1770	+10	300
Agra(C)/Katchi Ghani	1825/4125	1825/4100	-	-
Sri Ganganagar (NC)	1460-65	1460-65	-	200
Kota (NC)	1520-40	1520-50	-10	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Standstill condition persists into the Groundnut market and traded with steady to firm sentiments in Gujarat on improved demand. Groundnut seed in Rajkot hovered near Rs 390 per 20 kg and groundnut oil traded at Rs 550 per 10 kg. Arrivals at the Rajkot mandi remained at 20000 bags. The prices are expected to witness firm trend in near future.

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