

OILSEED DAILY

SEPTEMBER 12, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market treaded with bearish sentiments on increased arrival and moderate demand in the major mandis in MP, MH and Rajasthan. It appears that it will take some more time to pick up festive demand in this area.

FUTURES MARKETS:

Soybean futures on the NCDEX exhibited strong bearish sentiments on speculative selling. All the active contracts opened below the previous close level and continued downtrend. The bearish international sentiments also added to its weakness. The whole oil complex exhibited similar bearish sentiments. The most active October contract hovered in the range of 1224.25-1246 on Monday. Weak trend is expected to continue on Tuesday also.

PRICE DRIVERS:

1. Weak spot market demand
2. Upcoming festival demand
3. Speculative selling in the futures market
4. Weak CPO at BMD and Crude oil at Nymex

WEATHER

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

TECHNICALS

In October contract on the NCDEX, candlestick formation suggests strong bearish undertone. Price closed far below the EMA underlying continuation of weak trend. MACD moved downward in the negative region. Stochastic also favors the bears. Volume increased while open interest slightly declined on Monday. Market may remain weak on Tuesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1210	1200	1227	1265	1271

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX October contract near 1232, T1-1222 and stop loss above 1237.

SPOT MARKET PRICES

Centers	Market	11.09.06	09.09.06	Change	Arrivals (Bags)
Indore	Plant	1235-50	1240-55	-5	25000-30000
Indore	Mandi	1190-1220	1180-1220	-	
Maharashtra	Plant	1300	1315	-15	10000
Maharashtra	Mandi	1250-60	1250-60	-	
Kota	Plant	1225-30	1230-40	-10	8000
Kota	Mandi	1185-1210	1210-20	-10	

MUSTARD

SPOT MARKETS

The mustard seed physical market exhibited lackluster trade owing to weak demand in all the major mandis in the Rajasthan. It was offered at lower prices in all of these mandis. NAFED is offloading its stock at around Rs. 1615 per quintals. It appears that market is yet to pick up festive demand. The spot prices are expected to remain in its current range.

FUTURES MARKETS:

On the NCDEX, all the mustard seed futures contracts traded with bearish sentiments on speculative selling. The soybean and soy oil futures also traded with deep bearish sentiments. The most active October contracts traded between 347.20-349.90 on Monday. The market is expected to trade with the similar trend on Tuesday.

PRICE DRIVERS:

1. Weak physical market demand
2. Upcoming festival demand
3. Speculative selling in futures market
4. Weak CPO at BMD and Crude oil at Nymex

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 bearish sentiments. Prices closed far below the 9-days and 18-days EMA. MACD moved parallel in negative region hinting some stability in the prices. Stochastic hovered in neutral region and hinted towards bearish sentiments. Volume increased while open interest slightly declined on Monday. Mustard seed futures is likely to remain bearish on Tuesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	340	335	347.6	352	355

TRADE RECOMMENDATION:

Sell NCDEX October contract near 348.5, T1-346.5 and stop loss above 349.50.

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

Markets	11.09.06	09.09.06	Change	Arrivals (Bags)
Jaipur (C)	1720-25	1725-30	-5	3500
Alwar(C)	1640-45	1650-60	-15	1000-1200
Delhi(C)	1775-80	1785-90	-10	2000
Agra(C)/Katchi Ghani	1825/4100	1830/4125	-5	-
Sri Ganganagar (NC)	1460	1470	-10	200
Kota (NC)	1520-50	1565-75	-25	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 378 per 20 kg and groundnut oil traded at Rs 520 per 10 kg. Arrivals at the Rajkot mandi remained at 15000 bags.

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