

OILSEED DAILY

SEPTEMBER 18, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market traded with steady sentiments on normal demand in MP, MH and Rajasthan. Prices and arrivals hovered in the previous day's range. However, mandi prices remained higher in Maharashtra. The prices are expected to remain firm in the coming days. According to the first government released kharif production estimates, the projected Soybean output is likely to be 8 million tonnes as compared to 7 million tonnes last year. The total oilseeds production has been estimated at 13 million tonnes, which is less than 2 million tonnes from the last year figure.

FUTURES MARKETS:

Soybean futures on the NCDEX exhibited bullish sentiments on speculative buying. Firm soy oil futures also added to its positive sentiments. The most active October contract hovered in the range of 1241.35-1250 on Saturday. Firm trend is expected.

PRICE DRIVERS:

1. Improved spot market demand
2. Upcoming festival demand
3. Good buying in the futures market

WEATHER

In MP some soybean growing areas may experience rains, which may be of concern to the standing crop.

TECHNICALS

In October contract on the NCDEX, candlestick pattern show doji pattern as prices traded in both direction almost equally and closed near the opening level. Price closed below the 9-days EMA. MACD remains in negative region and indicates firm sentiments. Stochastic and RSI favors the bulls. Volume and open interest slightly declined on Saturday. Market is expected to behave firm.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1226	1220	1245.00	1265	1271

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX October contract near 1242, T1-1252 and stop loss below 1237.

SPOT MARKET PRICES

Centers	Market	16.09.06	15.09.06	Change	Arrivals (Bags)
Indore	Plant	1220-40	1220-40	-	35000-40000
Indore	Mandi	1190-1200	1190-1200	-	
Maharashtra	Plant	1300	1300	-	8000-10000
Maharashtra	Mandi	1240-70	1230-50	+20	
Kota	Plant	1220-30	1225-30	-	5000
Kota	Mandi	1190-1200	1180-1200	-	

MUSTARD

SPOT MARKETS

The mustard seed spot market traded steadily on firm demand in most of the mandis in Delhi, Rajasthan and Agra. The prices remained in the previous day's range. The festive demand is continue and mustard seed prices are expected to trade firm in the coming days.

FUTURES MARKETS:

On the NCDEX, all the mustard seed futures contracts initially traded with firm sentiments but later on profit booking brought the prices down. Finally, in most of the contracts, prices closed near the opening level. The most active October contracts traded between 349.50-350.70 on Saturday. Market is expected to remain firm.

PRICE DRIVERS:

1. Improved physical demand
2. Upcoming festival demand
3. Profit booking in the 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 shows doji pattern, which indicates that prices moved in both direction but settled on opening level due to profit booking. Prices closed below the 9-days EMA. MACD moved upward in negative region. Stochastic and RSI also exhibited bullish sentiments. Volume declined while open interest slightly increased on Saturday. Market appears to be steady to firm.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	340	335	350.10	355	357

TRADE RECOMMENDATION:

Buy NCDEX October contract near 349.00, T1-351.00 and stop loss below 348.00.

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

Markets	16.09.06	15.09.06	Change	Arrivals (Bags)
Jaipur (C)	1730-35	1730-35	-	4000
Alwar(C)	1660-65	1660	+5	1000-1200
Delhi(C)	1780	1780	-	600
Agra(C)/Katchi Ghani	1850/4150	1850/4175	-	-
Sri Ganganagar (NC)	1485	1485	-	300
Kota (NC)	1550-70	1570-75	-5	1000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market traded with firm sentiments in Gujarat on firm demand. Groundnut seed in Rajkot hovered near Rs 385 per 20 kg and groundnut oil traded at Rs 535 per 10 kg. Arrivals at the Rajkot mandi remained at 20000 bags. According to the first government released kharif production estimates, the projected groundnut production is about 4 million tonnes as compared to the last year output of 6.22 million tonnes. This decline is attributed to the severe drought conditions in the groundnut producing belts in the Andhra Pradesh and lower acreage under groundnut in Gujarat due to shift to the more remunerative cotton crop.

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