

OILSEED DAILY

SEPTEMBER 08, 2006

SOYBEAN

SPOT MARKETS

Soybean spot market exhibited steady trend due to improved demand in most of the mandis in Madhya Pradesh, Maharashtra and Rajasthan. Plant prices also remained in the previous day's range. The demand is expected to remain stable in the coming days owing to increasing in the crushing demand keeping in mind the upcoming October festival season.

FUTURES MARKETS:

Soybean futures on the NCDEX remained firm on speculative buying. Prices closed above the day's open level. The mustard seed and soy oil seed sentiments also remained firm on increased buying. The most active October contract remained bullish on increased buying and hovered in the range of 1257-1267 on Thursday. The market is likely to remain firm in the coming days.

PRICE DRIVERS:

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

WEATHER

Weather for next 1-2 days is comfortable for the soybean crop.

TECHNICALS

In October contract on the NCDEX, candlestick formation exhibited bullish sentiments due to speculative buying. The stochastic remains in neutral region and exhibit bearish sign. Price closed just below the EMA signaling some strength. MACD hovered in negative region but started upward movement. Volume and open interest slightly declined on Thursday. The market is expected to remain firm in coming days.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	1250	1245	1262.90	1279	1285

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX October contract near 1264, T1-1274 and stop loss below 1259.

SPOT MARKET PRICES

Centers	Market	07.09.06	06.09.06	Change	Arrivals (Bags)
Indore	Plant	1245-60	1250-60	-	8000-10000
Indore	Mandi	1180-1220	1195-1220	-	
Maharashtra	Plant	1315	1315	-	10000-12000
Maharashtra	Mandi	1260-80	1250-70	+10	
Kota	Plant	1235-50	1240-50	-	3000-4000
Kota	Mandi	1210-30	1210-30	-	

MUSTARD

SPOT MARKETS

The mustard seed traded firm in the major mandis of Rajasthan owing to improved demand for crushing. In the Alwar and Kota mandis, it was offered at higher prices than the previous day's range. Arrivals remain same, as was on previous trading day. The demand is likely to improve in the coming days with the nearing in of the festive season.

FUTURES MARKETS:

On the NCDEX, all the mustard seed futures contracts traded with bullish sentiments on speculative buying. The soyoil and soy seed futures also remained firm on increased demand. The most active October contracts traded between 350.50-355.10 on Thursday.

PRICE DRIVERS:

1. Improved physical demand
2. Upcoming festival demand
3. Good demand 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 bullish undertone. Prices closed near the 9-days EMA indicating improvement in the near future. MACD remains flat in negative region hinting some stability in the prices. Stochastic hovered in neutral region and signaled slight bearish sentiments. Volume of trade and open interest increased on Thursday. Market is likely to trade with improved sentiments.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
October	349	345	353.50	358	361

TRADE RECOMMENDATION:

Buy NCDEX October contract near 354.00, T1-356.00 and stop loss below 353.00.

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

Markets	07.09.06	06.09.06	Change	Arrivals (Bags)
Jaipur (C)	1330-35	1730-35	-	4000
Alwar(C)	1660-70	1650-60	+10	1000-1200
Delhi(C)	1790-95	1790-95	-	700-800
Agra(C)/Katchi Ghani	1825-30/4125	1850/4175	-20	-
Sri Ganganagar (NC)	1475	1475	-	200
Kota (NC)	1560-80	1550-65	+15	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Groundnut seed market traded with steady undertone in Gujarat on reduced 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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