

OILSEED DAILY

SOYBEAN

OCTOBER 24, 2006

SPOT MARKETS:

Most of the mandis remained closed except for mahurat trading. No arrivals were reported in Maharashtra and Rajasthan except for marginal arrivals reported in Indore. The mahurat rate was noted at Rs 1181/qt [Indore]. Rates at plant remained firm on account of normal demand. Active trading is likely to begin after 25th of this month.

FUTURES MARKETS:

Soybean futures at the NCDEX traded slightly upwards initially following a weak opening. However, increased selling interest at the higher levels pressurized the futures at traded somewhat lower thereafter. Weak soy oil sentiments also pressurized the soybean futures. The festive season is restricted the market activities. The November contract at NCDEX settled down Rs.17.95 at Rs.1243.00 and hovered within the range of Rs.1241.50-1259.95.

PRICE DRIVERS:

1. Mandis remained closed
2. No fresh arrivals reported
3. Approaching festive holidays.

WEATHER

Weather is reported to be normal in most part of the soybean growing areas.

TECHNICALS

In the November contract, chart pattern exhibit weak sentiments on speculative selling. Prices closed above the 9-days and 18-days EMA. Stochastic is in normal territory. The % K line after crossing % D line from the above moving downwards. MACD is in positive territory and moving downwards, indicating weakness at medium term. Volume increased and open interest has decreased as against previous day. Market is expected to remain weak.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
November	1221	1215	1243	1250	1256

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX November contract below 1245, T1-1235, T2- 1230 and stop loss below 1252.

SPOT MARKET PRICES

Centers	Market	23.10.06	20.10.06	Change	Arrivals (Bags)
Indore	Plant	1225	1225-1230	-5	4000 - Indore
Indore	Mandi	-	-	0	
Maharashtra	Plant	1225	1225	0	Not reported
Maharashtra	Mandi	-	-	-	
Kota	Plant	1200	1200	0	Not reported
Kota	Mandi	-	-	-	

MUSTARD

SPOT MARKETS:

Few of the mandis remained closed and witnessed lower arrivals. The projected production [2006-07] for mustard is expected to fall short by a greater margin owing to delay in sowing and higher temperature. This sentiment gave enough buying support thus increasing the rates to a marginal extent. The trend is likely to gain further after 26th when most of the mandis would start off active trading.

FUTURES MARKETS:

On the NCDEX, mustard seed futures exhibited downwards movement at the early hours of trade following a weak opening. However, increased buying interest at the lower levels supported the futures and curbed the early losses. The lower demand amidst good stocks is also underpinning the market tone. The November contract at NCDEX settled down Rs.1.05 at Rs.350.00 and hovered within the range of Rs.351.05-349.25.

PRICE DRIVERS:

1. Few mandis remained closed.
2. Marginal fresh arrivals reported.
3. Impact of decrease in crop production.

WEATHER

Weather seems to have a little impact on the mustard seeds in general except for higher temperature during germination stage.

TECHNICALS

On the NCDEX, mustard seed futures exhibited downwards movement at the early hours of trade following a weak opening. However, increased buying interest at the lower levels supported the futures and curbed the early losses. The lower demand amidst good stocks is also underpinning the market tone. The November contract at NCDEX settled down Rs.1.05 at Rs.350.00 and hovered within the range of Rs.351.05-349.25.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
November	348	347	350	352	353

TRADE RECOMMENDATION:

Buy NCDEX November contract near 349, T1-350.5, T2-351 and stop loss below 348.00.

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

Markets	23.10.06	20.10.06	Change	Arrivals (Bags)
Jaipur (C)	1725		-	8000-9000
Alwar(C)	1660-1670		-	1000-1200
Delhi(C)	1770		-	200-300
Agra(C)/Katchi Ghani	-		-	-
Sri Ganganagar (NC)	1480		-	200
Kota (NC)	-		-	-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

No fresh arrivals for groundnut were reported in the market on account of holidays. Rates for groundnut oil remained range bound. It was quoted at 505 Rs per 10Kg. Arrivals for groundnuts are likely to pick up by start of November. Local demand from feed industry is likely to impact trade sentiments by first fortnight of next month.

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