

OILSEED DAILY

OCTOBER 04, 2006

SOYBEAN

SPOT MARKETS

Soybean traded with bearish undertone due to lacklustre demand in all the major mandis in MP and MH. However, in Rajasthan, prices slightly improved. The new crop arrival will start flooding the market in few days. So, amidst normal demand, the prices may ease in coming days.

FUTURES MARKETS:

All active contracts of the soybean traded with bearish sentiments on the NCDEX on weak buying support and more selling interest. Soy oil futures also exhibited the similar sentiments. It appears that the futures market may show further downtrend due to speculative selling in coming days. The most active November contract hovered in the range of 1224-1230.95 on Tuesday.

PRICE DRIVERS:

1. Weak spot demand
2. Selling pressure in futures market
3. Bearish soy oil 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 November contract chart exhibits bearish sentiments owing to speculative selling. The price closed far below the 9-day and 18-day EMA showing weakness in the market. Stochastic, MACD and RSI also favour the bears. Volume and open interest increased on Tuesday. It is expected that market may trade with bearish sentiments on Wednesday on continued selling interest.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
November	1221	1219	1228.5	1245	1252

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX November contract near 1231, T1-1221, and stop loss above 1236.

SPOT MARKET PRICES

Centers	Market	03.09.06	30.09.06	Change	Arrivals (Bags)
Indore	Plant	1220-30	1200-1235	-	15000-20000
Indore	Mandi	1170-1180	1180-1190	-10	
Maharashtra	Plant	1270	1260-1275	-5	10000-12000
Maharashtra	Mandi	1200-1220	1220-1240	-20	
Kota	Plant	1185-1200	1180-1190	+10	5000
Kota	Mandi	1150-1165	1150-1170	-5	

MUSTARD

SPOT MARKETS

The mustard seed spot market traded with steady sentiments with slight bearish undertone as prices marginally declined in Jaipur and Delhi mandis. The demand from the crushing mills continues, and it is expected that the spot prices will hover in its current range with slight improvement in coming days.

FUTURES MARKETS:

On the NCDEX, range bound trade was observed. In most active November contract selling pressure kept prices down. Other contracts also exhibited more or less similar sentiments. However, the futures is expected to improve in the coming days with the nearing in of the festive season.

PRICE DRIVERS:

1. Steady physical demand
2. Upcoming festive demand
3. Mixed sentiments 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 the Mustard seed November contract, chart pattern show doji pattern. Prices closed below the EMA. Stochastic and MACD indicates towards slight improvement in the futures market sentiments in the coming days. However, RSI favours the bears. Futures is expected to improve slightly on Wednesday.



SUPPORT / RESISTANCES:

Contract	S1	S2	PCP	R1	R2
November	348	346	351.8	355	357

TRADE RECOMMENDATION:

Buy NCDEX November contract near 351.00, T1-353.00 and stop loss below 350.00.

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

Markets	03.09.06	30.09.06	Change	Arrivals (Bags)
Jaipur (C)	1710-15	1715-20	-5	3000
Alwar(C)	1650	1640-45	+5	1000
Delhi(C)	1760	1770	-10	1000
Agra(C)/Katchi Ghani	1850/4125	1850/4125	-	-
Sri Ganganagar (NC)	1465-70	1465-70	-	200
Kota (NC)	1520-40	1520-40	-	500

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET

Demand continues to remain firm in the groundnut market due to on going festival season and expected decline in the output. It hovered in Rajkot near Rs 395 per 20 kg and groundnut oil traded at Rs 550 per 10 kg. Arrivals at the Rajkot mandi remained at 25000 bags. The prices are expected to witness firm trend in near future.

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