

OILSEED DAILY

SOYBEAN

16th January 2006

SPOT MARKETS:

Despite new outbreaks in Thailand, Japan and Vietnam, soybeans prices improved across domestic market with increased arrivals. Producers are main sellers as prices are more lucrative. Solvent extraction units to continue regular offtake at prevailing market rates to make up shortfall of buffer stock and winter demand demand. Slower trade activities reported in few markets on celebration of Makar Sankranti. Sharp gains at BMD and edible oil had underlying bullish impact in the domestic market.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 1436/qtt against yesterday closing at Rs 1429.85/qtt. Amidst firm crude palm oil futures at BMD and doubt about revision of imported oil duty had underlying bullish impact on February contract. The contract closed at Rs 1437/qtt, Rs 7.15 high to the previous closing level.

PRICE DRIVERS:

1. Increased overall beans arrivals
2. Improved demand for edible oil in domestic market.
3. Bullish BMD crude palm oil futures
4. Increase meal demand

WEATHER:

Weather is reported to be clear to facilitate arrivals.

TECHNICALS: -

Soybean is showing indecision at higher levels, dragon fly doji pattern of candlestick, depicts the same. The prices closed above EMAs shows the firmness is intact. Stochastics are positive in neutral region. MACD is also showing further decrease in bearish momentum. The prices are likely to show volatile movements.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	1411	1421	1437	1446	1460

TRADE RECOMMENDATION: (Intraday)

Risk lovers can Sell Soybean below 1442 with target towards 1428 and then 1421. Put SL at 1450.

SPOT MARKET PRICES: -

Centers	Market	15.01.07	13.01.07	Change	Arrivals (Bags)
Indore	Plant	1400-1425	1400-1425	0	70,000-75000 M.P.
Indore	Mandi	1340-80	1350-1380	+10	
Maharashtra	Plant	1420-50	1380-1385	+40	70,000-75,000 Maharashtra
Maharashtra	Mandi	1400-1425	1350-1370	+50	
Kota	Plant	1400-1410	1380-1390	+20	24,000-25,000 Rajasthan
Kota	Mandi	1345-55	1325-1335	+20	

MUSTARD

SPOT MARKETS:

Nafed had revised the mustard seeds prices across the spot markets. The new rates quoted by NAFED stood at Rs 1745/qlt for Jaipur region and for rest of the centres it stood at Rs 1695/qlt. [For seeds stocked during 2005-06 season]. Arrivals improved as stockists are emptying their inventories prior to fresh early harvest [Toria] crop. Traders are doubtful about oil content in upcoming mustard crop as sowing was late in the season had some bullish impact.

FUTURES MARKET: -

PRICE DRIVERS:

1. Marriage season ahead
2. Slight improvement of seeds demand
3. Increased arrivals
4. Increase crushing
5. Reports of Toria harvests

WEATHER

Dry weather is likely to prevail over mustard growing regions. However, ground frost is likely over some parts of plains of northwest India.

TECHNICALS

Mustard Charts are showing tentativeness at higher levels as depicted by doji formation of candlestick. The prices closed above EMAs, which shows weakness in the market sentiments. Stochastics are negative in neutral region. MACD however, is showing further decrease in bearish momentum. The prices are likely to remain on the softer side.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	369	371	374.2	377	379

TRADE RECOMMENDATION:

Risk lovers can Sell below 376 with target towards 372 and then 370. Put SL at 378.

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

Markets	15.01.07	13.01.07	Change	Arrivals (Bags)
Jaipur (C)	1870-1900	1840-1850	+30	10,000-12,000
Alwar(C)	1800	1800	0	500-600
Delhi(C)	1940-1950	1930-1935	+10	300
Agra(C)/Katchi Ghani	2000	1950/4600	+50	-
Sri Ganganagar (NC)	1630-35	1625-630	+5	300
Kota (NC)	1660-70	1660	0	300-400

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Groundnut seeds demand remained high today amidst interest of resellers and stockists for anticipation good demand in off-season with gains in edible oil in domestic market. Arrivals were reported to be in a range of around 50-60,000 bags and fates for seeds were reported to be around Rs 424 to 445/20Kg (bag) for across spot markets in Gujarat. Prices for groundnut oil was quoted at Rs 575-590/10 Kg

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