

OILSEED DAILY

SOYBEAN

29th January 2006

SPOT MARKETS:

Soybeans prices picked up in Maharashtra regions on declined arrivals with regular offtake as most of mandis remained closed due to Saturday. Beans arrivals also declined in Kota supported the bullish sentiments. Weak sentiments for meal at ports and improved arrivals in MP supported bearishness in Indore. Overnight weakness at CBOT amidst reports of bird flu in Europe (Hungry) and mixed sentiments for soy oil had underlying bearish impact.

FUTURES MARKET: -

The NCDEX March contract opened at Rs 1443/ctl against yesterday closing at Rs 1448.5/ctl. Follow-through rallies for soybean with bearish soy oil futures had mixed reaction and soybeans March contract declined slightly and contract closed at Rs 1445/ctl, Rs 3.5 down than the previous closing level.

PRICE DRIVERS:

1. Reports of bird flu in Europe (Hungry)
2. Steady demand
3. Weak soymeal sentiments at ports
4. Bearish USDA exports sales report
5. Steady beans arrivals

WEATHER:

Thundershower likely to expect over Rajasthan would affect beans arrivals in day to come while clear weather over rest of central regions would facilitate arrivals for beans.

TECHNICALS: -

Soybeans charts are showing mixed sentiments in the market. The prices closed below 9-days EMA, which shows short-term weakness. MACD and Stochastic are both in favor of bears. Candlestick have formed Harami pattern, which hints for the possible reversal in the trend, however confirmation is needed for the same. The prices are likely to show volatile movements



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	1427	1433	1445	1457	1466

TRADE RECOMMENDATION: (Intraday)

Risk lovers can Sell NCDEX March Soybean contract below 1451 with target of 1434. Put SL at 1461.

SPOT MARKET PRICES: -

Markets	Market	27.01.07	25.01.07	Change	Arrivals (Bags)
Indore	Plant	1410-1425	1420-1430	-10	70,000-75,000 M.P.
Indore	Mandi	1370-1390	1370-1400	0	
Maharashtra	Plant	1455-1460	1440-1445	+15	40,000-55,000
Maharashtra	Mandi	1415-1440	1400-1430	+15	
Kota	Plant	1400-1415	1400-1415	0	18,000-20,000 Rajasthan
Kota	Mandi	1340-1355	1320-1350	+20	

MUSTARD

SPOT MARKETS:

Nafed kept unchanged mustard seeds prices for Kota regions were at Rs. 1670/qtl and for Jaipur region it hovered around Rs. 1720/qtl [for seeds stock during 2005-06]. Arrivals remained steady with regular offtake from miller/crushers. Seasonal and forecast of fall in temperature ahead had underlying bullish impact. Resellers were reported to engage in buying at few places under presumption that prevailing rates can firm up in days to come amidst dwindling seed stock with NAFED. With forecast of cloudy conditions likely to affect mustard seeds production on presumption of increase aphid population.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 366.2 /20Kg against previous closing of Rs 367.8/20Kg. Weakness in soy oil and soybeans futures market had spill over effect on mustard seeds. The contract closed at Rs 368/20 Kg, Rs 0.2 high to previous days closing price levels.

PRICE DRIVERS:

1. Steady arrivals of mustard seeds.
2. NAFED kept unchanged mustard seeds rates.
3. Regular offtake miller/crusher
4. Mixed prices for other vegetable oils

WEATHER:

The cloudy condition with likely isolated rainfall could increase aphid population in pod formation to seeds developing stage for Mustard crop in Punjab, Haryana and Western Rajasthan.

TECHNICALS

Mustard charts are showing continued weakness in the market. The prices closed below EMAs, which shows bearish trend is intact. MACD is running down slowly in negative region, which suggests bearish momentum is increasing. Stochastics are also negative in the neutral region. The prices are likely to remain on softer side.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	362	364	367	369	371

TRADE RECOMMENDATION:

Risk lovers can Sell NCDEX Mustard Feb contract below 368 with target of 365 and then 364. Put SL at 371.

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

Markets	27.01.07	25.01.07	Change	Arrivals (Bags)
Jaipur (C)	1825-1830	1825	0	10,000-12,000
Alwar(C)	1750	1750	0	500-700
Delhi(C)	1890	1910-1915	-20	500-600
Agra(C)/Katchi Ghani	1925/4500	1925/4500	0	-
Sri Ganganagar (NC)	1635-1640	1625	+10	150-200
Kota (NC)	-	1640-1650	-	-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Improved demand for groundnut seeds from resellers and stockists for good premium in off-season supported the bullish sentiments in physical market. Arrivals remained approximately 40,000 bags. Seeds rates varied from Rs 430 to 470/20Kg (bag) across spot markets in Gujarat. Prices for groundnut oil remained steady in a range of Rs 590-610/10 Kg.

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