

OILSEED DAILY

SOYBEAN

10th January 2006

SPOT MARKETS:

Rates for beans firmed up in Madhya Pradesh and Rajasthan and thus managed to become dearer over yesterdays prices. As per market observers, farmers are steadily unloading beans into the market to avail better prices offered by stockists and solvent units. More bags of beans are expected to arrive after 'Sankranti' festival. Good domestic demand for soymeal and regular offtake from solvent units kept the sentiments firm.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 1395/qty against previous closing levels of Rs 1396.15/qty. The spill over affect of weak palm oil & soy oil in overseas market amidst weak soymeal sentiments at ports was well observed in domestic soybean futures. The contract closed at Rs 1394/qty, slightly below the previous closing level.

PRICE DRIVERS:

1. Slight decline in arrivals across spot markets.
2. Good to weak demand for soy oil in domestic market.
3. Weak palm oil futures.
4. Improved soymeal sentiments across domestic markets.
5. Normal offtake by solvent units.

WEATHER:

Weather is reported to be clear to facilitate arrivals.

TECHNICALS

Small real body with long upper shadow indicates bearishness amidst slight indecisiveness. Stochastic is scaling down towards oversold region. MACD has declined into negative territory. The prices closed well below 9 day EMA and 18-day EMA indicating steep decline in positive momentum. Volume declined and Open Interest hiked marginally.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	1389	1397	1394	1414	1419

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX January contract below 1410, T1-1405, T2-1400 and stop loss above 1413.

SPOT MARKET PRICES: -

Centers	Market	09.01.07	08.01.07	Change	Arrivals (Bags)
Indore	Plant	1385-1400	1360-1380	+20	80,000 bags MP
Indore	Mandi	1320-1345	1320-1340	+5	
Maharashtra	Plant	1415-1420	1420-1425	-5	55,000
Maharashtra	Mandi	1375-1380	1370-1380	0	
Kota	Plant	1365-1385	1360-1380	+5	15, 000 Rajasthan
Kota	Mandi	1330-1340	1320-1335	+5	

MUSTARD

SPOT MARKETS:

As per traders in Rajasthan, cold wave conditions amidst frost across North of Rajasthan has hampered routine trading to certain extent besides presuming adverse impact on mustard crop. NAFED revised up the prices uniformly across the spot markets. The new rates quoted by NAFED stood at Rs 1745 per quintal for Jaipur region and for rest of the centres it stood at Rs 1710 per qtl. [For seeds stocked during 2005-06 season]. Rates firmed up in Jaipur and Ganganagar and elsewhere it remained range bound amidst slight decline in daily arrivals of seeds. As per NAFED, they hold around 11.5 to 12 lakh tonnes of mustard seeds.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 377.5 per 20 Kg slightly above previous closing of Rs 376.75 per 20 Kg. Contract traded firm, amidst recurrent upward price revision done by NAFED amidst dwindling seed stocks. The contract closed at Rs 379.9 per 20 Kg, Rs 3.15 above previous closing levels.

PRICE DRIVERS:

1. Dwindling seed stocks with NAFED.
2. NAFED again revised prices by Rs 5 per qtl.
3. Resellers quoted seed rates as per prevailing trend
4. Steady arrivals at spot markets.

WEATHER

The prevailing ground frost conditions at some places over Punjab, north Rajasthan and Haryana are likely to subside during next 48 hours. Cold waves is likely to persist further.

TECHNICALS

Unfilled candlestick indicates bullishness. Stochastic is scaling up steadily. MACD has become steady in negative territory. The prices closed between 9 day EMA and 18-day EMA indicating improvement in positive sentiments. Both volume and open interest increased.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	371	375	379.90	386	390

TRADE RECOMMENDATION:

Sell NCDEX January contract below 382, T1-378 and stop loss above 384.

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

Markets	09.01.07	08.01.07	Change	Arrivals (Bags)
Jaipur (C)	1865-1870	1855-1865	+5	10,000 - Rajasthan.
Alwar(C)	1800-1810	1785-1810	0	500-600
Delhi(C)	1930-1935	1940	-5	400-500
Agra(C)/Katchi Ghani	1950/4600	1950/4600	0	-
Sri Ganganagar (NC)	1635-1640	1625-1635	+5	200-250
Kota (NC)			-	-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Spot market sentiments remained steady at previous levels, however, rates for groundnut firmed up at few places in Gujarat. An interplay of various factors accounted for overall market moves, namely, limited crushing units in operation, winter demand for edible oils and good exports for meal during Dec 2006 and other factors helped in arriving on preparing sound ground for trade. . Arrivals were reported to have declined and stood in a range of 55,000 to 65,000 bags. Rates for seeds were reported to be around Rs 410 to 435 per 20 Kg for across spot markets in Gujarat. Prices for groundnut oil was quoted at Rs 565 to 573 per 10 Kg

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