

OILSEED DAILY

SOYBEAN

13th January 2006

SPOT MARKETS:

Soybean witnessed steady to slightly firm sentiments today. Demand from local processing units and solvent extraction plants helped demand firm but beans arrivals slightly declined against yesterday in nearly all major centres. However, stockists are less interested buying as Rabi crops arrivals ahead. Continuous depleting stocks of soybeans support bullish sentiments. Steady sentiments for soymeal at ports helped in firm up overall demand.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 1394/qrtl against yesterday closing at Rs 1392.1/qrtl. Amidst firm soy futures at CBOT & bearish BMD soybean contract witnessed speculative selling during trade session. The contract closed at Rs 1381.1/qrtl, Rs 10 above the previous closing level.

PRICE DRIVERS:

1. Declined arrivals across Rajasthan and MP.
2. Normal to good demand for soy oil in domestic market.
3. Firmed CBOT
4. Good soymeal sentiments across domestic markets.
5. Slight improved offtake by solvent units.

WEATHER:

Weather is reported to be clear to facilitate arrivals.

TECHNICALS: -

Long filled body indicates bearishness in the market. Stochastic has moved further down in the oversold region. MACD progress further into negative territory. The prices remained near 9 day EMA and 18-day EMA indicating weakness in magnitude. Both volume and open interest increased.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	1366	1372	1381.1	1391	1401

TRADE RECOMMENDATION: (Intraday)

Sell NCDEX January contract below 1385, T1-1373 and stop loss below 1392.

SPOT MARKET PRICES: -

Centers	Market	12.01.07	11.01.07	Change	Arrivals (Bags)
Indore	Plant	1380-1400	1370-1380	+10	1,00,000 - 1,10,000 MP
Indore	Mandi	1320-1350	1320-1350	0	
Maharashtra	Plant	1420-1450	1410-1415	+10	30,000 - 35,000
Maharashtra	Mandi	1350-1370	1340-1360	+10	
Kota	Plant	1365-1375	1360-1380	+5	20,000 to 22,000 Rajasthan
Kota	Mandi	1310-1325	1310-1335	0	

MUSTARD

SPOT MARKETS:

NAFED further revised the mustard seeds prices at Rs. 1680/1725 for seeds stocked during 2005-06 season. Stockists fall short of expectation of steep jump and release along with Nafed in enough quantity. Millers/crushers are less interested in procuring more seed on aggressive mood of Nafed. Arrivals improved in Rajasthan region. Traders are keeping close eye on weather conditions and anticipating for good production even cultivation area has reduced.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 373/20 Kg against previous closing of Rs 373.45/20Kg. Contract traded weak on higher selling interest amidst bearish anticipation for prices trends. The contract closed at Rs 368.95/20 Kg, Rs 4.50 below to yesterday closing levels.

PRICE DRIVERS:

1. Just enough seed stocks with NAFED.
2. NAFED revision of mustard seeds prices.
3. Other stockists are also interested in selling
4. Improved arrivals

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

Dark candlestick with prominent lower shadow indicates bearishness. Stochastic is remained in upward trend. MACD made bearish crossover down into negative territory. The prices closed below 9 day & 18-day EMA indicate diminishing positive sentiments. Both volume and open interest increased over previous levels



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	360	362.8	368.95	372	375

TRADE RECOMMENDATION:

Sell NCDEX January contract below 371, T1-367, T2-365 and stop loss above 373.

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

Markets	12.01.07	11.01.07	Change	Arrivals (Bags)
Jaipur (C)	1830-1835	1850-1855	-20	15000/20000
Alwar(C)	1760-1770	1770-1790	-10	400
Delhi(C)	1950	1940-1945	+10	200
Agra(C)/Katchi Ghani	1950/4600	1950/4600	0	-
Sri Ganganagar (NC)	1620-1625	1620	0	250-300

GROUNDNUT

SPOT MARKET: -

Spot market sentiments remained steady amidst weak sentiments for edible oil in domestic market. Mixed sentiments of soy oil and palm oil in overseas market prevented rates from firming up today amidst thin supply. Arrivals were reported to be in a range of around 50-60,000 bags. Rates for seeds were reported to be around Rs 420 to 436/20Kg (bag) for across spot markets in Gujarat. Prices for groundnut oil was quoted at Rs 568 to 575/10 Kg

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