

## OILSEED DAILY

### SOYBEAN

01<sup>st</sup> February 2007

#### SPOT MARKETS:

Soybeans arrivals improved across domestic market as most of mandis remained closed yesterday due to Muharram. Improved demand for soymeal at ports reflected with similar sentiments in the physical market resulting good offtake of beans from solvent extraction units supported bullishness. Rates for beans firmed up in Rajasthan owing to demand from local processors. Firmed crude palm oil futures at BMD and soy futures at CBOT had underlying bullish impact.

#### FUTURES MARKET: -

The NCDEX March contract opened at Rs 1433/ctl against previous closing at Rs 1427.95/ctl. The benchmark of soybeans March contract at NCDEX regained from recent losses amidst aforesaid factors and short covering resulting contract closed at Rs 1438/ctl, Rs 10.05 up to previous closing level.

#### PRICE DRIVERS:

1. Improved beans arrivals across domestic market
2. Firmed CBOT and BMD
3. Good offtake from solvent extractors units
4. Improved meal sentiments at ports

#### WEATHER:

Mainly dry weather in major growing areas would facilitate beans arrivals.

#### TECHNICALS: -

Soybean charts are showing weak sentiments in the market. The prices recovered Wednesday, but still closed below EMAs, which shows weakness is intact. MACD and Stochastic are both in favor of bears. The prices are likely to remain on the softer side.



#### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1417	1425	1438	1447	1453

#### TRADE RECOMMENDATION: (Intraday)

Risk lovers can Sell NCDEX March Soybean contract below 1444 with target of 1430. Put SL at 1451.

#### SPOT MARKET PRICES: -

Markets	Market	31.01.07	30.01.07	Change	Arrivals (Bags)
Indore	Plant	1425-1430	1420-1423	+5	45,000-50,000 M.P.
Indore	Mandi	1385-1390	1370-1395	+15	
Maharashtra	Plant	1460-1465	MC	-	60,000-65,000 Maharashtra
Maharashtra	Mandi	1415-1420	MC	-	
Kota	Plant	1385-1390	MC	-	16,000-18,000 Rajasthan
Kota	Mandi	1320-1350	MC	-	

## MUSTARD

### SPOT MARKETS:

NAFED has revised up the mustard seeds prices uniformly across the spot markets. The new rates quoted by NAFED stood at Rs 1730/quintal against previous at Rs. 1725/qrtl for Jaipur region and for rest of the centres it stood at Rs 1680/qrtl as compared to previous at Rs. 1675/qrtl [For seeds stocked during 2005-06 season]. Seasonal and festive demand maintained the offtake of seeds by millers and crushers at current prices under presumption that prevailing rates can be firm up in days to come amidst dwindling seed stock with NAFED.

### FUTURES MARKET: -

The NCDEX February contract of mustard seeds futures opened at Rs 369.4/20Kg against previous closing of Rs 369.55/20Kg. February contracts of mustard seeds futures witnessed speculative buying on rallies and improved physical sentiments. The contract closed at Rs 372.3/20 Kg, Rs 2.75 high to previous days closing price levels.

### PRICE DRIVERS:

1. Nafed has revised up mustard seeds rates
2. Regular demand from millers/crushers
3. Seasonal and festival demand
4. Expectation for delay harvesting by a week or more

### WEATHER:

The forecast of mainly dry weather in Rajasthan would be supportive for maturing mustard crop.

### TECHNICALS

Mustard charts are showing some recovery as depicted by close above the short term EMAs. Stochastic has made bullish crossover and running upward in the neutral region. MACD is heading upward in negative region, which shows decreasing bearish momentum. The prices are likely to show volatility.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	367	369	372.3	375	377

### TRADE RECOMMENDATION:

Risk lovers can Sell NCDEX Mustard Feb contract below 374 with target of 370 and then 368. Put SL at 376.

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

Markets	31.01.07	30.01.07	Change	Arrivals (Bags)
Jaipur (C)	1850-1860	1840-1845	+10	15,000-20,000
Alwar(C)	1780-1785	1750	+25	1000
Delhi(C)	1890	1890	0	1300
Agra(C)/Katchi Ghani	1925/4400	1900/4400	+25	-
Sri Ganganagar (NC)	1650	1650	0	200
Kota (NC)	1640-1650	-	-	-

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET: -

Spot market sentiments followed other oilseed sentiments. Limited availability of nuts, steady arrivals, firmness in other oilseeds, firm oilmeal and edible oil sentiments supported the prices today. Arrivals were reported to be steady in a range of 15,000 to 20,000 bags. Rates for seeds were reported to be around Rs 425 to 475/20 Kg. Prices for groundnut oil was quoted at Rs 620 to 630 per 10 Kg

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