

OILSEED DAILY

SOYBEAN

17th January 2006

SPOT MARKETS:

Soybeans prices increased in the spot market on good meal demand in domestic market as well as at ports along with gains at BMD crude palm oil futures. Government unchanged base prices of imported oil had mixed reaction. Beans arrivals improved across the markets with improved offtake from resellers while under low parity miller's interest declined. Stockists are remained active to liquidated beans at current prices for fall short of bullish sentiments in near-terms.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 1437.7/mtl against yesterday closing at Rs 1435.9/mtl. With follow-through rally in soybeans and bullish BMD results speculative buying on February contract. The contract closed at Rs 1440/mtl, Rs 4.1 high to the previous closing level.

PRICE DRIVERS:

1. Increased overall beans arrivals
2. Government retained previous base prices of imported oil
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; however, four consecutive close is a positive sign. The EMA pattern, momentum studies and oscillators are all in favour of bulls. MACD has just entered in positive zone, which is a bullish sign. The prices are likely to test some higher levels.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	1413	1424	1440	1460	1474

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX Soybean for February delivery above 1433 with target

SPOT MARKET PRICES: -

Centers	Market	16.01.07	15.01.07	Change	Arrivals (Bags)
Indore	Plant	1420-1450	1400-1425	+20	80,000-90,000 M.P.
Indore	Mandi	1350-1380	1340-1380	+10	
Maharashtra	Plant	1400-1425	1420-1450	+20	75,000-76,000 Maharashtra
Maharashtra	Mandi	1350-1380	1400-1425	-50	
Kota	Plant	1380-1390	1400-1410	-20	23,000-24,000 Rajasthan
Kota	Mandi	1340-1350	1345-1355	-5	

MUSTARD

SPOT MARKETS:

Today, Nafed increased mustard seeds prices for Kota region, which quoted at Rs. 1700/qttl against yesterday closing at Rs. 1695/qttl and for Jaipur region it remain unchanged at Rs. 1745/qttl for seeds stock during 2005-06. Seeds arrivals improved by overall 4,000 bags to yesterday arrivals with poor offtake from millers/crushers had some bearish impact. Traders are anticipating production for mustard seeds production is expected to below due to late sowing would have bullish impact in near-term.

FUTURES MARKET: -

The NCDEX February contract opened at Rs 373.2/20Kg against previous closing of Rs 374.1/20Kg. Tracking soy oil and soybeans, February contract of mustard seeds witness speculative buying during most part of trade-session. The contract closed at Rs 376.85/20 Kg, Rs 2.75 higher to yesterday closing levels

PRICE DRIVERS:

1. Increase mustard seeds arrivals
2. Nafed revised mustard seeds prices
3. Reports of Toria harvests
4. Winter demand
5. Poor offtake from crushers

WEATHER

Dry weather is likely to prevail over mustard growing regions.

TECHNICALS

Charts are showing firmness is coming back in the mustard market. The prices closed above 9-days EMA, which shows bullish sentiments in the market. MACD is heading upwards in negative zone, which suggests bearish momentum is decreasing. Further, stochastics have also given bullish signal in neutral zone. The prices are likely to remain on the firmer side.



SUPPORT / RESISTANCES:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	370	373	376.85	381	384

TRADE RECOMMENDATION:

Risk lovers can Buy NCDEX Mustard for February delivery above 375 with target towards 380. Put SL at 372.

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

Markets	16.01.07	15.01.07	Change	Arrivals (Bags)
Jaipur (C)	1875	1870-1900	+15	10,000-12,000
Alwar(C)	1790-1800	1800	-10	500-600
Delhi(C)	1940-1950	1940-1950	0	300
Agra(C)/Katchi Ghani	1925/4625	2000/4600	-75	-
Sri Ganganagar (NC)	1625-1630	1630-1635	-5	300
Kota (NC)	1660-1670	1660-1670	0	300-400

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Groundnut seeds prices remained range bound amidst steady demand/supply. Gn arrivals were declined reported to be in a range of around 50,000 bags and unchanged seeds rates to yesterday and 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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