

OILSEED DAILY

SOYBEAN

17th February 2007

SPOT MARKETS:

On account of Maha Shivratri all the major mandis were reported to be closed. No arrivals reported across spot markets. Plant delivery rates for soybean firmed up at the back of regular crushing and firm demand for soymeal in domestic and overseas market. Stockists /resellers quoted higher rates for beans to take advantage of holiday.

FUTURES MARKET: -

The March contract of soybeans at NCDEX opened at Rs 1453/qtl against the previous closing at Rs 1448.00/qtl. Despite firm so futures at CBOT and firm soymeal sentiments in domestic market, the contract closed at Rs 1442.2/qtl, well below the previous closing level on account of rumors of revision of tax on import of edible oils and higher selling interest.

PRICE DRIVERS:

1. No arrivals reported on account of Maha Shivratri.
2. Firm soy complex in domestic market.
3. Firm soy futures at CBOT
4. Firm port delivery rates for soymeal.
5. Festive demand for soy oil ahead.

WEATHER:

Mainly dry weather is likely over the central and western India regions.

TECHNICALS: -

Candlestick reflects bearishness amidst recovery during early session. The prices managed to close above both the EMAs. Stochastic has continued its uptrend; MACD has become steady in neutral region indicating range bound sentiments. Both the Volume and Open Interest declined.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1430	1435	1442.20	1453	1450

Trade Recommendation:

Sell NCDEX March Soybean contract below 1446 with target T1 at 1438. Put SL at 1450.

SPOT MARKET PRICES: -

Markets	Market	16.02.07	15.02.07	Change	Arrivals (Bags)
Indore	Plant	1435-1460	1420-1450	+10	Not reported
Indore	Mandi	-	1390	-	
Maharashtra	Plant	1475	1465	+10	Not reported
Maharashtra	Mandi	-	1430	-	
Kota	Plant	1415-1430	1410-1415	+15	Not reported
Kota	Mandi	-	1350-1360	-	

MUSTARD

SPOT MARKETS:

Overall arrivals declined sharply. Major mandis remained closed on account of **"Maha Shivratri"**. As per industrial sources, good festive demand for mustard oil and rapeseed oil cake in domestic market is driving the rates up. Since NAFED has stopped the sale of mustard seeds, resellers are taking advantage of the situation and quoting higher rates. Offtake of seeds was reported regular.

FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at Rs 392.20/20Kg against previous closing at Rs 392.80/20Kg. Lack of strong fundamentals amidst higher selling pressure brought the contract to close down at 389.0/20 Kg, slightly below the previous closing price levels.

PRICE DRIVERS:

1. NAFED has stopped sale of mustard seeds.
2. Resellers quoted higher rates for seeds.
3. Harvesting of mustard seeds in progress at MP and Rajasthan.
4. Sharp decline in arrivals due to holiday.

WEATHER:

Isolated light rain/thundershowers also likely over Punjab and Haryana. Mainly dry weather is likely over the western India regions.

TECHNICALS

Dark candlestick indicates bearish sentiments amidst sideways pattern. The prices closed below 9 day and 18 day EMAs, which is a negative sign. Stochastic is moving up and MACD has become steady in negative territory. Volume declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	384	388	389.00	398	401

Trade Recommendation:

Sell NCDEX Mustard May contract below 394 with target T1 at 390. Put SL at 396.

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

Markets	16.02.07	15.02.07	Change	Arrivals (Bags)
Jaipur (C)	1870	1850-1855	+15	10,000
Alwar(C)	1770-1780	1770-1780	0	400-500
Delhi(C)	1925	1925	0	500
Agra(C)/Katchi Ghani	2010/4600	2000/4350	+10	-
Sri Ganganagar (NC)	1650-1660	1665	-5	-
Kota (NC)	-	-	-	-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Rates for groundnut oil firmed up marginally by Rs 5 per 10 Kg. Good availability of other edible oils in the market has kept the sentiments steady amidst steady fundamentals. Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 475/20 Kg. Prices for groundnut oil was quoted at Rs 625 to Rs 630 per 10 Kg.

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