

## OILSEED DAILY

### SOYBEAN

13<sup>th</sup> February 2007

#### SPOT MARKETS:

With start of the week, arrivals managed to have improved in MP and Rajasthan except for Maharashtra. Amidst slight decline in daily arrivals and good port delivery rates for soymeal, solvent units in Maharashtra were reported to have procured beans in bulk thus firming up its rates. However, in general, overall weak sentiments for soy oil in domestic market and lesser buying interest in MP and Rajasthan were said to have softened the prices.

#### FUTURES MARKET: -

The most active March contract of soybeans at NCDEX opened at Rs 1429.10/qtl against the previous closing at Rs 1431.90/qtl. Weak soy oil futures at CBOT brought down soy oil rates in domestic market. The very observation casted off bearishness on domestic soy futures but slight firmness of soymeal provided support against abrupt fall. The contract closed at Rs 1427/qtl slightly below the previous closing level.

#### PRICE DRIVERS:

1. Slight improvement in daily arrivals.
2. Bearish soy oil in domestic market.
3. Firm soybean and soymeal at CBOT
4. Steady to firm port delivery rates for soymeal.
5. Restricted selling from stockists.

#### WEATHER:

Isolated rainfall over north Madhya Pradesh and Vidarbha. Mainly dry weather likely over the rest region of Central India.

#### TECHNICALS: -

Candlesticks indicate bearishness. The prices closed below both the EMAs. Stochastic is moving down steadily and has entered into oversold region; MACD is scaling down steadily into negative region indicating likely weakness ahead. Both Volume and Open Interest scaled up.



#### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1410	1415	1431.90	1437	1444

#### Trade Recommendation:

Sell NCDEX March Soybean contract below 1432 with target T1 at 1420. Put SL at 1435.

#### SPOT MARKET PRICES: -

Markets	Market	12.02.07	10.02.07	Change	Arrivals (Bags)
Indore	Plant	1420-1430	1415-1430	0	60,000-65,000 M.P.
Indore	Mandi	1340-1380	1360-1380	0	
Maharashtra	Plant	1450-1460	1450-1460	0	20,000-25,000 Maharashtra
Maharashtra	Mandi	1400-1410	1340-1375	+35	
Kota	Plant	1390-1405	1390-1410	-5	12,000-15,000 Rajasthan
Kota	Mandi	1340-1350	1340-1355	-5	

## MUSTARD

### SPOT MARKETS:

Amidst the news of hailstorm and cyclone over Rajasthan during last Saturday and Sunday, NAFED didn't sold the seeds today and kept the prices of mustard seeds [Stocked during 2005-06 season] unchanged. Since resellers were sole suppliers of seeds, the daily average arrivals decline sharply in Jaipur, however rates managed to remain steady at previous levels, except for marginal hike in Delhi and Kota against good demand.

### FUTURES MARKET: -

The NCDEX February contract of mustard seeds opened at Rs 363.0/20Kg against previous closing at Rs 362.90/20Kg. Higher selling interest and lack of strong fundamentals in spot markets allowed the contract to trade on weaker side. The contract closed at Rs 360.90/20 Kg, Rs 2 below the previous closing price levels.

### PRICE DRIVERS:

1. Nafed kept the prices unchanged for mustard seeds
2. Resellers quoted seeds as per market trend.
3. Harvesting of mustard seeds in progress at MP and Rajasthan.
4. NAFED to dispose off seeds and oil till Feb end.

### WEATHER:

Isolated rainfall over North West India. Fog conditions are also likely to develop over the region. Rain/thundershowers are likely at a few places over Punjab, Haryana, Chandigarh, Delhi and West Uttar Pradesh during next 48 hours and decrease thereafter. Isolated hail/squall is likely over the region

### TECHNICALS

Dark candlestick reflects selling pressure and continued its downward rally. The prices closed below 9 day and 18 day EMAs, which is a negative sign. Both Stochastic and MACD are surging down indicating weak sentiments ahead. Volume increased and Open Interest declined marginally.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	351	355	362.90	368	373

### Trade Recommendation:

Risk lovers can Buy NCDEX Mustard Feb contract above 360 with target T1 at 362 and T2 at 366. Put SL at 358.

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

Markets	12.02.07	10.02.07	Change	Arrivals (Bags)
Jaipur (C)	1835-1840	1840	0	10,000
Alwar(C)	1740-1750	1750	0	400-500
Delhi(C)	1910	1900	+10	200-300
Agra(C)/Katchi Ghani	1950/4500	1900/4450	+50	-
Sri Ganganagar (NC)	1650	1650	0	200-300
Kota (NC)	1580-1660	1580-1640	+20	2000-2200

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET: -

No significant change was reported today also except for slight improvement in rates for groundnut oil. Good availability of other edible oils in the market has kept the sentiments steady amidst lack of strong fundamentals. Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 470/20 Kg. Prices for groundnut oil was quoted at Rs 620 to Rs 625 per 10 Kg.

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