

OILSEED DAILY

SOYBEAN

08th February 2007

SPOT MARKETS:

Solvent units continued offtake of beans for processing of beans amidst consistent port delivery rates for soymeal. However, regular offtake of beans by these units [refining units] was limited at few places on account of weak edible oil sentiments. Rates for beans eased down following the previous trend. Arrivals and demand remained steady amidst mixed sentiments across spot markets.

FUTURES MARKET: -

The most active March contract of soybeans at NCDEX opened at Rs 1436/qrtl below the previous closing at Rs 1437.15/qrtl. Weak soy oil sentiments in domestic and overseas market amidst steady port delivery rates for soymeal allowed the contract to trade on weaker side amidst indecisiveness. The contract closed at Rs 1437/qrtl slightly near the previous closing level.

PRICE DRIVERS:

1. Steady beans arrivals across spot markets.
2. Bearish soy oil & soybean at CBOT & domestic market.
3. Steady demand from solvent units amidst lack of strong fundamentals.

WEATHER:

Mainly dry weather in major growing areas.

TECHNICALS: -

Soybean charts are turning bearish after two consecutive losses. The prices closed below EMAs shows weakness in the market. Stochastic has made a bearish cross over; MACD is hovering near neutral region indicating steady sentiments likely to prevail. The prices might see volatile movements with bearish bias.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1420	1424	1437.15	1444	1449

Trade Recommendation:

Sell NCDEX March Soybean contract below 1438 with target T1 at 1434 and T2 at 1428. Put SL at 1440.

SPOT MARKET PRICES: -

Markets	Market	07.02.07	06.02.07	Change	Arrivals (Bags)
Indore	Plant	1425-1440	1430-1450	-10	70,000-75,000 M.P.
Indore	Mandi	1340-1380	1375-1400	-20	
Maharashtra	Plant	1450-1460	1470	-10	60,000-65,000 Maharashtra
Maharashtra	Mandi	1420-1440	1430-1460	-20	
Kota	Plant	1390-1410	1390-1410	0	18,000-20,000 Rajasthan
Kota	Mandi	1340-1360	1340-1365	-5	

MUSTARD

SPOT MARKETS:

Amidst hailstorms reported over mustard growing regions of Rajasthan & news of progress in mustard harvesting in MP & Rajasthan, NAFED revised down the rates for mustard seeds stocked during 2005-06 season. The rates for seeds quoted at Jaipur and Alwar region stood at Rs 1750 per qtl which were Rs 5 cheaper to yesterday's prices. However, at other centres, rates eased down by Rs 10 over previously quoted ones and stood at Rs 1705/qtl. As per traders, steady pace of harvesting of mustard across the states is likely to impact routine trading with slight bearish undertone.

FUTURES MARKET: -

The most active February contract of mustard seeds futures at NCDEX opened at Rs 369.20/20Kg in comparison to previous closing at Rs 370.0/20Kg. Mustard seeds futures February contract traded on weaker side amidst fresh arrivals and higher selling interest, the contract closed at Rs 368.50/20 Kg, Rs 1.5 down to previous closing price levels.

PRICE DRIVERS:

1. Nafed revised down prices for mustard seeds
2. Resellers quoted seeds as per market trend.
3. Harvesting of mustard seeds in progress at MP and Rajasthan.

WEATHER:

Isolated rain/thundershower is also likely over Haryana and West Uttar Pradesh during next 24 hours and mainly dry weather thereafter. Mainly dry weather is likely over the regions of western India.

TECHNICALS

Mustard charts are showing bearish sentiments in the market. The prices closed below 9 day and 18 day EMAs, which is a negative sign,. Long upper shadow of candlestick reflects tentativeness at higher levels. Stochastic has also made bearish crossover in neutral region and is scaling down. MACD is surging down into negative territory.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	363	366	370	372	375

Trade Recommendation:

Risk lovers can Sell NCDEX Mustard Feb contract below 370 with target of 368. Put SL at 371.

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

Markets	07.02.07	06.02.07	Change	Arrivals (Bags)
Jaipur (C)	1830-1840	1850-1870	-30	15,000
Alwar(C)	1750	1760-1770	-20	400-500
Delhi(C)	1935	1935	0	200-300
Agra(C)/Katchi Ghani	1960/4500	2025/4500	-65	
Sri Ganganagar (NC)	1670	1680	-10	200
Kota (NC)	1610-1630	1600-1650	-20	

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Spot market sentiments reflected weakness due to bearish edible oil sentiments. Rates for both, groundnut and groundnut oil scaled down on account of it amidst steady arrival pressure. Arrivals were reported to be steady in a range of 20,000 to 25,000 bags. Rates for seeds were reported to be around Rs 425 to 465/20 Kg. Prices for groundnut oil was quoted at Rs 610 to 615 per 10 Kg

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