

OILSEED DAILY

SOYBEAN

02nd February 2007

SPOT MARKETS:

Soybeans arrivals improved significantly in MP by 20 thousand bags to 70-75 thousand bags with regular offtake from crushers had bearish impact while in Rajasthan limited availability of quality beans in open markets with regular demand from solvent units boosted beans rates in the mandi. Normal to good sentiments for soymeal at ports and in domestic market supported the bullish sentiments despite weakness at CBOT.

FUTURES MARKET: -

The most active March contract of soybeans at NCDEX opened at Rs 1441/qrtl as compared to previous closing at Rs 1438.5/qrtl. Yesterday's rallies was die soon on ideas of bearish sentiments in the physical market yet to complete on lack of fresh fundement news for demand and supply and traders covered up their margins resulting contract closed at Rs 1436.5/qrtl, Rs 2 down to previous closing level.

PRICE DRIVERS:

1. Improved beans arrivals in MP and Rajasthan
2. Weak overnight CBOT
3. Regular offtake from miller/crushers
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 closed below EMAs, which shows weakness is intact. MACD is running down in negative region, which hints for the increasing bearish momentum. Stochastic is also negative and is about to enter oversold region. The prices are likely to remain on the softer side.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1417	1425	1436.5	1447	1453

TRADE RECOMMENDATION: (Intraday)

Risk lovers can Sell NCDEX March Soybean contract below 1441 with target of 1430. Put SL at 1447

SPOT MARKET PRICES: -

Markets	Market	01.02.07	31.01.07	Change	Arrivals (Bags)
Indore	Plant	1420-1440	1425-1430	-5	70,000-75,000 M.P.
Indore	Mandi	1350-1380	1370-1400	-20	
Maharashtra	Plant	1460-1465	1460-1465	0	55,000-60,000 Maharashtra
Maharashtra	Mandi	1420-1440	1415-1420	+5	
Kota	Plant	1390-1400	1385-1390	+5	18,000-20,000 Rajasthan
Kota	Mandi	1340-1350	1320-1350	+20	

MUSTARD

SPOT MARKETS:

NAFED further improved mustard seeds prices uniformly in all the centres and the new rates quoted by NAFED stood at Rs 1735/qttl against previous at Rs. 1730/qttl for Jaipur region and for rest of the centres it remained at Rs 1685/qttl as compared to previous at Rs. 1680/qttl [For seeds stocked during 2005-06 season]. The follow through sentiments for demand was prevailed in today's market supported bullishness as millers continued their offtake for buffer stocks to support crushing for a month or more. Low arrivals of mustard seeds to yesterday by 600-700 bags in Delhi market strengthen the prices.

FUTURES MARKET: -

The most active February contract of mustard seeds futures at NCDEX opened at Rs 373.6/20Kg as compared to previous closing of Rs 372.55/20Kg. Weakness in soybeans and supportive weather conditions in Rajasthan had bearish impact and February contracts of mustard seeds futures witnessed speculative selling. The contract closed at Rs 370.6/20 Kg, Rs 1.95 low to previous days closing price levels.

PRICE DRIVERS:

1. Nafed further improved mustard seeds rates in all the centres
2. Millers/crushers maintained their regular offtake
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 weakness in the market sentiments negating yesterday's bounce back. However, close above the short term EMAs suggests firmness in the prices. 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	365	370.6	374	376

TRADE RECOMMENDATION:

Risk lovers can Sell NCDEX Mustard Feb contract below 373 with target of 368 and then 367. Put SL at 375.

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

Markets	01.02.07	31.01.07	Change	Arrivals (Bags)
Jaipur (C)	1860-1865	1850-1860	+10	9,000-10,000
Alwar(C)	1760-1770	1780-1785	-20	300-400
Delhi(C)	1900	1890	+10	300-400
Agra(C)/Katchi Ghani	1950/4500	1925/4400	+25	-
Sri Ganganagar (NC)	1655	1650	+5	250
Kota (NC)	1640-1650	1640-1650	0	150-200

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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