

## OILSEED DAILY

### SOYBEAN

15<sup>th</sup> February 2007

#### SPOT MARKETS:

Arrivals across spot markets were almost steady with marginal improvement in MP and Rajasthan. Demand for beans from solvent units was reported to be good. As per market observers, good crushing of beans and hence ready availability of soy meal at processors end has helped to meet export demand for soymeal. Amidst good buying support for soymeal by multinational corporations, producers and stockists quoted relatively higher rates for soybeans thus firming up rates across plants and spot markets.

#### FUTURES MARKET: -

The March contract of soybeans at NCDEX opened at Rs 1432.25/qtt against the previous closing at Rs 1434.00/qtt. Firm soymeal and soy oil sentiments in domestic market amidst firm soy complex at CBOT helped the contract closed up at Rs 1448/qtt, Rs 14 above the previous closing level.

#### PRICE DRIVERS:

1. Steady supply pressure of beans.
2. Firm soy complex in domestic market.
3. Firm Soy futures at CBOT
4. Firm port delivery rates for soymeal.
5. Restricted selling from stockists.

#### WEATHER:

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

#### TECHNICALS: -

Unfilled candlesticks indicate bullishness. The prices closed above both the EMAs. Stochastic has made a bullish crossover and is moving up after crossing oversold region; MACD is showing uptrend in negative region indicating building up positive sentiments ahead. Volume increased and Open Interest declined.



#### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1419	1427	1447	1456	1465

#### Trade Recommendation:

**Buy** NCDEX March Soybean contract above 1436 with target T1 at 1444 and T2 at 1454. Put SL at 1432.

#### SPOT MARKET PRICES: -

Markets	Market	14.02.07	13.02.07	Change	Arrivals (Bags)
Indore	Plant	1440-1445	1410-1425	+20	55,000-60,000 M.P.
Indore	Mandi	1340-1370	1340-1360	+10	
Maharashtra	Plant	1460	1440-1445	+15	20,000 Maharashtra
Maharashtra	Mandi	1400-1420	1390-1420	0	
Kota	Plant	1405-1415	1390-1410	+5	15,000-20,000 Rajasthan
Kota	Mandi	1350-1365	1340-1350	+15	

## MUSTARD

### SPOT MARKETS:

All spot markets, witnessed widespread rain and hailstorm yesterday, further adding to magnitude of damage to early maturing mustard crops. However, for late maturing variety of mustard crops, harvest is likely to delay on account of moisture scarcity [mostly rainfed regions]. Amidst the chaos, NAFED didn't sell mustard seeds for third consecutive day allowing resellers to take advantage of the situation. Good demand for mustard oil [Kacchi Ghani & Expeller] gave additional support to hike in rates against normal to good offtake reported from millers and solvent units.

### FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at Rs 391.45/20Kg against previous closing at Rs 391.70/20Kg. Firm spot market sentiments amidst news of crop damage by hailstorms has helped contract trade firm against higher selling interest. The contract closed at Rs 389.95/20 Kg, slightly below the previous closing price levels.

### PRICE DRIVERS:

1. Nafed didn't sell off seeds today.
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.
5. News of crop loss on account of heavy hailstorms.

### WEATHER:

Rain/thundershowers are likely at a few places over Punjab, Haryana and isolated over West Uttar Pradesh during next 24 hours and decrease thereafter. Mainly dry weather is likely over region outside Rajasthan and Gujarat where isolated rain/thundershowers are likely during next 24 hours and mainly dry weather thereafter.

### TECHNICALS

Dark candlestick indicates bearish sentiments amidst slight recovery. The prices closed below 9 day and 18 day EMAs, which is a negative sign. However, Stochastic has made a bullish cross over in oversold region & moving up. MACD has become steady in negative region. Volume declined and Open Interest increased.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	380	384	389.95	399	403

### Trade Recommendation:

Risk lovers can **Sell** NCDEX Mustard May contract above 394 with target T1 at 386. Put SL at 396.

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

Markets	14.02.07	13.02.07	Change	Arrivals (Bags)
Jaipur (C)	1850	1850-1855	-5	10,000 - 15,000
Alwar(C)	1750-1760	1750	+10	400-500
Delhi(C)	1920	1900	+20	300-500
Agra(C)/Katchi Ghani	2000-4550	1950/4500	+50	-
Sri Ganganagar (NC)	1680	1670	+10	200-300
Kota (NC)	-	-	-	-

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET: -

No significant change was reported today amidst steady rates for groundnut oil and groundnuts. 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 475/20 Kg. Prices for groundnut oil was quoted at Rs 620 to Rs 620 per 10 Kg.

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.