

OILSEED DAILY

SOYBEAN

03rd February 2007

SPOT MARKETS:

Soybean witnessed steady to slightly firm sentiments today. Low soybeans arrivals (nearly by 25,000 bags) were reported in Maharashtra but less aggressive buying amidst lack of bullish sentiments for soymeal from exporters supported bearish sentiments. The current prices of beans stood below the crushing margin of soy oil had underlying bearishness. In rest of centres demand from local processing units and solvent extraction plants remained steady and supported the range bound prices. However, stockists are less interested in fresh buying as Rabi crops arrivals ahead.

FUTURES MARKET: -

The benchmark March contract of soybeans at NCDEX opened at Rs 1438/ctl as compared to previous closing at Rs 1436.1/ctl. Bullish USDA exports sales and gains at BMD had spill over impact and market witnessed speculative buying resulting contract closed at Rs 1451.5/ctl, Rs 15.4 high to previous closing level.

PRICE DRIVERS:

1. Arrivals declined in Maharashtra
2. Bullish USDA weekly exports sales estimation
3. Bullish CBOT and BMD
4. Steady soymeal sentiments at ports

WEATHER:

Mainly dry weather in major growing areas would facilitate beans arrivals.

TECHNICALS: -

Soybean charts are showing some improvement in the market sentiments. The prices closed above EMAs, which shows firmness is coming back in the market. Stochastic has made bullish crossover. MACD is also showing some increase in bullish momentum. The prices are likely to recover further.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1442	1435	1451.5	1462	1468

TRADE RECOMMENDATION: (Intraday)

Buy NCDEX March Soybean contract above 1450 with target of 1457 and then 1463. Put SL at 1446.

SPOT MARKET PRICES: -

Markets	Market	02.02.07	01.02.07	Change	Arrivals (Bags)
Indore	Plant	1420-1445	1420-1440	0	70,000-75,000 M.P.
Indore	Mandi	1370-1390	1350-1380	+20	
Maharashtra	Plant	1460-1465	1460-1465	0	30,000-35,000 Maharashtra
Maharashtra	Mandi	1400-1420	1420-1440	-20	
Kota	Plant	1390-1400	1390-1400	0	20,000-22,000 Rajasthan
Kota	Mandi	1340-1355	1340-1350	0	

MUSTARD

SPOT MARKETS:

NAFED hiked mustard seeds prices by Rs. 10 in all the centres and the new rates stood at Rs 1745/qtl against previous at Rs. 1735/qtl for Jaipur region and for rest of the centres it remained at Rs 1695/qtl against yesterday's Rs. 1685/qtl [For seeds stocked during 2005-06 season]. Stockists were preferred to sell-off their stocks in parallel with Nafed on lack of bullish sentiments for demand and supply ahead. Offtake of seeds by millers was reported to normal amidst improved arrivals had underlying bearishness. Elsewhere rates remained range bound due to lack of fresh fundamentals.

FUTURES MARKET: -

The most active February contract of mustard seeds futures at NCDEX opened at Rs 371.5/20Kg as compared to previous closing of Rs 370.7/20Kg. Mustard seeds February contract followed the firmness in soy beans and soy oil and contract closed at Rs 373.6/20 Kg, Rs 2.7 high 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 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 further recovery as depicted by close above the short term EMAs. Stochastic is positive in neutral region. MACD is also rising in negative region, which suggests decrease in bearish momentum. The prices are likely to remain on the positive side.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - Feb	370	368	373.4	376	378

TRADE RECOMMENDATION:

Risk lovers can Buy NCDEX Mustard Feb contract above 372 with target of 376. Put SL at 370.

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

Markets	02.02.07	01.02.07	Change	Arrivals (Bags)
Jaipur (C)	1860	1860-1865	0	15,000
Alwar(C)	1750-1760	1760-1770	-10	500-600
Delhi(C)	1905	1900	+5	500
Agra(C)/Katchi Ghani	1950/4500	1950/4500	0	-
Sri Ganganagar (NC)	1640-1650	1655	-15	200
Kota (NC)	-	1640-1650		-

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 25,000 to 30,000 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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