

OILSEED DAILY

SOYBEAN

20th February 2007

SPOT MARKETS:

The start of new week was likely to witness good arrivals and better offtake from solvent units. In contrast, stockists restricted sell of beans in bulk amidst weak soy oil sentiments in domestic market. Resellers didn't hike the rates for soybean delivery to plants amidst steady port delivery rates for soymeal. As per market observers, market sentiments are likely to rule steady until budget session starts off.

FUTURES MARKET: -

The March contract of soybeans at NCDEX opened at previous closing levels of Rs 1446/qrtl. Weak soy oil futures in domestic market had a spill over affect on NCDEX soybean futures. Amidst certain indecisiveness the contract closed at Rs 1442.80/qrtl slightly below the previous closing levels.

PRICE DRIVERS:

1. Producers //stockists holding back bean stocks.
2. Steady port delivery rates for soymeal.
3. Weak sentiments for soy oil in domestic market.

WEATHER:

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

TECHNICALS: -

Candlestick reflects bearish trend and reflected sideways trading pattern. The prices managed to close above both the EMAs indicating positive sentiments. Stochastic has continued its uptrend; MACD has become flat in neutral region. Both Volume and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1426	1430	1442.80	1452	1456

Trade Recommendation:

Buy NCDEX March Soybean contract above 1436 with target T1 at 1442 and T2 at 1448. Put SL at 1434.

SPOT MARKET PRICES: -

Markets	Market	19.02.07	17.02.07	Change	Arrivals (Bags)
Indore	Plant	1440-1465	1440-1460	-5	60,000 in MP
Indore	Mandi	1370-1400	-	-	
Maharashtra	Plant	1470	1475	-5	25,000
Maharashtra	Mandi	1415-1440	-	-	
Kota	Plant	1420-1435	1425-1435	0	18,000-20,000 Rajasthan
Kota	Mandi	1380-1385	1375-1390	-5	

MUSTARD

SPOT MARKETS:

Despite supply crunch for mustard seeds across spot markets, rates for mustard seeds softened across spot markets. Steady demand from solvent extraction units amidst fresh arrivals of Rabi mustard seeds was said to have shifted the focus of traders towards fresh harvest well before NAFED starts purchasing seeds from the month of March 2007.

FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at previous closing levels of Rs 386.50/20Kg. Lack of strong fundamentals amidst higher selling pressure brought the contract to close down at 381.30/20 Kg well below the previous closing levels.

PRICE DRIVERS:

1. NAFED has stopped sale of mustard seeds.
2. Resellers quoted lower rates for seeds.
3. Harvesting of mustard seeds in progress at MP and Rajasthan.
4. Fresh arrivals for Toria has begun

WEATHER:

Clear weather reported over mustard growing regions.

TECHNICALS

Dark long candlestick indicates bearish sentiments amidst downward rally. The prices closed below 9 day and 18 day EMAs, which is a negative sign. Stochastic has made a bearish crossover and MACD has moved down further into negative territory. Both Volumes increased and Open Interest declined.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	374	377	381.30	387	390

Trade Recommendation:

Sell NCDEX Mustard May contract below 383 with target T1 at 380.
Put SL at 385.

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

Markets	19.02.07	17.02.07	Change	Arrivals (Bags)
Jaipur (C)	1865	1865	0	10,000
Alwar(C)	1740	1740-1750	-10	600-800
Delhi(C)	1920-1925	1935	-10	300-400
Agra(C)/Katchi Ghani	2000/4600	2000	0	-
Sri Ganganagar (NC)	1650	1660	-10	200-300
Kota (NC)		-	-	-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Rates for groundnut oil firmed up on account of good demand from retail end amidst supply crunch for nuts. Weakness in substitute edible oil didn't have had any impact on groundnut oil sentiments. Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 480/20 Kg. Prices for groundnut oil was quoted at Rs 635 to Rs 640 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.