

OILSEED DAILY

SOYBEAN

16th February 2007

SPOT MARKETS:

Overall arrivals of beans declined across spot markets, except for marginal improvement noticed in Maharashtra. Stockists are said to be steadily unloading the beans stock. Rates have firmed up again for the second consecutive day against good demand from solvent units and firm port delivery rates for soymeal. Offtake has been regular under presumption that rates for beans may firm up against good export demand for soymeal and festive demand for soy oil for the days to come.

FUTURES MARKET: -

The March contract of soybeans at NCDEX opened at Rs 1445/qrtl against the previous closing at Rs 1447.00/qrtl. Firm soymeal and soy oil sentiments in domestic market amidst firm soy meal futures at CBOT helped the contract closed up at Rs 1448/qrtl, marginally above the previous closing level.

PRICE DRIVERS:

1. Steady supply pressure of beans.
2. Firm soy complex in domestic market.
3. Steady soybean meal futures at CBOT
4. Firm port delivery rates for soymeal.
5. Festive demand for soy oil ahead.

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 upward; MACD is showing uptrend in negative region and is on verge of moving into positive region indicating building up positive sentiments ahead. Both the Volume and Open Interest declined.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - March	1433	1438	1448	1458	1465

Trade Recommendation:

Buy NCDEX March Soybean contract above 1444 with target T1 at 1452. Put SL at 1440.

SPOT MARKET PRICES: -

Markets	Market	15.02.07	14.02.07	Change	Arrivals (Bags)
Indore	Plant	1420-1450	1440-1445	+5	50,000 M.P.
Indore	Mandi	1390	1340-1370	+20	
Maharashtra	Plant	1465	1460	+5	25,000 Maharashtra
Maharashtra	Mandi	1430	1400-1420	+10	
Kota	Plant	1410-1415	1405-1415	0	15,000 Rajasthan
Kota	Mandi	1350-1360	1350-1365	-5	

MUSTARD

SPOT MARKETS:

Amidst arrivals of new crops, NAFED has stopped the sale of mustard seeds across the spot markets. As per officials from the cooperative; it is left with around 8.3 lakh tonnes of mustard seeds as carry forward stocks. Arrivals of mustard seeds improved in Delhi and Alwar market, elsewhere it remained steady. Resellers are selling seeds [stocked during 2005-06] at higher prices on account of good demand from mills and solvent units. The demand for fresh harvested Toria and rapeseed mustard would remain sluggish initially on account of higher moisture content.

FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at Rs 389.85/20Kg against previous closing at Rs 389.95/20Kg. Firm spot market sentiments, good buying support from traders and news that NAFED has stopped sale of seeds well supported the gains. The contract closed firm at Rs 392.80/20 Kg, slightly above the previous closing price levels.

PRICE DRIVERS:

1. NAFED has stopped sale of mustard seeds.
2. Resellers quoted higher rates for seeds.
3. Harvesting of mustard seeds in progress at MP and Rajasthan.
4. News for crop loss on account of weather adversity but magnitude of loss not yet quantified.

WEATHER:

Isolated light rain/thundershowers also likely over Punjab and north Haryana, Rajasthan and north Gujarat during next 24 hours.

TECHNICALS

Unfilled candlestick indicates bullish sentiments amidst steady recovery. The prices closed between 9 day and 18 day EMAs, which is a positive sign. Stochastic and MACD have made a bullish cross over moving upwards. Volume declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	383	386	392.80	395	398

Trade Recommendation:

Buy NCDEX Mustard May contract above 390 with target T1 at 393. Put SL at 388.

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

Markets	15.02.07	14.02.07	Change	Arrivals (Bags)
Jalpur (C)	1850-1855	1850	+5	10,000 - 15,000
Alwar(C)	1770-1780	1750-1760	+20	1000
Delhi(C)	1925	1920	+5	500
Agra(C)/Katchi Ghani	2000/4350	2000-4550	0	-
Sri Ganganagar (NC)	1665	1680	-15	200-300
Kota (NC)	-	-		-

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Rates for groundnut oil firmed up marginally by Rs 5 per 10 Kg. Good availability of other edible oils in the market has kept the sentiments steady amidst steady 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 625 to Rs 630 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.