

OILSEED DAILY

3rd March, 2007

SOYBEAN

SPOT MARKETS:

Soybean arrivals declined in MP by 10,000 bags, elsewhere arrivals stood at previous days level. Steady soymeal rates at Kandla and Mumbai ports and subdued demand for soybean oil in domestic market led soybean rates soften across spot markets. Farmers and stockists are disposing off stocked soybeans as and when prices for the same firm up in the market. Active trading for soybean is likely to be observed after 'Holi', as stated by a market observer.

FUTURES MARKET: -

The most active April contract of soybeans at NCDEX opened at Rs 1478/qtl against previous closing levels of 1483/qtl. Weak soy futures at CBOT had a spill over affect on domestic soybean futures. Amidst higher selling interest the futures closed at Rs 1470.2/qtl, Rs 13 below the previous closing levels.

PRICE DRIVERS:

1. Marked decline in arrivals.
2. Steady port delivery rates for soymeal.
3. Steady to weak sentiments for soy oil in domestic market.
4. Gradual decline in inventories of soybeans at processors end

WEATHER:

Mainly dry weather likely over the Central and West India during next 3 days. Since crop has been harvested completely there is little impact of weather.

TECHNICALS: -

The candlestick pattern indicates predominant selling interest. Prices closed between 9 day and 18 day EMA, well below previous settlement price. MACD has curved down towards neutral region. Stochastic has become steady. Volumes declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - April	1460	1464	1470.20	1485	1490

Trade Recommendation:

Sell NCDEX April Soybean contract below 1478 with target T1 at 1475 and T2 at 1468. Put SL at 1482.

SPOT MARKET PRICES: -

Markets	Market	02.03.07	01.03.07	Change	Arrivals (Bags)
Indore	Plant	1445-1460	1450-1475	-15	60,000 in MP
Indore	Mandi	1380-1400	1390-1410	-10	
Maharashtra	Plant	1480	1490-1495	-15	15,000 - 20,000
Maharashtra	Mandi	1400-1430	1420-1440	-10	
Kota	Plant	1415-1425	1430-1450	-25	9,000 - 10,000 Rajasthan
Kota	Mandi	1380-1395	1390-1405	-10	

MUSTARD

SPOT MARKETS:

Weakness in edible oil sentiments across domestic market was well reflected on routine trading of mustard seeds. Resellers quoted lower rates for mustard seeds against steady demand for mustard expeller oil. Slight improvement in arrival of fresh harvested mustard seeds in Alwar and Kota region was said to have mounted pressure on prices to soften amidst lack of fresh fundamentals. Active trading for mustard seeds is likely to be observed after 'Holi' as stated by a market observer.

FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at Rs 381.85/20 Kg against previous closing levels of Rs 382.70/20Kg. The mustard seed contract reflected bearish tone amidst higher selling interest and closed at Rs 380.40/20 Kg, slightly below the previous closing levels.

PRICE DRIVERS:

1. Resellers quoted lower rates for mustard seeds.
2. Harvesting of mustard seeds in progress at MP Gujarat and Rajasthan.
3. Total arrivals of mustard seeds declined on account of adverse weather.
4. Steady demand for mustard oil.

WEATHER:

Dry weather forecasted for coming 3 days, standing crop of mustard unlikely to be affected.

TECHNICALS: -

Prices continued its downtrend and closed below 9 day and 18 day EMA. Stochastic is moving northwards after crossing the mark for oversold region. MACD is heading up in negative territory thus indicating positive sentiments ahead. Volumes declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	372	376	380.40	385	388

Trade Recommendation:

Sell NCDEX Mustard May contract below 381 with target T1 at 378.
Put SL at 383.

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

Markets	02.03.07	01.03.07	Change	Arrivals (Bags)
Jaipur (C)	1840-1845	1835	+10	-
Alwar(C)	1740-1745	1740-1760	-15	2000
Delhi(C)	1880-1885	1900	-15	300-400
Agra(C)/Katchi Ghani	-	1975/4600	-	-
Sri Ganganagar (NC)	1635	1650	-15	150-200
Kota (NC)	1620-1630	1660	-30	15,000-18,000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Rates for groundnut oil softened at the back of steady edible oil sentiments in domestic market whereas the rates for nuts remained range bound. Total daily arrivals for nuts dropped sown and stood in a range of 15,000 to 20,000 bags. Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 486/20 Kg. Prices for groundnut oil was quoted at Rs 642 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.