

## OILSEED DAILY

10<sup>th</sup> March, 2007

### SOYBEAN

#### SPOT MARKETS:

Spot markets in MP and Maharashtra witnessed inactive trading as major markets were closed on account of 'Rang Panchami'. Traders were in festive mood. Arrivals on Friday declined to half the quantity that arrived on Thursday. Offtake from solvent units continued and plant delivery rates for soybean firmed up further. Subdued demand for soymeal and steady demand for soybean oil featured routine trading.

#### FUTURES MARKET: -

The most active April contract of soybeans at NCDEX opened at 1482.50/ctl against previous closing levels of Rs 1475.50/ctl. Steady soybean oil sentiments in domestic market amidst good buying support led the futures close at Rs 1483/ctl, well above the previous closing levels.

#### PRICE DRIVERS:

1. Restricted selling from stockists.
2. Steady to weak port delivery rates for soymeal.
3. Steady to improved sentiments for soy oil in domestic market.
4. Gradual decline in inventories of soybeans at processors end

#### WEATHER:

Isolated rains over South MP and Vidharba. Rains are of little concern as harvesting is completed.

#### TECHNICALS: -

Candlestick pattern depicts indecisiveness at higher levels. Prices managed to close higher and close above 9 day and 18 day EMA. MACD has headed up. Stochastic has made a bullish crossover and moving northwards. Volumes increased and Open Interest declined.



#### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - April	1468	1472	1482.6	1492	1496

#### Trade Recommendation:

**Sell** NCDEX April Soybean contract below 1486 with target T1 at 1476. Put SL at 1488.

#### SPOT MARKET PRICES: -

Markets	Market	09.03.07	08.03.07	Change	Arrivals (Bags)
Indore	Plant	1460-1485	1440-1460	+25	5,000-10, 000 in MP
Indore	Mandi		1380-1410	-	
Maharashtra	Plant	1470-1520	1510	+10	5,000 - 10,000
Maharashtra	Mandi	-	1450-1480		
Kota	Plant	1440-1450	1435-1455	-5	5000 Rajasthan
Kota	Mandi	1380-1400	1390-1415	-15	

## MUSTARD

### SPOT MARKETS:

Market sentiments have firmed up across all spot markets on Friday. Farmers have brought in more seeds into the markets well before onset of rains/thunderstorms predicted by weekend. Good demand for mustard expeller oil has allowed resellers to quote relatively higher rates for mustard seeds. Marked improvement in arrivals was noticed in Alwar and Kota regions. As per market sources, NAFED is all set to start off with procurement drive for mustard seeds by next week.

### FUTURES MARKET: -

The NCDEX May contract of mustard seeds opened at Rs 388/20 Kg near previous closing levels. The mustard futures traded firm amidst good buying support to close at a high of Rs 392.50/20 Kg, Rs 4.5 above the previous closing levels.

### PRICE DRIVERS:

1. Resellers quoted higher rates for mustard seeds.
2. Harvesting of mustard seeds in progress at MP Gujarat and Rajasthan.
3. Steady to improved demand for mustard oil.

### WEATHER:

Scattered to isolated rainfalls over northwest Rajasthan on 9<sup>th</sup> and 10<sup>th</sup> of March followed by hail storms on 11<sup>th</sup> and 12<sup>th</sup> of March. Crop loss likely if rains persist for long.

### TECHNICALS: -

Candlestick pattern reflects bullishness. Prices closed well over and above the previous settlement prices indicating positive sentiments. Stochastic had made a bullish crossover. MACD has crossed the neutral region and is heading up in positive territory. Both Volumes and Open Interest increased.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	383	386	391.60	397	400

### Trade Recommendation:

**Buy** NCDEX Mustard May contract above 390 with target T1 at 395 and T2 at 391. Put SL at 388.

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

Markets	09.03.07	08.03.07	Change	Arrivals (Bags)
Jaipur (C)	1835	1810	+25	-
Alwar(C)	1725	1710-1715	+10	6000-8000
Delhi(C)	1895	1880-1885	+10	400-500
Agra(C)/Katchi Ghani	1950/4500	1925/4250	+25	-
Sri Ganganagar (NC)	1665	1650	+15	150-200
Kota (NC)	1640	1620	+20	15,000-25,000

C: Conditioned

NC: Non-Conditioned

## GROUNDNUT

### SPOT MARKET: -

Rates for groundnut oil softened in domestic market due to steady groundnut oil demand and bearish cues from other edible oils traded in domestic market. Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 482/20 Kg. Prices for groundnut oil was quoted at Rs 628 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.