

OILSEED DAILY

SOYBEAN

17th April 2007

SPOT MARKETS:

Amidst steady arrivals, rates for beans firmed up in Maharashtra and Kota tracking general firmness in edible oil sentiments in domestic and overseas. However, rates for soybeans eased down in MP. Soymeal too traded weak amidst little buying support and lack of overseas market direction. Port delivery rates for soymeal stood steady at previous levels. As per SEA of India, edible oil imports are likely to increase in ensuing month, as importers are likely to book more for May and June delivery at the back of appreciation for the Rupee during last month. The total edible oil imports are expected to increase to 51 lakh tonnes.

FUTURES MARKET: -

The most active May contract of soybeans at NCDEX traded firm initially tracking firm edible oil sentiments in domestic and overseas but settled low by end of trading session amidst higher selling interest. The futures opened low at Rs 1579.3/qrtl against previous close of Rs 1576.6/qrtl. Futures closed low at Rs 1571/qrtl, well below the previous closing levels.

PRICE DRIVERS:

1. Steady to weak soymeal rates in domestic market.
2. Firm sentiments for soy oil in domestic market.
3. 77% harvest of soybean completed in Brazil.
4. Arrivals were negligible.
5. Edible oil imports are likely to increase during May and June.

WEATHER:

Weather is of little concern during lean period.

TECHNICALS: -

Chart pattern indicates bearish candlestick. Prices closed near the short term EMA after loosing initial gains. MACD is moving down towards neutral region indicating weakening of uptrend whereas the Stochastic is heading up towards overbought region. Volumes declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	1565	1568	1571	1582	1585

Trade Recommendation:

Sell NCDEX May Soybean contract above 1575 with target T1 at 1573. Put SL at 1578.

SPOT MARKET PRICES: -

Markets	Market	16.04.07	14.04.07	Change	Arrivals (Bags)
Indore	Plant	1570	1560-1575	-5	15,000 in MP
Indore	Mandi	1510	1490-1520	-10	
Maharashtra	Plant	1660	1650	+10	6000
Maharashtra	Mandi	1580-1600		-	
Kota	Plant	1580	1560-1570	+10	5000 in Rajasthan
Kota	Mandi	1520-1530		-	

MUSTARD

SPOT MARKETS:

Arrivals on Monday stood at 3 lakh bags, which were 25,000 bags over Saturday's arrivals. Prices of seeds remained range bound except for slight firmness in Delhi and Alwar on account of firm sentiments for expeller oil in Delhi and Alwar, elsewhere demand for expeller remained subdued and hence the rates of seeds quoted there remained steady at previous levels. Offtake by millers, expeller plants continued, however NAFED's procurement still remains dull on account of higher open market prices of seeds and stockpiling by private traders during lean season.

FUTURES MARKET: -

The NCDEX May contract traded sideways at the back of mixed sentiments at spot markets. It opened up at Rs 427/20 Kg against previous closing of Rs 426.35/20 Kg. Futures closed low at Rs 423.75/20 Kg slightly below the previous closing levels.

PRICE DRIVERS:

1. Rates for seeds steady at previous levels.
2. Arrivals improved marginally.
3. Steady to firm sentiments for mustard expeller oil in Delhi and Alwar.
4. Slow procurement drive of NAFED.

WEATHER:

Thunderstorm likely over Western UP, some parts of North MP, Rajasthan and parts of Vidharba. Major parts of mustard crops have been harvested, impact over crop is unlikely.

TECHNICALS: -

Chart pattern show bulls hesitating to break above the psychological barrier of 427-428 levels. Prices continued it's up trend amidst predominant selling interest. Prices closed above the short term EMA's. MACD has flattened and Stochastic is hovering in overbought region. RSI in overbought region is dipping possibly indicating for a correction. Volumes declined and Open Interest increased.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX - May	418	420	423.75	428	433

Trade Recommendation:

Sell NCDEX Mustard May contract below 425 with target T1 at 423. Put SL at 426.

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

Markets	16.04.07	14.04.07	Change	Arrivals (Bags)
Jaipur (C)	2035-2040	2040-2050	-10	-
Alwar(C)	2000	1980-1990	+10	15,000
Delhi(C)	2035-2040	2020-2025	+15	5000
Agra(C)/Katchi Ghani	2175/5000	2175/4950	0	-
Sri Ganganagar (NC)	1805	1805	0	8000
Kota (NC)	1580	1850	0	30,000-35,000

C: Conditioned

NC: Non-Conditioned

GROUNDNUT

SPOT MARKET: -

Groundnut oil tracked initial firmness in edible oil sentiments across domestic market. Rates for oil and nuts firmed up successively on Saturday. Arrivals have declined further. Amidst limited availability of butts for crushing at the back of handful of solvent units to handle crushing of nuts, prices are likely to rule steady to firm. **Rates for different qualities of nuts across different centres in the states were reported in a range of Rs 410 to 523/20 Kg. Rates for groundnut oil varied from Rs 688-690 per 10 Kg.** As per agriculture department of state government of Gujarat, oilseed production during 2006-07 has been estimated to decline to around 28.5 lakh MT, a steep decline against previous years production of 46.66 lakh MT. State government has taken initiatives to explore strategies to improve current years acreage and production of oilseeds

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.