

OILSEED

Agriwatch
DAILY

■ SOYABEAN

Sept 24, 2007

SPOT MARKETS:

Spot prices of soybean stood mixed on Saturday while plant delivery rates for soybean softened in MP and Kota region. Soymeal prices consolidated on weekend trading on tracking weak cues from soy futures at CBOT. Lack of strength in edible oils couldn't support prices of beans either. The demand for beans from millers and processing units continue to hold firm but sentiments stood weak on weak global advices. Harvest pressure of oilseed crops in India is already weighing on prices of beans. With fresh lots of beans arriving in markets spot prices are likely to be discounted. At CBOT, harvest pressure of beans and technical corrections at higher levels dragged down the soy futures on Friday.

FUTURES MARKET: -

The soybeans futures at NCDEX traded sideways with weak bias on profit booking at higher levels. The October contract of soybeans futures opened at Rs 1628 per qtl against previous closing of Rs 1638.5 per qtl. Futures closed at 1613 per qtl.

PRICE DRIVERS:

1. Arrivals of fresh beans in MP & MH.
2. Firm soymeal sentiments
3. Good export enquiries for Indian soymeal.
4. Soybean harvest in US & India.

WEATHER:

Monsoon showers over Central India and MH within

TECHNICALS: -

Formation of dark candlestick shows weakness in prices. EMA and MACD show medium term firmness. RSI continued to dip in neutral region while Stochastic headed up further into overbought region indicating vulnerability to further corrections. Volumes and open interest declined. Prices are likely to open lower and trade with weak bias.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX					

Status of Price & Supply of Soybean (Rs /Qtl) [Plant: - P // Mandi: - M]

Markets	22.09.07	21.09.07	Change	Arrivals (Bags)
Indore [P]	1570	1620	-50	15,000
Indore [M]	1480-1550	1500-1550	0	
Maharashtra [P]	1700	1680	+20	3,000
Maharashtra [M]	1500-1600	NA	-	
Kota [P]	1600-1610	1630	-20	2,000
Kota [M]	1550-1560	1550	+10	

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	1628.00	1635.00	1607.00	1613.00	1634.00	-1.29
NCDEX	Nov	1630.00	1630.00	1608.00	1614.00	1632.00	-1.20
NCDEX	Dec	1641.00	1643.00	1625.00	1633.50	1650.00	-1.09



■ MUSTARD

SPOT MARKETS:

Spot prices of mustard seeds stood firm on weekend trading. Supply stood short of steady demand of seeds from millers and processing units. During the week, the total daily arrivals declined steadily from 25,000 bags on Monday to mere 15,000 bags on weekend trading. Ganganagar region witnessed marked improvement of 300 bags elsewhere it stood at previous day's levels. Prices of mustard expeller oil traded with weak bias. Pressure of kharif oilseed harvest is likely to keep seed prices under pressure while approaching sowing time for rapeseed/mustard is likely to support seed prices on temporarily basis.

FUTURES MARKET: -

The NCDEX Mustard seed futures traded weak with slight buying support at lower levels. The **October** futures of mustard seeds opened at Rs 447.20 Kg against previous closing level of Rs 447 Kg. Futures closed at Rs 446.50 per 20 Kg.

PRICE DRIVERS:

1. Slight decline in arrival pressure.
2. Harvest pressure of kharif oilseeds.
3. Ambitious target for Rabi mustard production.
4. Pressure of edible oil imports.

WEATHER: -

Weather is insignificant for mustard seed sentiments except for rains during second fortnight of this month.

TECHNICALS: -

Chart pattern shows narrow range bound trading with slight buying support at lower levels. MACD & EMA show medium term firmness. Stochastic turned flat in overbought region while RSI headed up in neutral region. Volumes declined and open interest increased. Prices are likely to steady to weak with slight resistance at higher levels.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Oct	439	440	446.5	450	451

Trade Recommendation:

SELL Oct futures near 447 with T1 at 444 and T2 - 442. SL at 448.

Status of Price & Supply of Mustard (Rs /Qtl) C: Conditioned // NC: - Non-Conditioned

Markets	22.09.07	21.09.07	Change	Arrivals (Bags)
Jaipur (C)	2155-2160	2155-2160	0	-
Alwar(C)	2070	2060-2065	+5	900-1000
Delhi(C)	2200	2180-2190	+10	600-700
Agra(C)/Katchi Ghani	2300/5150	2290/5150	+10	-
Sri Ganganagar (NC)	1850	1835-1840	+10	900-1000
Kota (NC)		-		-

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	447.20	447.50	443.90	446.50	446.35	+0.03
NCDEX	Nov	447.70	448.00	444.10	446.30	446.85	-0.13
NCDEX	Dec	448.00	448.00	445.30	447.35	447.75	-0.09

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■ GROUNDNUT

COMMODITIES RESEARCH

SPOT MARKET: -

Russian Federation has temporarily lifted curbs on import of groundnut from India for period of 4 months w.e.f 17th of September. The Federation further stated for adhering to quality and safety certification in order to facilitate smooth exports of groundnut to Russian Federation. As per first advance estimate issued by Union Ministry of Agriculture, the production of groundnut for 2007-08 is expected to touch 5.18 MMT against current year's production figure of 3.28 MMT.

Kharif groundnut crop was in late vegetative/flowering stages Karnataka, Maharashtra and Gujarat. Early sown crop in peg formation stage in Andhra Pradesh, Karnataka and Maharashtra, while sowing is tailing end in Tamil Nadu.

The prices of shelled nuts on Saturday firmed up marginally by Rs 2-4/20 Kg to Rs 410 to 549/20 Kg for different grades of nuts sold in Gondal, Junagarh and Jamnagar region of Gujarat. Prices of groundnut oil stood steady at Rs 802-806/10 Kg in Rajkot market on steady market sentiments. Good nuts production is likely to impact edible oil imports scenario for the months to come ahead.

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