

# OILSEED

Agriwatch  
DAILY

## ■ SOYABEAN

■ Sept 26, 2007

### SPOT MARKETS:

Oil World believes that global oilseed output for the year ending October of 2008 will fall near 13 million tonnes to 391 million tonnes on account of lower production in Australia, China, Europe and North America. Recent rains over Central India may delay harvest while continued harvest in US is seen mounting pressure on prices of beans. Domestically, major spot markets were reported to be closed on account of "Anant Chathurdashi". Spot markets in Maharashtra remained closed. Major markets in MP too remained closed except for few arrivals reported from Ujjain. Rajasthan witnessed steady arrival pressure. Around 18,000 bags arrived on Tuesday against 50,000-55,000 bags last day. Plant delivery rates stood firm in MP and Kota region as demand for soymeal continued to support the prices at plants.

### FUTURES MARKET: -

The soybeans futures at NCDEX traded sideways with weak bias. The October contract of soybeans futures opened at Rs 1630 per qtl against previous closing of Rs 1636 per qtl. Futures closed at 1615 per qtl.

### PRICE DRIVERS:

1. Markets closed on **Ananth Chaturdashi**.
2. Firm soymeal sentiments.
3. Good export enquiries for Indian soymeal.
4. Soybean harvest in US & India.

### WEATHER:

Scattered rains over MP & MAH within 24 hrs.

### TECHNICALS: -

Vulnerability to corrections at higher levels dragged down the prices, as seen from formation of a dark candlestick. EMA and MACD show medium term firmness. RSI moved down in neutral region while Stochastic dipped lower following a bearish crossover in overbought region. Volumes increased and open interest declined. Prices are likely to 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	25.09.07	24.09.07	Change	Arrivals (Bags)
Indore [P]	1620	1580-1600	+20	15,000
Indore [M]	-	1475-1500	-	
Maharashtra [P]	NA	1700	-	NA
Maharashtra [M]	NA	NA	-	
Kota [P]	1600	1580-1590	+10	2,000-3000
Kota [M]	NA	1530-1550	-	

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	1630.00	1633.50	1614.50	1615.00	1636.00	-1.40
NCDEX	Nov	1634.00	1634.00	1615.00	1616.00	1638.00	-1.47
NCDEX	Dec	1651.50	1654.50	1636.00	1637.00	1660.50	-1.55



## ■ MUSTARD

### SPOT MARKETS:

Mustard complex is following global cues and soy-complex on lack of strong fundamentals. The total arrivals on Tuesday stood at previous day's levels of 15,000 bags. Alwar witnessed a hike of 500-600 bags over previous day's levels. Prices of mustard seed stood firm across spot markets as well as across domestic exchanges on second consecutive day. Spot prices in Alwar, Jaipur and Kota markets stood firm on views that arrival pressure of kharif oilseed crops would be extended further by 15-20 days on concurrent rains. Improving prices of edible oils too was seen providing support to spot prices of seeds. However current rains over Rajasthan and Gujarat region were seen as positive developments for ensuing Rabi season on assured soil moisture and timely sowing operations.

### FUTURES MARKET: -

The NCDEX Mustard seed futures traded firm on good buying support at current levels. The **October** futures of mustard seeds opened at Rs 451.5 Kg against previous closing level of Rs 451.7 Kg. Futures closed at Rs 453.7 per 20 Kg.

### PRICE DRIVERS:

1. Steady arrival pressure of mustard seeds.
2. Harvest pressure of kharif oilseeds.
3. Ambitious target for Rabi mustard production.
4. Festive and marriage season demand for edible oils.

### WEATHER: -

Late monsoon showers beneficial for seed sowing mid Oct.

### TECHNICALS: -

Chart pattern shows tentativeness on both sides. MACD is moving up in positive region. Stochastic and RSI are heading up in overbought region, indicating imminent selling pressure at higher levels. Volumes and open interest increased. Prices are likely to open steady with strong possibility of late corrections.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Oct	448	450	453.7	459	461

### Trade Recommendation:

**BUY** Oct futures near 453 with T1 at 455 and T2 - 457. SL at 452.

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

Markets	25.09.07	24.09.07	Change	Arrivals (Bags)
Jaipur (C)	2180-2200	2150-2170	+30	-
Alwar(C)	2100	2060-2070	+25	1000-1200
Delhi(C)	2200-2205	2200	+5	700-800
Agra(C)/Katchi Ghani	2300/5150	2310/5150	-10	-
Sri Ganganagar (NC)	1840-1850	1870	-20	800-900
Kota (NC)	1950	1875-1925	+25	2000

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	451.50	455.35	449.00	453.70	451.70	+0.47
NCDEX	Nov	449.00	453.20	447.25	451.00	449.80	+0.28
NCDEX	Dec	448.75	453.80	447.75	451.30	450.50	+0.18

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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 17<sup>th</sup> 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 Tuesday firmed up marginally by Rs 5/20 Kg to Rs 410 to 550/20 Kg for different grades of nuts sold in Gondal, Junagarh and Jamnagar region of Gujarat. Prices of groundnut oil stood steady at Rs 811-815/10 Kg in Rajkot market. Good nuts production is likely to impact edible oil imports scenario for the months to come ahead.

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