



■ SOYABEAN

■ Sept 21, 2007

SPOT MARKETS:

Soybean arrivals on Thursday improved by 5,000 bags to 35,000 bags. Fresh soybean arrivals in MP and Maharashtra stood at 15,000 and 5000 bags. Share of old stock of beans in daily lots are seen declining steadily. Spot prices of soybean stood mixed on Thursday. Port delivery rates softened across MP and Kota region while spot prices managed to stay firm in Indore region. Soymeal prices continued to hold firm on good domestic demand despite weak global cues. Harvest pressure of soybean in India and US is keeping bean prices subdued. As per 1st advance estimate released by Union Ministry of Agriculture, soybean production for 2007-08 is expected at 90.4 lakh MT against total oilseed production pegged at 161.3 lakh MT.

FUTURES MARKET: -

The soybeans futures at NCDEX traded sideways with firm bias. The October contract of soybeans futures opened at Rs 1576.5 per qtl against previous closing of Rs 1578.5 per qtl. Futures closed at 1597.5 per qtl.

PRICE DRIVERS:

1. Arrivals of fresh harvested soybean in MP and Maharashtra.
2. Steady to firm soymeal sentiments
3. Good export enquiries for Indian soymeal.
4. Soybean harvest in US & India.

WEATHER:

Late monsoon showers are likely over Central India and whole of Maharashtra from 24th of this month.

TECHNICALS: -

A long hollow candlestick shows firmness in prices. EMA and MACD show medium term firmness. RSI and Stochastic headed up further into overbought region indicating vulnerability to corrections at higher levels. Volumes and open interest increased. Prices are likely to open firm and witness possible corrections lower.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
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Status of Price & Supply of Soybean (Rs /Qtl) [Plant: - P // Mandi: - M]

Markets	20.09.07	19.09.07	Change	Arrivals (Bags)
Indore [P]	1580-1600	1595-1605	-5	25,000
Indore [M]	1460-1520	1400-1480	+40	
Maharashtra [P]	1650	1650	0	5,000
Maharashtra [M]	1500-1600	NA	-	
Kota [P]	1580-1590	1590-1600	-10	3,500-4000
Kota [M]	1540	1540	0	

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Sept	1600.00	1620.00	1596.00	1616.00	1597.00	+1.25
NCDEX	Oct	1576.50	1600.00	1575.00	1597.50	1579.50	+1.14
NCDEX	Nov	1580.00	1598.00	1573.50	1596.00	1578.50	+1.17



■ MUSTARD

SPOT MARKETS:

Arrivals of mustard seeds have been keeping a steady pace. The daily arrivals on Thursday stood at previous day's levels of 15,000 bags. Alwar and Delhi region witnessed a decline of 500 and 200 bags respectively, elsewhere it stood at previous day's levels. Arrivals improved in Ganganagar region. Spot prices of seeds recovered on Thursday except for Alwar; where prices stood at previous day's levels. Weak global advices dragged down mustard seed prices across domestic exchanges. Lack of strength in edible oil prices capped the upside in prices of seeds. The Centre is likely to declare MSP for Rabi crops by month end. A higher MSP for rapeseed/mustard this year may support the crop in terms of acreage and production, thereby strengthening domestic oilseed crushing keeping inflationary tendencies under check.

FUTURES MARKET: -

The NCDEX Mustard seed futures traded on lower side with weak bias. The **October** futures of mustard seeds opened at Rs 443.1 per 20 Kg against previous closing level of Rs 443.5 Kg. Futures closed at Rs 438.40 per 20 Kg.

PRICE DRIVERS:

1. Steady 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: -

Prices continued to dip lower on predominant selling interest. MACD & EMA show firmness. Stochastic is moving up in overbought region while RSI plunged further in neutral region. Volumes and open interest declined. Prices are likely to trade with weak bias.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Oct	432	433	438.40	442	444

Trade Recommendation:

SELL Oct futures near 439 with T1 at 436 and T2 - 434. SL at 441.

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

Markets	20.09.07	19.09.07	Change	Arrivals (Bags)
Jaipur (C)	2160-2170	2165	+5	-
Alwar(C)	2060-2065	2060-2065	0	800-900
Delhi(C)	2190-2200	2185	+15	500-600
Agra(C)/Katchi Ghani	2300/5150	2280/5150	+20	-
Sri Ganganagar (NC)	1835-1840	1830-1835	+5	600-700
Kota (NC)		-		-

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Sept	450.70	458.00	450.70	458.00	451.35	+1.58
NCDEX	Oct	443.10	443.30	436.65	438.40	443.30	-1.17
NCDEX	Nov	443.70	444.55	438.30	439.45	444.20	-1.10

OILSEED

Agriwatch
DAILY

■ 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 Thursday stood firm at Rs 410 to 541/20 Kg for different grades of nuts sold in Gondal, Junagarh and Jamnagar region of Gujarat. Prices of groundnut oil firmed up to Rs 800-8021/10 Kg in Rajkot market on account of good buying support for upcoming festive season and tight supply conditions. Good nuts production is likely to impact edible oil imports scenario for the months to come ahead.

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