

# OILSEED

Agriwatch  
DAILY

## ■ SOYABEAN

Oct 01, 2007

### SPOT MARKETS:

Spot as well as plant delivery rates for soybean stood weak on weekend trading on good supply pressure of fresh harvested beans and weak cues from CBOT. Prices of soymeal softened marginally however, demand for oilmeals continues to hold steady to firm. The daily arrivals of beans stood at 1, 50,000 bags, a hike of around 30,000 bags over previous day's arrivals. With monsoon withdrawing by mid week, chances of supply pressure to mount on prices is inevitable. Good stock position of US soybean, vulnerability to overbought conditions and selling pressure of soybean on continued harvest dragged down the soy futures at CBOT. The USDA pegged September 1st stocks at 572.7 million bushels against 449 million last year.

### FUTURES MARKET: -

The soybeans futures at NCDEX traded weak on predominant selling interest. The October contract of soybeans futures opened at Rs 1647 per qtl against previous closing of Rs 1653 per qtl. Futures closed up at 1627.0 per qtl.

### PRICE DRIVERS:

1. Marked increase in arrivals of beans.
2. Firm soymeal sentiments.
3. Soybean harvest in US & India.
4. World soybean output to decline.

### WEATHER:

IMD estimates good kharif crop production this year on account of above normal rainfall distribution this year. Monsoon rains to withdraw in 3 to 4 days.

### TECHNICALS: -

Long dark candlestick shows weakness in prices. EMA and MACD show medium term firmness. RSI and stochastic are seen moving down steadily in neutral region. Volumes declined and open interest increased. Prices are likely to open weak and trade with weak bias.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-	1600	1606	1627	1641	1645

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

Markets	28.09.07	27.09.07	Change	Arrivals (Bags)
Indore [P]	1630	1650	-20	1,00,000-1,25,000
Indore [M]	1450-1560	1535-1600	-40	
Maharashtra [P]	1650	1710	-60	25,000-30,000
Maharashtra [M]	1500-1525	1450-1550	-25	
Kota [P]	1630	1660	-30	2,000
Kota [M]	1590-1610	1625	-15	

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	1647.00	1647.00	1624.00	1627.00	1654.00	-1.67
NCDEX	Nov	1640.00	1640.00	1622.00	1625.00	1651.00	-1.61
NCDEX	Dec	1661.00	1661.00	1641.50	1645.00	1670.50	-1.56



## ■ MUSTARD

### SPOT MARKETS:

Prices of mustard seed settled lower across spot markets and domestic exchanges at Sirsa, Hapur and Delhi on tracking weak cues from soy-complex. Demand for seeds from millers continues to hold steady to firm on improving demand for expeller oil and rape seed DOC and expeller oil meal. The daily arrivals declined by 5,000 bags to 15,000 bags on weekend trading. With DGFT allowing imports of edible oils from GM oilseeds, prices of expeller oil are likely to soften but steady rise in sowing demand for mustard/rapeseed is likely to support prices in short to medium term. NAFED is reported to have reduced sale of expeller oil in Rajasthan which may provide underlying support to seed prices despite harvest pressure of kharif oilseeds across the states.

### FUTURES MARKET: -

The NCDEX Mustard seed futures traded sideways with firm bias. The **October** futures of mustard seeds opened at Rs 453.6 Kg against previous closing level of Rs 455.3 Kg. Futures closed at Rs 457.05 per 20 Kg.

### PRICE DRIVERS:

1. NAFED to import more edible oils.
2. Improved arrivals on Friday.
3. Sowing demand for mustard seed.
4. Festive and marriage season demand for edible oils.

### WEATHER: -

As per IMD, monsoon rains over North West regions of India are likely to withdraw in 3 to 4 days.

### TECHNICALS: -

Chart pattern shows firmness in prices. MACD and EMA pattern shows medium term firmness. RSI dipped lower while Stochastic is seen moving down following bearish crossover in overbought region. Volumes and open interest increased. Prices are likely to open firm and trade steady with possibility of late corrections.



### SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Oct	454	455	457.05	465	468

### Trade Recommendation:

**BUY** Oct futures near 458 with T1 at 460 and T2 - 464. SL at 457.

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

Markets	29.09.07	28.09.07	Change	Arrivals (Bags)
Jaipur (C)	2180	2200	-20	
Alwar(C)	2100	2110-2120	-20	800-900
Delhi(C)	2200	2200	0	400-500
Agra(C)/Katchi Ghani	2300/5150	2350/5175	-50	
Sri Ganganagar (NC)	1870	1870-1875	-5	900-1000
Kota (NC)	-	-		-

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Oct	453.60	458.00	453.15	457.05	455.00	+0.45
NCDEX	Nov	451.50	454.00	450.05	453.25	452.40	+0.19
NCDEX	Dec	450.50	453.20	450.00	452.00	451.75	+0.06

# OILSEED

Agriwatch  
DAILY

## ■ GROUNDNUT

COMMODITIES RESEARCH

### SPOT MARKET: -

Good crop conditions weak demand and poor trade activities pushed back groundnut complex in major trading centers. Kharif groundnut crop in flowering/pegging stage in Karnataka where as pegging/pod filling stage in Andhra Pradesh, Maharashtra, Gujarat. Rainfed groundnut sowing is continues in Tamil Nadu. The prices of groundnut seeds for different qualities traded between Rs. 410-552 per 20kg (Rs. 410-545 per 20 kg last week) in different market in Gujarat during the week. In Rajkot market groundnut oil traded between Rs. 780-810 per 10 kg (last week it was Rs. 780-800 per 10 kg).

Current rains are found beneficial for groundnut crop in terms of increasing yield prospects as stated by spokesperson from SEA of India. Traders expect that groundnut production could touch levels of 48-49 lakh MT, a hike of around 13-15 lakh MT. However, first advance estimate by Ministry of Agriculture holds groundnut production estimate at 51.8 lakh MT.

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.

### 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.