

OILSEED

Agriwatch
DAILY

■ SOYABEAN

■ Dec. 11, 2007

SPOT MARKETS:

Soybean complex witnessed firm on Monday following good demand from plants/crushers. According to the Solvent Extractors' Association of India country's oilmeal exports in November rose 1.3% to 590,825 metric tons from 583,250 tons last year. However, the arrival of soybean has reduced to 4.20 lakh bags on Monday.

FUTURES MARKET: -

Soybean futures at NCDEX traded firm. January contract opened firm at Rs.1850.00/qtl against previous close of Rs.1845.00/qtl. Contract then traded in the range of Rs. 1847.50-1863.50/qtl before it closed at Rs.1859.00/qtl.

PRICE DRIVERS:

1. Good demand from plants & crushers
2. Firmness in Futures market
3. Attractive parities to plants/crushers
4. Higher soymeal exports
5. Lower crop in US & China
6. Marked lower arrivals of beans

WEATHER:

Dry weather over growing regions favours harvesting.

TECHNICALS: -

A long hollow candlestick is formed breaching the previous highs, which reflects firmness in market. MACD and EMA remains firm for the medium term. Both Stochastic and RSI is moving upward in the neutral zone. Market is expected to trade range bound with firm bias.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Jan	1835	1848	1859	1875	1890

Trade Recommendation:

BUY NCDEX Jan. Soybean contract above 18450 with T1 at 1865 T2 at 1872 SL at 1843.

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

Markets	10.12.07	08.12.07	Change	Arrivals (Bags)			
Indore [P]	1830-50	1820	+30	1,50,000-2,00,000 bags			
Indore [M]	1770-1818	1765	+53				
Maharashtra [P]	1840-60	1835	+25	1,65,000-1,70,000 bags			
Maharashtra [M]	1790-1845	1795	+50				
Kota [P]	1830-45	1815	+30	40,000-50,000 bags			
Kota [M]	1750-1810	1735	+75				
Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Dec	1826.00	1835.00	1824.50	1835.50	1821.50	+13.50
NCDEX	Jan	1850.00	1863.50	1847.50	1859.00	1845.00	+14.00

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■ MUSTARD

■ Dec 11, 2007

SPOT MARKETS:

Overall mustard seed traded weak at local/regional exchanges and markets. However, expectation of lower mustard seed production this year supported the sentiment besides lower inventories in the market. As per recent government sources mustard was sown on around 5.59 million hectares for Oct. 1 to Dec. 6 compared with 6.34 million hectares a year earlier. The spot market arrivals at local markets improved to 28,000 bags on Monday compared to 17,500 bags on Saturday.

FUTURES MARKET: -

NCDEX Mustard seed futures traded Weak. January contract opened firm at Rs.475.75/20 Kg against previous close of Rs.474.65/20 Kg and tested a high of Rs 476.45/20 Kg testing a low of Rs.471.10/20 Kg before it closed at Rs 472.20/20 Kg.

PRICE DRIVERS:

1. Bad weather in northern parts India
2. Improved arrivals of mustard seeds.
3. Mustard acreage dropped around 33.5%
4. Sowing fell to 5.27 mil ha against 6.13milha last year
5. Expectation of lower production this year
6. Lower stock with NAFED & in physical markets.

WEATHER: -

Continuing dry weather may hinder sowing.

TECHNICALS: -

Mustard candlestick pattern denotes selling interest prevalent in the trading circle. Prices gave up last week's gains and closed below 5 and 18 Days EMA indicating weak tone of the market. Oscillators in the oversold territory denotes there are chances of recouping the losses to certain extent. MACD has made bearish crossover in the negative territory adding to the overall bearish scenario of the market.



SUPPORT / RESISTANCE:

Contract	S2	S1	PCP	R1	R2
NCDEX-Jan	469	471	472.20	477.5	481

Trade Recommendation:

SELL Jan below 475 with T1 at 472 and T2 at 438.

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

Markets	10.12.07	0812.07	Change	Arrivals (Bags)
Jaipur (C)	2390-95	2380	+15	10,000-15,000 bags
Alwar(C)	2300	2310	-10	1500-2000 bags
Delhi(C)	2400	2390	+10	600-700 bags
Agra(C)/Katchi Ghani	2500	2500/5600	-	-
Sri Ganganagar (NC)	2025	2025-30	-5	300-400 bags
Kota (NC)	-	-	-	-

Exchange	Expiry	Open	High	Low	Close	Prev Close	% Change
NCDEX	Dec	467.45	467.50	462.70	464.05	467.45	-2.10
NCDEX	Jan	475.75	476.75	471.10	472.20	474.65	-2.45

■ GROUNDNUT

■ Dec 11, 2007

SPOT MARKET: -

Spot prices of groundnut complex witnessed firm sentiment on Monday amidst firm physical demands, considering the lower Rabi acreage of 2.41lha against 2.79 last year is likely to support the prices in near term besides news report that country has resumes groundnut oil exports. Meanwhile, country has resumed exports of groundnut oil after a long gap of around 2 years, on the back of increased Kharif output. However, the volumes shipped may remain thin because of low profitability on the back of lower groundnut prices in international markets, which further pressured the domestic prices as the demand from exporters remained subdued in the market. However, around 15,000-20,000 tonnes have already been contracted and most shipments so far are destined for European and Chinese ports in containers as well as in bulk. Export orders signed so far include delivery of 5,000 tonne of groundnut oil at a price of \$1,745/MT, basis cost and freight, to be delivered to Dunkirk port in France. Another cargo of 5,000 tonne is due for shipment to Europe's Rotterdam port after Dec. 10. Expectation of higher meal export this year following lower crop globally and bumper production this Kharif season in the country is also expected to support the sentiment. The prices of groundnut seeds for different qualities were weak at Saturday's level of Rs.504-505 per 20 kg to Rs.499.90 per 20 Kg to on Monday in different markets of Gujarat. In Rajkot market groundnut oil was weak from the Saturday's level of Rs.652-653 per 10 Kg to Rs.651.40 per 10 kg on Monday.

The Solvent Extractors' Association of India has just compiled the data for export of oil meals for the month of October 2007 and reported at 200 tons. During April to October 2007, around 12,475 MT of groundnut meal was exported compare to 12,275 MT of groundnut meal in April-September 2007 period. No exports were witnessed for the month of November 2007.

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