



Fundamental trigger absent in soybean

Soybean: No fundamental trigger

According to market observers, the farmers have been steadily unloading beans into the market to avail better prices offered by the stockists and solvent units. Further arrivals are expected after the *Sankranti* festival. Good domestic demand for soy meal and regular off take from the solvent units have kept the sentiments firm. According to the industry sources around 4.7 million tonne of soybean were sold during October-December, out of the total estimated production of 7.2 million tonne for the oil year 2006-07. This leaves 1.8-1.9 million tonne of soy stocks with the farmers to be sold in the open markets in the remaining 10 months of 2006-07 (November-October), after taking into account the crop retained for re-sowing and last year's carry over stocks.

Soy oil: Range-bound with a weak bias

The fall in crude oil prices pulled the CPO prices down. The fears of floods have also eased a bit affecting the sentiments adversely. The weakness in the CBOT soy oil prices has also restricted the upside in the domestic soy oil prices. However, with the likely lower production forecast of mustard and good off take of soybean, the prices are expected to be range-bound in the coming days.

Mustard: Industry estimates lower output

According to the traders in Rajasthan, the cold wave

conditions amidst frost across the north of Rajasthan have hampered trading to a certain extent besides having an adverse impact on the mustard crop. NAFED has revised upward the prices uniformly across the spot markets. The new rates quoted by NAFED stood at Rs1,745 per quintal for the Jaipur region and for the rest of the centres the rate stood at Rs1,710 per quintal. The rates firmed up in Jaipur and Ganganagar.

Wheat: Production estimates slightly higher than last year

The arrivals were steady at around 5,000 bags mostly coming from Uttar Pradesh and Haryana. The stockists have been actively selling wheat in the open markets, as the weather has remained good. However, some industry experts have ruled out any major rise in the production this year. In light of this, any major weakness in the prices in the coming days is ruled out.

Gram (chana): Steady

The news of some crop damage pulled up the prices yesterday, but the prices were unable to sustain at higher levels. The prospects of a good crop are making the market tentative in spite of a forecast of lower output by some industry experts. The domestic crop is pegged at 5.5 million tonne as announced in the first National *Rabi* Conference in Delhi, whereas the consumption is expected at 5 million tonne this year.