

SOYBEAN

Technical Analysis:

- Soybean chart reflects decline in price.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- MACD is rising in positive territory.
- RSI is easing in neutral region while stochastic is rising in neutral region.
- The soybean prices are likely ease in Tuesday's session.

Trade Recommendation – Soybean NCDEX (January)

Call	Entry	T1	T2	SL
SELL	<2383	2373	2368	2388
Support & Resistance				
S2	S1	PCP	R1	R2
2352	2368	2377.5	2414	2433

Soya Bean 1101(NCSOYF1)2011/01/03 - Daily B:2377.50 A:2378.00
O 2398.00 H 2399.00 L 2377.00 C 2377.50 V 40,320 I 131,460 -13.5
EMA(9) 2357.3 (18) 2333.5



RAPSEED

Technical Analysis:

- Mustard seed prices slightly gained in futures.
- Prices closed above 9-day 18-day EMA supporting bullish momentum in near and medium-term.
- RSI is rising in neutral region while stochastic is declining in neutral zone.
- Prices are likely to rise in Tuesday's session.

Trade Recommendation – Rapeseed NCDEX (January)

Call	Entry	T1	T2	SL
BUY	>571	576	578	568
Support & Resistance				
S2	S1	PCP	R1	R2
566	568	574	576	579

Mustard Seed 1101(NCRMSF1)2011/01/03 - Daily B:573.80 A:574.00
O 571.90 H 575.00 L 569.10 C 574.00 V 52,790 I 126,900 +4.6
EMA(9) 571.32 (18) 571.15



Oilseed Summary

Overall the oilseed prices have witnessed firm-tone with rise in winter and festive demand in some edible oils and expected rise in oilmeals demand from poultry feed industry.

International Market (CBOT)

CBOT soybean futures ended higher, Friday, on worries about South American weather and solid demand.

Spot Market Analysis: Soybean

Firm sentiments were witnessed in domestic soybean cash markets on strong global cues Monday. Malaysian Palm oil rose to the highest level in more than 33 months, 3850 ringgit (\$1256).

- Soybean arrivals in Madhya Pradesh are reported lower at 2.0 lakh bags (90 kg each) compared to 2.5 lakh bags in previous trading day.
- Estimated lower oil-palm yields due to La Nina event, disruption in harvest followed by unusual rains in Indonesia and Malaysia and drought in South America has affected soybean crops raised the edible oil supplies ahead.
- Argentina's soybean production may fall by 17 percent to as low as 43 million tons in the 2010-2011 harvest as a result of a drought caused by the La Nina weather event.
- Experts believe that increased demand for food in Asia will help boost prices next year, fueling faster inflation.
- China is likely to import soybean 5 Mn T in January and 3.5 Mn T in February with expected cooking oil demand ahead of Chinese Lunar New Year.
- COOIT has projected that India is likely to export 3.4 Mn T of soymeal in FY11 against 2.1 Mn T shipped in FY10.
- India's soybean availability is projected to rise to 11.59 million tons in 2010-11 as compared to 10.12 million tonnes estimated for 2009-10. Higher carry over and production is the contributors to the same.
- The Buenos Aires Grains Exchange lowered its estimate of Argentine soybean acreage to 18.5 million hectares from 18.7 million previous.
- World soybean crushings will increase sharply by about 6.8 Mn T from a year earlier to 56.7 Mn T in Oct/Dec 2010 – Oil World.
- Global soybean production is projected at a 257.8 Mn T, up 0.4 Mn mainly due to an increase for Canada – USDA.
- Total U.S. oilseed production for 2010/11 is projected at 101.7 Mn T, down slightly due to a small reduction in cottonseed – USDA.

Soybean prices are likely to recover and remain firm on near and medium-term on expected good domestic soyoil demand and higher domestic and overseas soy meal demand.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices witnessed steady to firm tone supported by higher domestic soybean and strong international vegoil markets.

- Arrivals in Rajasthan are reported steady at 40,000 bags (85 kg each).
- However, The buying activity from millers in the seed is witnessed weak due to higher seed prices, which rallied last week.
- India's mustard seed production is likely to cross 62 lakh tons in 2010-11 vs 55 lakh tons with expected increase in area by 10-15%.
- All India mustard seed acreage as on 24th December was 6.92 Mn ha against 6.26 Mn ha planted in the corresponding period last year.
- Rapeseed output in Rajasthan, which produces half of the country's total output, is likely to rise to 4.2 Mn T from 2.9 Mn T in 2009.
- Rapeseed, or canola, production will fall to a three-year low of 57.8 Mn T in the marketing year that ends June 30 – Oil World.
- Global oilseed ending stocks are projected at 70.3 Mn T, down 1 Mn, as lower soybean stocks in Brazil and the United States are only partly offset by higher rapeseed stocks in Canada – USDA.
- Canadian rapeseed production is raised 0.9 Mn T to 11.9 Mn based on the latest survey results from Statistics Canada – USDA.
- Global rapeseed production is projected at 58.4 Mn T, up 1.2 Mn due to gains for Canada and EU-27 – USDA.

Mustard seed prices may remain range bound with positive bias on higher demand for meal and oil. Lesser area sown until this time of the year also remains supportive but it is premature to comment on the seed output.

Oilseed Prices at Key Markets

Commodity	Centre	Prices		Change
		03-01-12	31-12-10	
Soybean	Indore –P	2340-2385	2300-2300	+85
	Indore –M	2260-2315	2220-2275	+40
	Nagpur – M	2270-2320	2240-2270	+50
	Kota – M	2260-2320	2225-2260	+60
Rapeseed/Mustard	Jaipur – C	2900	2900	Unch
	Alwar – C	2775	2775	Unch
	Delhi– C	2840	2825	+15
Groundnut (In Shell)	Rajkot	600	595	+5
Sunflower Seed	Latur	-	2500-2800	-

*P – Plant Delivery Prices, M – Mandi Prices, C – Condition (42%)

*Prices in Rs/Qtl

*Groundnut (In Shell) in Rs/20 kg

*Sunflower Seed in Rs/qtl

FOREX RATES as on 03.01.11

Country/ Continent	Currency	Value in Rupees - 03.01.11	Value in Rupees - 31.12.10
USA	Dollar	44.67	44.81
Europe	Euro	59.37	59.81
Japan	Yen	54.97	55.06
Britain	Pound Sterling	69.44	69.28

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