

### SOYBEAN

#### Technical Analysis:

- Soybean chart reflects selling pressure in the market.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- MACD is rising in positive territory.
- RSI and stochastic are easing in neutral region.
- The soybean prices are likely ease in Thursday's session.

#### Trade Recommendation – Soybean NCDEX (January)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2322</b>	<b>2312</b>	<b>2307</b>	<b>2327</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2285</b>	<b>2296</b>	<b>2316.5</b>	<b>2365</b>	<b>2376</b>



### RAPSEED

#### Technical Analysis:

- Mustard seed prices witnessed selling pressure in the market.
- Prices closed below 9-day 18-day EMA supporting bearish momentum in near and medium-term.
- RSI and stochastic are declining in neutral zone.
- Prices are likely to fall in Thursday's session.

#### Trade Recommendation – Rapeseed NCDEX (January)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;563</b>	<b>558</b>	<b>556</b>	<b>566</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>554</b>	<b>557</b>	<b>560.2</b>	<b>570</b>	<b>573</b>



### 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 lower, succumbing to speculative profit taking and the rebalancing of fund positions across a wide array of commodities.

### Spot Market Analysis: Soybean

***Soybean prices extended losses in domestic cash markets followed by weakness in international vegoil market Wednesday. Weakness in Malaysian palm oil and overnight losses in CBOT soy complex remained negative factors for the market.***

- Soybean arrivals in Madhya Pradesh improved and reported at 2.5 lakh bags (90 kg each) compared to the previous day's level of 0.5 lakh bags. At Indore mandi the arrivals are reported at 5,500 bags.
- India doesn't have any plan to impose an import duty on crude edible oils or to raise the tax on refined edible oils. Earlier, government was planning to impose the duty early January 2011.
- The expectation of rain in dry area in Argentina and longer range forecasts of cooler and wetter weather helped pressure prices.
- 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. Its acreage is estimated at 18.5 Mn ha.
- 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.
- 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 mixed trend on varied factors at various centers Wednesday. The seed price in Jaipur registered gains on some buying support, it eased in Alwar on sluggish demand and it remained steady in Delhi with normal regular demand in the market.***

- Arrivals in Rajasthan are reported steady at 35,000 bags (85 kg each) compared to the previous day's level.
- 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
		05-01-11	04-01-11	
Soybean	Indore –P	2280-2330	2320-2340	-10
	Indore –M	2220-2260	2225-2260	Unch
	Nagpur – M	-	2260-2280	-
	Kota – M	-	2200-2270	-
Rapeseed/Mustard	Jaipur – C	2880	2870	+10
	Alwar – C	2750	2775	-25
	Delhi– C	2830	2830	Unch
Groundnut (In Shell)	Rajkot	595	595	Unch
Sunflower Seed	Gulbarga	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 04.01.11

Country/ Continent	Currency	Value in Rupees - 05.01.11	Value in Rupees - 04.01.11
USA	Dollar	45.20	44.84
Europe	Euro	59.99	59.79
Japan	Yen	55.09	54.56
Britain	Pound Sterling	70.27	69.32

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