

SOYBEAN

Technical Analysis:

- Soybean prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI and stochastic are rising in neutral zone supporting the gains.
- The soybean prices are likely to move up in Friday's session.

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
BUY	>2428	2438	2443	2423
Support & Resistance				
S2	S1	PCP	R1	R2
2400	2414	2433	2471	2484

Soya Bean 1102(NCSOYG1)2011/01/13 - Daily B:2432.00 A:2435.00
O 2420.00 H 2462.00 L 2420.00 C 2433.00 V 145,340 I 229,060 +23
EMA(9) 2414.7 (18) 2406.3



RAPESEED

Technical Analysis:

- Mustard seed chart reveals continued decline in the prices.
- Prices closed below 9-day 18-day EMA supporting bearish momentum in near and medium-term.
- RSI and stochastic are easing in oversold zone, warranting correction.
- Prices are likely to decline in Friday's session.

Trade Recommendation – Rapeseed NCDEX (January)

Call	Entry	T1	T2	SL
SELL	<551	546	544	554
Support & Resistance				
S2	S1	PCP	R1	R2
542	545	548	556	561

Mustard Seed 1101(NCRMSF1)2011/01/13 - Daily B:548.00 A:548.50
O 549.90 H 553.80 L 545.25 C 548.00 V 43,920 I 93,140 +0.2
EMA(9) 556.39 (18) 561.43



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 soared to 2-year highs, rallying after federal forecasters trimmed supply forecasts to precariously low levels. The government's reduction in projected year end inventories to minimal levels is seen placing increased pressure on 2011 production to ease the burden of strong demand on supplies.

Spot Market Analysis: Soybean

Soybean prices in domestic cash markets witnessed gains on firm international vegoil market and USDA's bullish monthly World Agriculture Supply And Demand Estimate report.

- Soybean arrivals in Madhya Pradesh are reported slightly lower at 1.5 lakh bags (90 kg each) compared to previous day's level of 1.6 lakh bags. At Indore mandi the arrivals are reported higher at 5,000 bags compared to the previous day's level of 4,500 bags.
- Much awaited USDA's WASDE reported trimmed the world oilseeds estimate attributed to soybean crop loss in Argentina due to unfavourable weather conditions.
- Argentine farmers won't sell soybean for a week starting Jan. 17 to protest the government's export policies.
- Global soybean production is projected at 255.5 million tons, down 2.3 million – USDA.
- The Argentina soybean crop is projected at 50.5 million tons, down 1.5 million from last month due to lower projected yields - USDA.
- 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.
- Paraguay soybean production is raised 0.5 million tons to 7 million due to increased area and favorable yield prospects - 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. Crop loss in Argentina will support the soybean prices at higher levels.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices declined in key centers on weak buying in the seed by the local miller at the current price levels Thursday.

- Arrivals in Rajasthan are reported lower at 35,000 bags (85 kg each) compare to the previous day's level of 40,000 bags.
- The total rabi area under oilseeds is reported higher at 88.84 lakh ha as on 7 January 2011 against 86.55 lakh ha previous season.
- 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 is reported at 6.92 Mn ha vs 6.26 Mn ha 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 for 2010/11 are reduced 2 million tons to 68.3 million with Argentina and U.S. soybean stocks accounting for most of the change– USDA.
- Global oilseed production for 2010/11 is projected at 440.4 million tons, down 2.3 million from last month – 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
		13-01-11	12-01-11	
Soybean	Indore –P	2350-2380	2300-2340	+40
	Indore –M	2250-2310	2200-2265	+45
	Nagpur – M	2280-2320	-	-
	Kota – M	2250-2300	-	-
Rapeseed/Mustard	Jaipur – C	2835	2855	-20
	Alwar – C	2680	2700	-20
	Delhi– C	2770	2755	+15
Groundnut (In Shell)	Rajkot	580	575	+5
Sunflower Seed	Gulbarga	2800-3100	-	-

*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 13.01.11

Country/ Continent	Currency	Value in Rupees - 13.01.11	Value in Rupees - 12.01.11
USA	Dollar	45.13	45.16
Europe	Euro	59.10	58.68
Japan	Yen	54.33	54.34
Britain	Pound Sterling	71.05	70.64

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