

### SOYBEAN

#### Technical Analysis:

- Soybean chart reveals strong buying support in the market.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is rising in overbought region while stochastic is rising in neutral zone supporting the gains.
- The soybean prices are likely to move up in Monday's session.

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

Call	Entry	T1	T2	SL
BUY	>2485	2495	2500	2480
Support & Resistance				
S2	S1	PCP	R1	R2
2440	2450	2490	2510	2515



### RAPESEED

#### Technical Analysis:

- Mustard seed chart reveals side-ways move consecutive fourth day.
- Prices closed below 9-day 18-day EMA supporting bearish momentum in near and medium-term.
- RSI is easing in neutral region while stochastic is rising in oversold zone.
- A Both sided movement could be witnessed on Monday's session.

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

Call	Entry	T1	T2	SL
STAY AWAY	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
547	545	548	552	554



### 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 soy futures climbed, with ongoing bullish supply concerns buoying prices to new 2-year high settlements. CBOT March soybeans, the most active contract settled 6 1/2 cents or 0.5% higher at \$14.22 1/2.

### Spot Market Analysis: Soybean

***Soybean prices moved up tracking gains in CBOT soybeans followed by lower global output estimates in the beans due to unfavourable weather conditions for the crop in Latin America this season.***

- Regular normal demand is witnessed in the local key markets.
- The US soybean crop estimate was lowered by as much as 1.2 Mn T to only 90.6 Mn T, which compares to 94.8 Mn T expected in early September – Oil World.
- The influence of La Nina on weather conditions in South America and Southeast Asia is still strong. This will consequently hit soybean and other oilseeds output negatively.
- 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 gained in association with local soybeans however higher rabi area coverage under oilseeds limited the gains.***

- Arrivals in Rajasthan are reported higher at 40,000 bags (85 kg each) compare to the previous day's level of 30,000 bags.
- The total area covered under rabi oilseeds, as on January 14 2011, stands at 89.40 lakh ha compared to 87.30 lakh ha in the same period last year. The rise in area (2.5%) under the oilseeds is expected to increase the production.
- 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%.
- 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
		15-01-11	14-01-11	
Soybean	Indore –P	2360-2390	2350-2380	+10
	Indore –M	2260-2325	Closed	-
	Nagpur – M	2880-2340	2300-2350	-10
	Kota – M	2280-2330	Closed	-
Rapeseed/Mustard	Jaipur – C	2830	2815	+15
	Alwar – C	2700	Closed	-
	Delhi– C	2775	2750	+25
Groundnut (In Shell)	Rajkot	575	575	Unch
Sunflower Seed	Latur	-	2850-3200	-

\*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 15.01.11

Country/ Continent	Currency	Value in Rupees - 15.01.11	Value in Rupees - 14.01.11
USA	Dollar	45.34	45.30
Europe	Euro	60.57	60.40
Japan	Yen	54.63	54.84
Britain	Pound Sterling	72.01	71.73

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