

### SOYBEAN

#### Technical Analysis:

- Soybean chart reveals fall in prices.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is easing in neutral region while stochastic is rising in overbought zone.
- The soybean prices are likely to decline in Wednesday's session.

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

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2479</b>	<b>2469</b>	<b>2464</b>	<b>2484</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2453</b>	<b>2462</b>	<b>2474</b>	<b>2513</b>	<b>2520</b>

Soya Bean 1102(NCSOYG1)2011/01/18 - Daily B:2473.00 A:2474.00  
O 2492.00 H 2510.00 L 2470.00 C 2474.00 V 104,480 I 199,180 -27  
EMA(9) 2454.2 (18) 2433.1



### RAPSEED

#### Technical Analysis:

- Mustard seed chart reveals buying support in the market.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near-term.
- RSI and stochastic are rising in neutral zone.
- Mustard seed prices are likely to gain in Wednesday's session.

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

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;556</b>	<b>561</b>	<b>563</b>	<b>553</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>550</b>	<b>552</b>	<b>559.2</b>	<b>567</b>	<b>569</b>

Mustard Seed 1101(NCRMSF1)2011/01/18 - Daily B:559.00 A:559.35  
O 556.90 H 564.40 L 554.00 C 559.20 V 29,450 I 54,430 +1.2  
EMA(9) 556.59 (18) 560.07



### Oilseed Summary

Overall the oilseed prices have witnessed firm-tone with rise in winter demand and rise in oilmeals demand from poultry feed industry and overseas.

### International Market (CBOT)

CBOT remained closed on Monday for the holiday.

### Spot Market Analysis: Soybean

***Steady to slightly weak sentiments witnessed in domestic soybean cash markets followed by both sided trade in BMD CPO Tuesday.***

*Soybean arrivals in Madhya Pradesh are reported steady at 1.25 lakh bags (90 kg each) compared with previous day's level. At Indore mandi too the arrivals are reported steady at 4000 bags.*

- Farmers in Argentina, the world's second-largest shipper of soybean, halted sales as part of a weeklong strike to protest government restrictions on exports.
- The U.S., the world's largest grower and exporter of soybeans, has exported 15.2 Mn T to China from the start of the marketing year on Sept. 1 through Jan. 6. Outstanding sales to China were at 7.62 Mn T as of Jan. 6.
- 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.
- Initial harvesting of early soybean varieties started in Mato Grosso, but it is lagging last year's pace – Oil World.
- 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 – USDA.
- 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 domestic cash markets on buying support Tuesday.***

- *Arrivals in Rajasthan are reported steady at 40,000 bags (85 kg each) compare with previous day's level.*
- However, higher area under mustard seed and good stocks limited the gains.
- The mustard seed stock position at NCDEX warehouses as on 17 January 2011 stood at 19,602 MT compared to previous level of 85,000 MT.
- 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
		18-01-11	17-01-11	
Soybean	Indore –P	2380-2420	2380-2440	-20
	Indore –M	2280-2335	2280-2335	Unch
	Nagpur – M	2310-2360	2310-2350	+10
	Kota – M	2280-2325	2280-2330	-5
Rapeseed/Mustard	Jaipur – C	2880	2835	+45
	Alwar – C	2730	2727	+3
	Delhi– C	2785	2775	+10
Groundnut (In Shell)	Rajkot	585	580	+5
Sunflower Seed	Gulbarga	2800-3200	-	-

\*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 18.01.11

Country/ Continent	Currency	Value in Rupees - 18.01.11	Value in Rupees - 17.01.11
USA	Dollar	45.53	45.59
Europe	Euro	60.62	60.73
Japan	Yen	55.18	54.99
Britain	Pound Sterling	72.55	72.31

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