

SOYBEAN

Technical Analysis:

- Soybean chart witnessed selling pressure in the market.
- 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 easing in overbought zone.
- *The soybean prices are likely to ease in Friday's session.*

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
SELL	<2590	2580	2575	2595
Support & Resistance				
S2	S1	PCP	R1	R2
2464	2476	2485	2512	2520

Soya Bean 1102(NCSOYG1)2011/01/20 - Daily B:2485.00 A:2486.00
O 2500.00 H 2506.00 L 2483.00 C 2485.00 V 86,170 I 195,240 -20
EMA(9) 2468.5 (18) 2445.4



RAPSEED

Technical Analysis:

- Mustard seed chart reveals selling pressure.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near-term.
- RSI is rising in neutral region while stochastic is rising in neutral zone.
- *Mustard seed prices are likely to decline in Friday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2942	2932	2927	2945
Support & Resistance				
S2	S1	PCP	R1	R2
2906	2917	2931	2958	2970

RMSEED 1104(NCRMJ1)2011/01/20 - Daily B:2931.00 A:2933.00
O 2951.00 H 2956.00 L 2919.00 C 2931.00 V 47,700 I 60,220 -22
EMA(9) 2913.2 (18) 2905.6



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 soybean futures trim gains as traders take profits after prices top two-year highs. Nearby soybean contract backpedals from fresh high of \$14.31 3/4 a bushel.

Spot Market Analysis: Soybean

Soybean benchmark market, Indore, witnessed gains on bullish international market Thursday. Forecast of dry weather in coming days may continue to stress crops in Argentina. Besides, farmer's strike in Argentina against the export taxes have hurdled in soybean shipments and restricted the supply out of the country.

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 higher at 5000 compared to the previous day's level of 4000 bags.

- A normal regular demand from plants and crushers in soybeans is witnessed in key physical markets.
- 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.
- Oil World has estimated soybean crushings in the USA, Argentina and Brazil (G-3) at 9.2 Mn T in Dec., up 10%.
- 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.
- 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 are mostly seen declining in key centers due to higher domestic area coverage and bearish supply scenario. BMD remained closed hence no cues from the market Thursday.

- Arrivals in Rajasthan are reported steady at 40,000 bags (85 kg each) compare with previous day's level.
- The mustard seed stock position at NCDEX warehouses as on 19 January 2011 stood at 82383 MT compared to previous level of 82,580 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.
- Ukraine's rapeseed crop declined 22 percent to 1.47 Mn T.
- 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
		20-01-11	19-01-11	
Soybean	Indore –P	2420-2450	2370-2430	+20
	Indore –M	2310-2360	2300-2350	+10
	Nagpur – M	2320-2380	2350-2400	-20
	Kota – M	2280-2320	2290-2345	-25
Rapeseed/Mustard	Jaipur – C	2890	2900	-10
	Alwar – C	2725	2730	-5
	Delhi– C	2785	2780	+5
Groundnut (In Shell)	Rajkot	585	-	-
Sunflower Seed	Latur	2750-2350	-	-

*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 20.01.11

Country/ Continent	Currency	Value in Rupees - 20.01.11	Value in Rupees - 19.01.11
USA	Dollar	45.58	45.38
Europe	Euro	61.45	61.15
Japan	Yen	55.53	55.15
Britain	Pound Sterling	72.73	72.71

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