

SOYBEAN

Technical Analysis:

- Soybean chart witnessed buying interest in the market.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is rising in neutral region while stochastic is easing in overbought zone.
- *The soybean prices are likely to gain in Saturday's session.*

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
BUY	>2511	2521	2526	2506
Support & Resistance				
S2	S1	PCP	R1	R2
2465	2476	2516	2540	2545

Soya Bean 1102(NCSOYG1)2011/01/21 - Daily B:2516.00 A:2518.00
O 2486.50 H 2529.00 L 2486.50 C 2516.00 V 151,610 I 179,970 +31
EMA(9) 2478.0 (18) 2452.8



RAPSEED

Technical Analysis:

- Mustard seed chart reveals side-ways move in the market.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near-term.
- RSI is easing in neutral region while stochastic is rising in neutral zone.
- *Mustard seed prices are likely to decline in Saturday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2945	2935	2930	2950
Support & Resistance				
S2	S1	PCP	R1	R2
2896	2916	2940	2959	2976

RMSEED 1104(NCRMDJ1)2011/01/21 - Daily B:2937.00 A:2940.00
O 2926.00 H 2953.00 L 2926.00 C 2940.00 V 42,540 I 63,200 +9
EMA(9) 2918.6 (18) 2909.2



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 ended higher, rebounding from early session weakness on spillover support from corn and bullish underlying supply concerns. CBOT March soy settled 2 3/4 cents, or 0.2%, higher at \$14.14 1/4 a bushel, and November soy ended 5 3/4 cents, or 0.4%, higher at \$13.41 3/4.

Spot Market Analysis: Soybean

Soybean prices continue to move up in domestic cash markets supported by higher international vegoil market Friday. Higher Malaysian palm oil and gains in CBOT soybean followed by big Chinese soybean deal for buying, remained supportive to the local market.

Soybean arrivals in Madhya Pradesh are reported slightly higher at 1.50 lakh bags (90 kg each) compared to the previous day's level of 1.25 lakh bags. At Indore mandi too the arrivals are reported steady at 5000 compared with previous day's level.

- A normal regular demand from plants and crushers in soybeans is witnessed in key physical markets.
- China, the world's biggest soybean importer and consumer, agreed to purchase \$1.8 billion of the oilseed from the U.S.
- 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.
- 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 in key physical markets eased further on expected higher mustard seed output followed by higher coverage area in the seed.

- *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 20 January 2011 stood at 82,051 MT compared to previous level of 82,383 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
		21-01-11	20-01-11	
Soybean	Indore –P	2450-2500	2420-2450	+50
	Indore –M	2340-2400	2310-2360	+40
	Nagpur – M	2370-2440	2320-2380	+60
	Kota – M	-	2280-2320	-
Rapeseed/Mustard	Jaipur – C	2880	2890	-10
	Alwar – C	2725	2725	Unch
	Delhi– C	2775	2785	-10
Groundnut (In Shell)	Rajkot	600	585	+15
Sunflower Seed	Gulbarga	3000-3100	-	-

*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 21.01.11

Country/ Continent	Currency	Value in Rupees - 21.01.11	Value in Rupees - 20.01.11
USA	Dollar	45.70	45.58
Europe	Euro	61.65	61.45
Japan	Yen	55.14	55.53
Britain	Pound Sterling	72.78	72.73

DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>