

SOYBEAN

Technical Analysis:

- Soybean chart witnessed 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 neutral region while stochastic is easing in overbought zone.
- *The soybean prices are likely to gain in Monday's session.*

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
BUY	>2531	2541	2546	2516
Support & Resistance				
S2	S1	PCP	R1	R2
2485	2507	2536.5	2545	2550

Soya Bean 1102(NCSOYG1)2011/01/22 - Daily B:2536.50 A:2537.00
O 2524.00 H 2540.00 L 2520.00 C 2536.50 V 61,570 I 181,780 +20.5
EMA(9) 2489.7 (18) 2461.6



RAPSEED

Technical Analysis:

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

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
BUY	>2951	2961	2966	2946
Support & Resistance				
S2	S1	PCP	R1	R2
2918	2929	2956	2972	2981

RMSEED 1104(NCRMJ1)2011/01/22 - Daily B:2954.00 A:2956.00
O 2945.00 H 2963.00 L 2940.00 C 2956.00 V 26,180 I 62,480 +13
EMA(9) 2926.6 (18) 2914.4



Oilseed Summary

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

International Market (CBOT)

CBOT soybean futures closed mixed, with nearby contract feeling pressure from expectations South America's harvests will increase global supplies. Harvest is underway in northern Brazil, bringing new soybeans in from fields.

Spot Market Analysis: Soybean

Soybean prices continued upwards move in domestic cash markets supported by bullish scenario in international vegoil market due to lower global soybean production and increase in demand with good Chinese buying support.

Soybean arrivals in Madhya Pradesh fell and reported at 1.00 lakh bags (90 kg each) compared to the previous day's level of 1.50 lakh bags. At Indore mandi too the arrivals are reported slightly higher at 6000 bags compared to previous day's level of 5000 bags.

- 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, has signed 21 purchasing agreements in Chicago over the past two days for U.S. supplies valued at \$6.68 billion (11.52 Mln T) - U.S. Soybean Export Council.
- 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 witnessed steady to firm tone supported by higher domestic soybeans.

- *Arrivals in Rajasthan are reported lower at 32,000 bags (85 kg each) compared to the previous day's level of 40,000 bags.*
- The mustard seed stock position at NCDEX warehouses as on 21 January 2011 stood at 81,496 MT compared to previous level of 82,051MT.
- 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
		22-01-11	21-01-11	
Soybean	Indore –P	2460-2515	2450-2500	+15
	Indore –M	2350-2425	2340-2400	+25
	Nagpur – M	2390-2445	2370-2440	+5
	Kota – M	2380-2445	2350-2425	+20
Rapeseed/Mustard	Jaipur – C	2900	2880	+20
	Alwar – C	2725	2725	Unch
	Delhi– C	2785	2775	+10
Groundnut (In Shell)	Rajkot	600	600	Unch
Sunflower Seed	Gulbarga	Closed	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 22.01.11

Country/ Continent	Currency	Value in Rupees - 22.01.11	Value in Rupees - 21.01.11
USA	Dollar	45.62	45.70
Europe	Euro	62.03	61.65
Japan	Yen	55.22	55.14
Britain	Pound Sterling	72.99	72.78

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