

SOYBEAN**Technical Analysis:**

- Soybean chart reveals downtrend in the price.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- RSI and stochastic are easing in neutral region.
- *The soybean prices are likely to decline in Saturday's session.*

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
SELL	<2452	2442	2437	2457
Support & Resistance				
S2	S1	PCP	R1	R2
2392	2417	2447	2477	2499

**RAPESEED****Technical Analysis:**

- Mustard seed chart reveals selling pressure in the seed.
- Prices closed below 9-day EMA supporting bearish momentum in near-term.
- RSI and stochastic are easing in neutral zone.
- *Mustard seed prices are likely to fall on Saturday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2949	2939	2934	2954
Support & Resistance				
S2	S1	PCP	R1	R2
2892	2902	2944	2988	3003

**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 rose, rallying from a choppy start to the session on strong demand. CBOT March soy settled 14 cents or 1% higher at \$13.99 1/2 a bushel.

Spot Market Analysis: Soybean

Soybean plant delivery price in benchmark, Indore, witnessed gains on firm global cues Friday. Strong buying in early 2011 remain bullish factor for the bean market subsequently lending support to the domestic soybean market. However, improved Argentina weather and better soybean crop prospects in Brazil soybean after the arrival of beneficial rains has limited the gains.

Soybean arrivals in Madhya Pradesh are reported lower at 1.30 lakh bags (90 kg each) compared to the previous day's level of 1.50 bags. At Indore mandi the arrivals improved and reported at 5000 bags compared to the previous day's level of 4500 bags.

- A normal regular demand from plants and crushers in soybeans is witnessed in key physical markets.
- Soybean production prospects have improved considerably not only in Argentina but also in Paraguay, Uruguay and southern parts of Brazil.
- Reportedly, Brazilian soybean exports in January will be smaller than expected, due to considerable harvest delays.
- China, the world's biggest soybean importer and consumer, has signed 21 purchasing agreements in Chicago this week for U.S. supplies valued at \$6.68 billion (11.52 Mln T) - U.S. Soybean Export Council.
- 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 remain firm on near and medium-term on expected good domestic soybean demand and higher domestic and overseas soy meal demand. Crop loss in Argentina and continued Chinese overseas buying will support the soybean prices at higher levels.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices mostly witnessed weak sentiments on slack in demand and higher domestic output estimates this season.

- Arrivals of the seed in Rajasthan are reported steady at 40,000 bags (85 kg each).
- Favourable weather is likely to boost the domestic mustard seed output this season.
- Rapeseed output in India's top producing state may jump 10 percent this year, cutting cooking oil imports of the world's top buyer by 500,000 tonnes in 2010/11. Planting in a larger area in Rajasthan has raised India's total rapeseed acreage by 11 percent to 7.2 million hectares as good rains ensured healthy soil moisture.
- 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%.
- Insufficient production and strong demand have resulted in a rapid drawdown of rapeseed and canola stocks worldwide. 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
Soybean		28-01-11	27-01-11	
	Indore -P	2370-2400	2325-2370	+30
	Indore -M	2300-2350	2320-2360	-10
	Nagpur - M	2300-2370	2330-2400	-30
	Kota - M	-	2350-2415	-
Rapeseed/Mustard	Jaipur - C	2875	2900	-25
	Alwar - C	2725	2775	-50
	Delhi- C	2785	2810	+75
Groundnut (In Shell)	Rajkot	590	590	Unch
Sunflower Seed	Latur	3000-3500	-	-

*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 28.01.11

Country/ Continent	Currency	Value in Rupees - 28.01.11	Value in Rupees - 27.01.11
USA	Dollar	45.74	45.57
Europe	Euro	62.73	62.46
Japan	Yen	55.34	55.44
Britain	Pound Sterling	72.73	72.50

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