

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 Monday's session.*

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
SELL	<2453	2443	2438	2458
Support & Resistance				
S2	S1	PCP	R1	R2
2417	2431	2448	2471	2487

Soya Bean 1102(NCSOYG1)2011/01/29 - Daily B:2446.00 A:2448.00
 O 2452.00 H 2462.00 L 2438.00 C 2448.00 V 41,920 I 157,720 +1
 EMA(9) 2474.3 (18) 2467.6



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 Monday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2943	2933	2928	2948
Support & Resistance				
S2	S1	PCP	R1	R2
2900	2913	2938	2954	2966

RMSEED 1104(NCRMJ1)2011/01/29 - Daily B:2938.00 A:2939.00
 O 2942.00 H 2947.00 L 2916.00 C 2938.00 V 29,780 I 62,560 -4
 EMA(9) 2951.6 (18) 2938.5



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 are lower, backpedaling from earlier highs on profit taking pressure. Traders are booking profits after prices soared earlier in the session. Strength in the U.S. dollar, civil turmoil in the Middle East and the inability of the market to test 2-week highs generated enough uncertainty to entice traders into reducing risk exposure ahead of the weekend.

Spot Market Analysis: Soybean

Soybean plant delivery price in benchmark, Indore, witnessed gains consecutive second day on buying support and lower arrivals and bullish global scenario. 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 1.0 lakh bags (90 kg each) compared to the previous day's level of 1.30 bags. At Indore mandi the arrivals declined and reported at 4000 bags compared to the previous day's level of 5000 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 firm sentiments on buying support and higher local soybeans Saturday.

Arrivals of the seed in Rajasthan are reported higher at 50,000 bags (85 kg each) compared to the previous day's level of 40,000 bags.

- 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.

Oilseed Prices at Key Markets

Commodity	Centre	Prices		Change
Soybean		29-01-11	28-01-11	
	Indore -P	2370-2415	2370-2400	+15
	Indore -M	2290-2340	2300-2350	-10
	Nagpur - M	-	2300-2370	-
	Kota - M	-	-	-
Rapeseed/Mustard	Jaipur - C	2800	2875	+25
	Alwar - C	2700	2725	-25
	Delhi- C	2785-2790	2785	+5
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 29.01.11

Country/ Continent	Currency	Value in Rupees - 29.01.11	Value in Rupees - 28.01.11
USA	Dollar	45.89	45.74
Europe	Euro	62.50	62.73
Japan	Yen	55.80	55.34
Britain	Pound Sterling	72.83	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>