

## SOYBEAN

### Technical Analysis:

- Soybean chart reveals buying support in the market.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI and stochastic are rising in neutral region.
- *The soybean prices are likely to rise in Tuesday's session.*

### Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2467</b>	<b>2477</b>	<b>2482</b>	<b>2462</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2428</b>	<b>2443</b>	<b>2472</b>	<b>2488</b>	<b>2502</b>



## RAPESEED

### Technical Analysis:

- Mustard seed chart depicts prices could not sustain at lower levels.
- Prices closed above 18-day EMA supporting bullish momentum in medium-term.
- RSI is rising in neutral region while stochastic is easing in neutral zone.
- *Mustard seed prices are likely to move up on Tuesday's session.*

### Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2946</b>	<b>2956</b>	<b>2961</b>	<b>2941</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2908</b>	<b>2918</b>	<b>2949</b>	<b>2976</b>	<b>2988</b>



## 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 lower Friday, 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 price in benchmark, Indore, witnessed steady to firm tone on firm global cues Monday. Higher Malaysian Palm oil remained supportive factor for the local bean market.***

*Soybean arrivals in Madhya Pradesh are reported steady at 1.0 lakh bags (90 kg each). Also, At Indore mandi the arrivals declined and reported at 4000 bags.*

- 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.
- A normal regular demand from plants and crushers in soybeans is witnessed in key physical markets.
- Reportedly, Brazilian soybean exports in January will be smaller than expected, due to considerable harvest delays.
- Global soy prices have been moving up sharply since September last year due to strong Chinese demand and concerns over drought over the South American crops.
- 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 soyoil 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 witnessed mixed trend on varied factors in various centers Monday. Favourable weather is likely to boost the domestic mustard seed output this season.***

*Arrivals of the seed in Rajasthan are reported higher at 65,000 bags (85 kg each) compared to the previous day's level of 50,000 bags.*

- The total area covered under rabi oilseeds, as on January 28 2011, stands at 94.05 lakh ha compared to 90.82 lakh ha in the same period last year. The rise in area (3.6%) under the oilseeds is expected to increase the production.
- 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 Mln ha vs 6.5 Mln ha as good rains ensured healthy soil moisture.
- 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		31-01-11	29-01-11	
	Indore -P	2400-2450	2370-2415	+35
	Indore -M	2280-2340	2290-2340	Unch
	Nagpur - M	2340-2390	-	-
	Kota - M	2325-2370	-	-
Rapeseed/Mustard	Jaipur - C	2850	2800	+50
	Alwar - C	2700	2700	Unch
	Delhi- C	2725	2785-2790	-65
Groundnut (In Shell)	Rajkot	585	590	-5
Sunflower Seed	Latur	2800-3200	-	-

\*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 31.01.11

Country/ Continent	Currency	Value in Rupees - 31.01.11	Value in Rupees - 29.01.11
USA	Dollar	45.95	45.89
Europe	Euro	62.54	62.50
Japan	Yen	56.02	55.80
Britain	Pound Sterling	72.95	72.83

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