

SOYBEAN**Technical Analysis:**

- Soybean chart reflects mild selling pressure Thursday.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is easing in neutral region while stochastic is rising in neutral zone.
- *The soybean prices are likely to fall in Friday's session.*

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
SELL	<2580	2570	2565	2585
Support & Resistance				
S2	S1	PCP	R1	R2
2541	2557	2575	2600	2605

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

- Mustard seed chart depicts side-ways move in the prices.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near and medium-term.
- RSI and stochastic are rising in neutral zone.
- *Mustard seed prices are likely to move up on Friday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
BUY	>2958	2968	2973	2953
Support & Resistance				
S2	S1	PCP	R1	R2
2940	2945	2963	2981	2987

**Oilseed Summary**

Overall the oilseed prices have witnessed firm-tone followed by rise in overseas oilmeals demand and it's demand from domestic poultry feed industry and strong global demand in the beans and supply concerns this season, at international front.

International Market (CBOT)

CBOT soybean futures ended higher, supported by strong demand and fear of tightening supplies. CBOT March soy settled 6 cents or 0.4% higher at \$14.44 a bushel.

Spot Market Analysis: Soybean

Soybean prices witnessed steady to weak tone in benchmark, Indore, Thursday. BMD CPO remained closed on Thursday, hence no cues from the market. Indian vegoil markets closely follow BMD CPO.

Soybean arrivals in Madhya Pradesh are reported higher at 1.25 lakh bags (90 kg each) compared to the previous day's 0.50 lakh bags. Arrivals at Indore mandi is registered at 6000 bags Thursday.

- Sluggish buying activity at the current higher levels kept the local bean market under pressure.
- Besides, improved weather with rains over dry soybean growing regions of South America is to be seen as one of the major bearish factors.
- 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.
- 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 continued firm trend on good buying support on Thursday. Higher Malaysian palm oil remained supportive factor for the seed market.

Arrivals of the seed in Rajasthan are reported steady at 60,000 bags (85 kg each) compared to the previous day's level.

- The stock position of Rapeseed at NCDEX warehouses as on 02 February 2011 stands at 47,821 compared to the previous day's level of 51,988 MT.
 - 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 lt in 2010-11 vs 55 lt 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.
 - Global oilseed ending stocks for 2010/11 are reduced 2 Mln T to 68.3 Mln 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 Mln T, down 2.3 Mln from last month – USDA.
 - Global rapeseed production is projected at 58.4 Mln T, up 1.2 Mln 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 and bullish global vegoil scenario this year. However, expected higher domestic output in the seed this season may restrict gains.***

Oilseed Prices at Key Markets

Commodity	Centre	Prices		Change
		03-02-11	02-02-11	
Soybean	Indore -P	2480-2520	2480-2520	Unch
	Indore -M	2380-2430	2380-2440	-20
	Nagpur - M	2400-2450	2420-2460	-10
	Kota - M	-	2380-2430	-
Rapeseed/Mustard	Jaipur - C	2870	2860	+10
	Alwar - C	2700	2700	Unch
	Delhi- C	2760	2740	+20
Groundnut (In Shell)	Rajkot	590	580	+10
Sunflower Seed	Latur	3000-3600	-	-

*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 03.02.11

Country/ Continent	Currency	Value in Rupees - 03.02.11	Value in Rupees - 02.02.11
USA	Dollar	45.63	45.63
Europe	Euro	62.96	63.16
Japan	Yen	55.90	55.99
Britain	Pound Sterling	73.89	73.72

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