

SOYBEAN

Technical Analysis:

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

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
BUY	>2557	2567	2572	2552
Support & Resistance				
S2	S1	PCP	R1	R2
2526	2535	2562	2670	2585



RAPESEED

Technical Analysis:

- Mustard seed chart depicts strong buying support in the market.
- 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 Monday's session.*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
BUY	>3032	3042	3047	3027
Support & Resistance				
S2	S1	PCP	R1	R2
2961	2979	3037	3050	3060



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 finish mixed as profit-taking pressure nearby contracts while supply concerns boost prices further out. CBOT March soybeans were down 2c at \$14.33 1/2 a bushel but November ended 3 1/2c higher at \$13.69.

Spot Market Analysis: Soybean

Soybean prices eased in key cash markets on weak buying Saturday.

Soybean arrivals in Madhya Pradesh are reported slightly higher at 1.25 lakh bags (90 kg each) compared to the previous day's 1.0 lakh bags. Arrivals at Indore mandi remained steady at 6000 bags Saturday.

- No cues to domestic market from BMD CPO as it remained closed. The vegoil markets remain closed in China due to Chinese New Year. China is the world's biggest vegoil buyer and the market is influenced by the leading vegoil Asian markets.
- 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 moved 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 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 Mln T to only 90.6 Mln T, which compares to 94.8 Mln 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 witnessed steady firm tone in domestic cash markets followed by buying support from millers on Saturday.

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 04 February 2011 stands at 41,227 compared to the previous day's level of 44,373 MT.
- As per data received from States, Oilseeds have been sown in 94.96 lakh hectares, which is 3.47 (3.8%) lakh hectares more than last year on this date.
- 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 Mln 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
Soybean		05-02-11	04-02-11	
	Indore -P	2460-2480	2470-2500	-20
	Indore -M	2340-2390	2360-2420	-30
	Nagpur - M	-	-	-
	Kota - M	-	-	-
Rapeseed/Mustard	Jaipur - C	2860-2870	2850-2860	+10
	Alwar - C	2700	2700	Unch
	Delhi- C	2760	2750	+10
Groundnut (In Shell)	Rajkot	595	600	-5
Sunflower Seed	Latur	3100-3550	3100-3500	+50

*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 05.02.11

Country/ Continent	Currency	Value in Rupees - 05.02.11	Value in Rupees - 04.02.11
USA	Dollar	45.43	45.64
Europe	Euro	58.62	62.24
Japan	Yen	54.59	55.91
Britain	Pound Sterling	70.36	73.66

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