

**SOYBEAN****Technical Analysis:**

- Soybean chart reflects selling pressure in the market.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- RSI and stochastic are easing in neutral zone.
- *The soybean prices are likely to decline in Wednesday's session.*

**Trade Recommendation – Soybean NCDEX (Mar)**

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2542</b>	<b>2532</b>	<b>2527</b>	<b>2547</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2499</b>	<b>2518</b>	<b>2537</b>	<b>2578</b>	<b>2599</b>

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

- Mustard seed chart depicts downward move in the price.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near and medium-term.
- RSI is easing in neutral region while stochastic is rising in overbought zone.
- *Mustard seed prices are likely to move ease on Wednesday's session.*

**Trade Recommendation – Rapeseed NCDEX (Apr)**

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;3021</b>	<b>3011</b>	<b>3006</b>	<b>3026</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2988</b>	<b>2999</b>	<b>3016</b>	<b>3066</b>	<b>3075</b>

**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 stumbled, succumbing to profit-taking pressure, as traders reduced risk exposure ahead of Wednesday's crop updates from federal forecasters. CBOT March soy was down 9 cents or 0.6% at \$14.24 1/2 a bushel.

**Spot Market Analysis: Soybean**

***Soybean plant delivery price in benchmark, Indore, declined tracking initial losses in Malaysian palm oil and weak buying support in cash market Tuesday. However, the current soybean prices still remain strong despite improved prospect of South American crop.***

*Soybean arrivals in Madhya Pradesh continue to decline and reported at 0.40 lakh bags (90 kg each) compared to the previous day's 0.75 lakh bags. Arrivals at Indore mandi too declined to 1000 bags compared to 1000 bags a day earlier.*

- Soybean production prospects have greatly improved in Argentina and Brazil. In Brazil soybean production prospects have brightened, raising the possibility of a record crop of 69-70 Mn T - Oil World.
- In South America soybean production prospects have improved considerably owing to last-minute rainfall. For the five major South American producers Oil World estimates soybean output at 127.6 Mn T this year, an upward revision by 2.4 Mn T from a month ago.
- Chinese soybean demand remains strong which has recently 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 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 global soybean demand and higher domestic and overseas soy meal demand. Crop loss in Argentina and continued Chinese foreign 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 markets Tuesday.***

*Arrivals of the seed in Rajasthan are reported lower at 50,000 bags (85 kg each) compared to the previous day's level of 60,000 bags.*

- The rains over northern mustard seed growing states are likely to boost the mustard seed crop prospects.
- The new crop arrivals in Alwar is expected likely to hit the market in the mid of February while in Sri Ganganagar it is likely to be at the end of March.
- As per data received from States, oilseeds has been sown in 94.96 lakh hectare, 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%.
- 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 (Rs/Qtl)		Change	Arrivals (Bags)		Change
		08/2/2011	07/2/2011		08/2/2011	07/2/2011	
<b>Soybean</b>	Indore -P	2420-2450	2450-2475	<b>-25</b>			
	Indore -M	2350-2400	2350-2400	<b>Unch</b>			
	<b>Arrivals in Madhya Pradesh</b>				40000	75000	<b>-35000</b>
	Nagpur-P	-	-	-	-	-	-
	Nagpur - M	-	-	-	-	-	-
	Kota-P	-	-	-	-	-	-
	Kota - M	-	-	-	-	-	-
	Jaipur - C	2870	2875	<b>-5</b>			
	Alwar - C	2725	2725	<b>Unch</b>			
	SriGanganagar	2450	2500	<b>-50</b>			
<b>Rapeseed/Mustard</b>	Kota	2500-2525	2450	<b>+75</b>			
	Neewai	2800	-	-			
	Ramganj						
	Baran						
	<b>Arrivals in Rajasthan</b>				50000	60000	<b>-10000</b>
	Delhi- C		2745				
	Katni (MP)		-	-	-	-	-
	Hapur (UP)		-	-	-	-	-
	Rajkot	590	595	<b>-5</b>	15000	20000	<b>-5000</b>
	Latur	3000-3450	3000-3550	<b>-100</b>	800	400	<b>+400</b>

\*P – Plant Delivery Prices, M – Mandi Prices, , Soybean Prices are in INR/bag. (1 bag=90 kg). Mandi prices – Loose, Mustard Seed Prices are in INR/bag (1 bag=85 kg) C – Condition (42%), \*Groundnut (In Shell) in Rs/20 kg, Sunflower Seed in Rs/ntl

**Other Oilseeds (Mumbai) 07-Feb11 05-Feb-11 Change**

<b>Niger Seed (4% FM)</b>	-	-	-
<b>Sesame White 98/2/1 FM</b>			
<b>Sunflower Seed</b>			
<b>Kardi Seed 2% Exp</b>			
<b>Quality</b>			
<b>Groundnut Kernel</b>			
<b>Castor Seed</b>			

Prices are in INR/100 kg.

**FOREX RATES as on 08.02.11**

Count	Currency	Value in Rupees - 08.02.11	Value in Rupees - 07.02.11
ry/Continent			
USA	Dollar	45.39	45.59
Europe	Euro	61.84	62.04
Japan	Yen	55.17	55.44
Britain	Pound Strlg.	73.30	73.58

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