

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

- Soybean chart reflects buying support in the market.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is rising in neutral region while stochastic is easing in neutral zone.
- *The soybean prices are likely to move up in Thursday's session.*

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

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2659</b>	<b>2569</b>	<b>2574</b>	<b>2654</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2518</b>	<b>2527</b>	<b>2564</b>	<b>2578</b>	<b>2591</b>

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

- Mustard seed chart depicts mild losses in the price.
- Prices closed above 9-day and 18-day EMA supporting bullish momentum in near and medium-term.
- RSI and stochastic are easing in neutral zone.
- *Mustard seed prices are likely to ease on Thursday's session.*

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

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;3028</b>	<b>3018</b>	<b>3013</b>	<b>3033</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2971</b>	<b>2987</b>	<b>3023</b>	<b>3037</b>	<b>3066</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 soy futures rally from early declines on supportive supply and demand outlooks. CBOT March soy rises 0.7% to \$14.34 1/4 a bushel. Market initially stumbled on fears demand from China could diminish amid Chinese government policies aimed at curtailing inflation.

## Spot Market Analysis: Soybean

***Soybean plant delivery price in benchmark, Indore, gained tracking higher Malaysian palm oil and firm CBOT***

***However, the current soybean prices still remain strong despite improved prospect of South American crop.***

*Soybean arrivals in Madhya Pradesh are reported higher at 0.80 lakh bags (90 kg each) compared to the previous day's 0.40 lakh bags. Arrivals at Indore mandi too increased to 3000 bags compared to 1000 bags a day earlier.*

- Chinese soybean imports are forecast at a new high of 54.5 Mn T in Aug/July 2010/11 compared with 46.8 Mn T last season and 28.7 Mn T in 2006/07.
- China's demand for soya oil and meal will continue to rise, triggering a boost in soybean crushings by around six million tonnes this season.
- The Brazilian soybean crop benefited from above-normal rainfall in December and January in many important growing areas.
- 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.
- 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.
- 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 soyoil 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 steady to weak tone followed by weak trade***

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

- The overall area for the crop has increased by 7.19 lakh hectares, while the production is expected to increase by 9.3 lakh tonnes in the season 2010-11 - SEA.
- The Rapeseed-Mustard production in Gujarat is expected to rise by 15,000 tonnes in 2010-11. The preliminary survey conducted by Solvent Extractors' Association of India has pegged the state's rapeseed production at 3.30 lakh tonnes against 3.15 lakh tonnes reported in 2009-10. The area under the oilseed in Gujarat for the current season is noted at 216,700 hectares against 208,500 hectares in 2009-10 season.
- If rain falls during this period coupled with fall in temperature, would be greatly beneficial to the standing crops. As per the weather forecast, mild showers are expected in Northern India and also some parts of the Rajasthan in the next few days - SEA.
- 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.
- 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 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
		09/2/2011	08/2/2011		09/2/2011	08/2/2011	
Soybean	Indore -P	2450-2490	2420-2450	<b>+40</b>			
	Indore -M	2350-2370	2350-2400	<b>-30</b>			
	<b>Arrivals in Madhya Pradesh</b>					40000	
	Nagpur-P	2450-2500	-	-	-	-	-
	Nagpur - M	2380-2430	-	-	-	-	-
	Kota-P	2460-2485	-	-	-	-	-
	Kota - M	2350-2415	-	-	-	-	-
	Jaipur - C	2850	2870	<b>-20</b>			
	Alwar - C	2725	2725	<b>Unch</b>			
	SriGanganagar	2450	2450	<b>Unch</b>			
Rapeseed/Mustard	Kota		2500-2525				
	Neewai		2800				
	Ramganj						
	Baran						
	<b>Arrivals in Rajasthan</b>				60000	50000	<b>+10000</b>
	Delhi- C	2765	2760	<b>+5</b>			
	Katni (MP)				-	-	-
	Hapur (UP)				-	-	-
	Rajkot	600	590	<b>+10</b>	20000	15000	<b>+5000</b>
	Latur	3300-3550	3000-3450	<b>+100</b>	900	800	<b>+100</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/qtl.

**Other Oilseeds (Mumbai) 09-Feb11 08-Feb-11 Change**

<b>Niger Seed (4% FM)</b>	3225	3250	<b>-25</b>
<b>Sesame White 98/2/1 FM</b>	5200	5200	<b>Unch</b>
<b>Sunflower Seed</b>	3450	3450	<b>Unch</b>
<b>Kardi Seed 2% Exp Quality</b>	2650	2625	<b>+25</b>
<b>Groundnut Kernel</b>	3800	3800	<b>Unch</b>
<b>Castor Seed</b>	5825	-	<b>-</b>

Prices are in INR/100 kg.

**FOREX RATES as on 08.02.11**

Count	Currency	Value in Rupees - 09.02.11	Value in Rupees - 08.02.11
ry/Continent			
USA	Dollar	45.33	45.39
Europe	Euro	61.86	61.84
Japan	Yen	55.03	55.17
Britain	Pound Strlg.	72.89	73.30

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