

SOYBEAN**Technical Analysis:**

- Soybean chart reflects continued 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 oversold zone.
- *The soybean prices are likely to fall further in Thursday's session.*

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
SELL	<2443	2433	2428	2448
Support & Resistance				
S2	S1	PCP	R1	R2
2401	2420	2438	2481	2497

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

- Mustard seed chart depicts selling pressure in the market.
- Prices closed below 9-day EMA supporting bearish momentum in near and medium-term.
- RSI and stochastic are easing in neutral zone.
- *Mustard seed prices are likely to fall in Thursday's session*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2959	2949	2944	2964
Support & Resistance				
S2	S1	PCP	R1	R2
2927	2943	2954	3018	3034

**Oilseed Summary**

Overall the oilseed prices have witnessed weak tone following a weak sentiment in the global market and sluggish domestic demand.

International Market (CBOT)

CBOT soybean futures tumbled to their lowest level in 3-weeks, as traders continued to reduce risk exposure in the face of improved South American crop prospects and diminished export demand. CBOT March soy was down 34 3/4 cents or 2.5% at \$13.68 a bushel.

Spot Market Analysis: Soybean

Soybean plant delivery price at Indore witnessed slight gains due to sharp decline in arrivals in key cash markets followed by Eid Milad-un-Nabi Wednesday.

Soybean arrivals in Madhya Pradesh fell and reported at 15-20 thousand bags as compared to 40 thousand bags a day earlier. Besides, at Indore mandi the arrivals remained steady at 2500 bags.

- India has stopped soymeal exports to Vietnam after Hanoi rejected cargoes totalling 50,000 tonnes (soymeal and corn) over fumigation issues, threatening to stoke food and feedstock prices in Asia.
- Consequently Vietnam could be forced to turn to more expensive south American supplies, pushing up prices in Asia.
- India's soymeal exports is seen declining due to sluggish demand from major buyers, South Asian countries coupled with poor demand from poultry feed industry due to poor growth in poultry, currently
- The soymeal export of Indian origin in February this month is expected at 4 lakh tones and further in March it is likely to decline to 2.5 lakh tones.
- The ask price of soymeal at Kandla port for March delivery is quoted lower at Rs.18500-18700/MT compared to the previous day's level of Rs. 18600-18800/MT. Slack in demand pressured the prices.
- Brazil raised its official view for the new soybean crop into record territory due to a greater planted area and better weather than previously expected, which falls in line with a trend in independent forecasters. The 2010/11 soybean crop was projected at a record 70.1 million tonnes, up from the 68.55 million tonnes forecast in January by Conab.
- 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.
- Brazil soybean production is forecast at a record 68.5 million tons, up 1.0 million tones from last month as timely rains in the southern producing area have raised yield prospects– USDA.
- Argentina soybean production is projected at 49.5 million tons, down 1 million- USDA.

Soybean prices are likely to remain firm on near and medium-term on expected good global soy oil demand and higher domestic and overseas soy meal demand. Chinese foreign buying will support the soybean prices at higher levels. However, improved crop prospect in South America may cap the gains.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices eased in major centers on weak Malaysian Palm oil and higher output estimates in domestic mustard seed followed by improved crop prospects.

Arrivals of the seed in Rajasthan are reported higher at 80,000 bags (85 kg each) compared to the previous day's level of 50,000 bags.

- The rains over Rajasthan have improved the mustard seed crop prospects which translate into better yield in the seed in the region.
- A normal regular demand in rapeseed meal from cattle feed industry is witnessed in the domestic market.
- Rapeseed meal price in Sri Ganganagar continue to decline and quoted at Rs.1070.00/qtl compared to the previous day's level of Rs. 1080.00/qtl.
- Solvent Extractors' Association of India has pegged the India's rapeseed production at 68.5 lakh tonnes against 59.2 lakh tonnes reported in 2009-10.
- 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.
- Global oilseed production for 2010/11 is projected at 441.8 million tons, up 1.4 million tons from last month – 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
		16/2/2011	15/2/2011		16/2/2011	15/2/2011	
Soybean	Indore -P	3665-2410	2400	+10			
	Indore -M	2280-2330	2350	-20			
	Arrivals in Madhya Pradesh				20000	70000	-50000
	Nagpur-P	2350-2390	2400-2450	-60	-	-	-
	Nagpur - M	2300-2340	2320-2360	-20			
	Kota-P	2360-2400	2425-2440	-40			
	Kota - M	2280-2330	2300-2350	-20			
	Jaipur - C	2840	2875	-35			
	Alwar - C	2750-2775	2780	-5			
	SriGanganagar	2500	2450	+50			
Rapeseed/Mustard	Kota		2550				
	Neewai						
	Ramganj						
	Baran						
	Arrivals in Rajasthan				80000	60000	+20000
	Delhi- C	2810	2830-2835	-25			
	Katni (MP)						
	Hapur (UP)	2760	2785	-25			
	Rajkot	595	600	-5	10000	20000	-10000
	Latur	Closed	3000-3600	-	-	4500	-

*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) 16-Feb11 15-Feb-11 Change

Niger Seed (4% FM)	3125	3150	-25
Sesame White 98/2/1 FM	5250	5250	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2625	2650	-25
Groundnut Kernel	3800	3825	-25
Castor Seed	5450	5450	Unch

Prices are in INR/100 kg.

FOREX RATES as on 16.02.11

Count	Currency	Value in ry/ Contin ent	Value in Rupees - 16.02.11	Value in Rupees - 15.02.11
USA	Dollar		45.33	45.45
Europe	Euro		61.48	61.43
Japan	Yen		45.17	54.43
Britain	Pound Strlg.		73.34	72.90

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