

SOYBEAN**Technical Analysis:**

- Soybean chart reflects recovery in prices.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- RSI is rising in neutral region while stochastic is rising in oversold zone.
- *The soybean prices are likely to move up in Friday's session.*

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
BUY	>2454	2464	2468	2449
Support & Resistance				
S2	S1	PCP	R1	R2
2424	2439	2469	2476	2491

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

- Mustard seed chart depicts selling pressure in the market.
- Prices closed below 9-day and 18-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 Friday's session*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2949	2939	2934	2954
Support & Resistance				
S2	S1	PCP	R1	R2
2900	2916	2944	2976	2998

**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 ended lower for the fifth consecutive day, dropping to 5-week lows on rising soybean crop estimates in Brazil and improved conditions in Argentina. With harvest expanding in Brazil and without a weather problem in South America, the export baton is being passed from the US to Brazil and Argentina.

Spot Market Analysis: Soybean

Soybean plant delivery price slightly eased on sluggish demand in meal and lower crushing due to disparity coupled with fall in international vegoil markets Thursday.

Soybean arrivals in Madhya Pradesh fell and reported higher at 30-35 thousand bags as compared to 15-20 thousand bags a day earlier. Besides, at Indore mandi the arrivals declined to 1300 bags compared to the previous day's level of 2500 bags.

- As per trade sources, no major exports deal in soymeal of Indian origin took place since last couple of days.
- The interested buyers from South East Asian countries are bidding the price lower at US \$ 402-403 compared to offered FAS US \$ 406-408 per metric tonnes.
- India has stopped soymeal shipments to Vietnam after Hanoi rejected cargoes totalling 50,000 tonnes (soymeal and corn) over fumigation issues.
- India's soymeal exports is seen declining due to sluggish demand from major buyers, South Asian countries, coupled with poor domestic demand from poultry feed industry due to poor growth in the same.
- 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.18500-18600/MT compared to the previous day's level of Rs. 18500-18700/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 improve and remain firm on near and medium-term on expected good global soyoil demand and expected higher overseas soymeal 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 witnessed mixed trend on varied factors in various centers Thursday. The seed prices in Alwar declined on good supplies while it improved in Jaipur due to buying support. The seed price remained steady in Sri Ganganagar.

Arrivals of the seed in Rajasthan are reported lower at 55,000 bags (85 kg each) compared to the previous day's level of 80,000 bags.

- The new seed arrivals in Alwar are likely to pick-up in a couple of weeks.
- The recent rains over Rajasthan are seen as positive factor for the mustard seed crop which translates 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 slightly improved and quoted at Rs.1073.00/qtl compared to the previous day's level of Rs. 1070.00/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
		17/2/2011	16/2/2011		16/2/2011	15/2/2011	
Soybean	Indore -P	2400	3665-2410	-10			
	Indore -M	2350	2280-2330	+20			
	Arrivals in Madhya Pradesh				35000	20000	+15000
	Nagpur-P		2350-2390		-	-	-
	Nagpur - M		2300-2340				
	Kota-P		2360-2400				
	Kota - M		2280-2330				
	Jaipur - C	2870	2840	+30			
	Alwar - C	2750	2750-2775	-25			
	SriGanganagar	2500	2500	Unch			
Rapeseed/Mustard	Kota	2500-2525	2500	+25			
	Neewai						
	Ramganj						
	Baran						
	Arrivals in Rajasthan				55000	80000	-25000
	Delhi- C	2810	2810	Unch			
	Katni (MP)						
	Hapur (UP)	2760	2760	Unch			
	Rajkot	595	595	Unch	10000	10000	Unch
	Latur	3050	3600	-50	2500	Closed	-

*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) 17-Feb11 16-Feb-11 Change

Niger Seed (4% FM)	3125	3125	Unch
Sesame White 98/2/1 FM	5250	5250	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2625	2625	Unch
Groundnut Kernel	3800	3800	Unch
Castor Seed	5625	5450	+175

Prices are in INR/100 kg.

FOREX RATES as on 17.02.11

Count	Currency	Value in ry/ Contin ent	Value in Rupees - 17.02.11	Value in Rupees - 16.02.11
USA	Dollar		45.38	45.33
Europe	Euro		61.60	61.48
Japan	Yen		54.28	-
Britain	Pound Strlg.		73.08	73.34

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