

SOYBEAN**Technical Analysis:**

- Soybean chart reflects close above previous level.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- RSI and stochastic are rising in neutral zone.
- *The soybean prices are likely to move up in Saturday's session.*

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
BUY	>2466	2476	2481	2461
Support & Resistance				
S2	S1	PCP	R1	R2
2455	2465	2471	2504	2517

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

- Mustard seed chart depicts continued selling pressure in the market.
- Prices closed below 9-day and 18-day EMA supporting bearish momentum in near and medium-term.
- RSI is easing in oversold region while stochastic is declining in neutral zone.
- *Mustard seed prices are likely to fall in Saturday's session*

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2941	2931	2926	2956
S2	S1	PCP	R1	R2
2904	2923	2936	2972	2990

**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 soybeans ended sharply higher on strength in corn and talk that China was considering lowering import taxes. Sharply higher corn was supportive, as was a new record high in cotton. Both rallies give farmers an incentive to plant something other than soybeans, which would exacerbate a tight supply outlook.

Spot Market Analysis: Soybean

Soybean prices witnessed gains in cash markets on expected soymeal demand and delivery intention day at NCDEX futures Friday. However, sluggish activity is witnessed in major centers due to Ravidas Jayanti followed by lower arrivals.

Soybean arrivals in Madhya Pradesh significantly declined to 10-12 thousand bags as compared to 30-35 thousand bags a day earlier. Indore mandi remained closed, hence no arrivals.

- No major trade activity witnessed in domestic soymeal market today due to *Ravidas Jayanti*.
- Poor crushing in the beans reported due to disparity on crushings.
- No recent forward booking of soymeal reported, however, buyer are interested in March shipment at 19000/MT.
- South East Asian countries are bidding the price lower at US \$ 402-403 compared to offered FAS US \$ 405-408 per metric tones.
- Currently, India has stopped soymeal shipments to Vietnam after Hanoi rejected cargoes totalling 50,000 tonnes (soymeal and corn) over fumigation issues.
- 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.
- 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.

Center	Arrivals in Bag	Center	Arrivals in Bag
Indore	2000	Mandsaur	2000
Dhar	2000	Neemuch	3000
Ujjain	1500	Khandwa	1000
Badenagar	1500	Khategaon	1000
Ratlam	500	Dewas	2000
Jaora	1500	Bhopal Region	30000

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices witnessed steady to firm tone supported by soybeans and final delivery intention day for the seed at futures markets Friday.

Arrivals of the seed in Rajasthan are reported higher at 60,000 bags (85 kg each) compared to the previous day's level of 55,000 bags.

- The recent rains over Rajasthan have improved the mustard seed crop prospect which translates into better yield in the seed in the region.
- The new seed arrivals in Alwar are likely to pick-up in a couple of weeks.
- No major overseas exports deal in rapeseed meal reported which is acting as a negative factor for the seed market.
- A normal regular demand in rapeseed meal from cattle feed industry is witnessed in the domestic market.
- 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
		18/2/2011	17/2/2011		18/2/2011	17/2/2011	
Soybean	Indore -P	2420-2450	2400	+50			
	Indore -M	2350-2380	2350	+30			
	Arrivals in Madhya Pradesh				8000	20000	-12000
	Nagpur-P	2400-2450	-		-	-	-
	Nagpur - M	2300-2350	-				
	Kota-P	2420-2440	-				
	Kota - M	2350-2375	-				
	Jaipur - C	2880-2885	2870	+15			
	Alwar - C	2750	2750	Unch			
	SriGanganagar	2500	2500	Unch			
Rapeseed/Mustard	Kota	-	2500-2525	-			
	Neewai	2830	-				
	Ramganj						
	Baran						
	Arrivals in Rajasthan				60000	55000	+5000
	Delhi- C	2800	2810	-10			
	Katni (MP)			-			
	Hapur (UP)	2760	2760	Unch			
	Rajkot	600	595	+5	10000	10000	Unch
	Latur	3500-3600	3050-3600	Unch	500	2500	-2000

*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) 18-Feb11 17-Feb-11 Change

Niger Seed (4% FM)	3100	3125	-25
Sesame White 98/2/1 FM	5250	5250	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2600	2625	-25
Groundnut Kernel	3775	3800	-25
Castor Seed	5750	5625	+125

Prices are in INR/100 kg.

FOREX RATES as on 17.02.11

Count	Currency	Value in ry/ Contin ent	Value in Rupees - 18.02.11	Value in Rupees - 17.02.11
USA	Dollar		45.18	45.38
Europe	Euro		61.43	61.60
Japan	Yen		54.25	54.28
Britain	Pound Strlg.		73.04	73.08

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