

Oilseed Summary

Overall oilseed prices are likely to feature downward pressure consequent to new crop mustard seed arrivals and expected decline in export demand for soy meal. With South American exporters marketing new crop soy meal aggressively, demand for Indian meal is likely to diminish.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices moved up on buying support in the seed by the millers Tuesday.

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 harvesting of the seed in Alwar, Rajasthan is expected in the last week of the February month and traders expect an arrival around 500-100 bags by 15th of March.
- An aggressive buying in Alwar, Bharatpur, Jaipur and Sri Ganganagar is reported by the local millers with demand some demand in mustard oil.
- India is expected to export Mustard DOC at 1.25 lakh tonnes in March 2011. The prices of Mustard DOC are likely to remain steady to weak on decline in the overseas and domestic Mustard DOC demand.

Mustard seed prices may remain range bound with weak bias on higher output estimates this season. Besides, no fresh demand of rapeseed meal from domestic cattle feed industry is expected till September which will weigh on the seed price.

Spot Market Analysis: Soybean

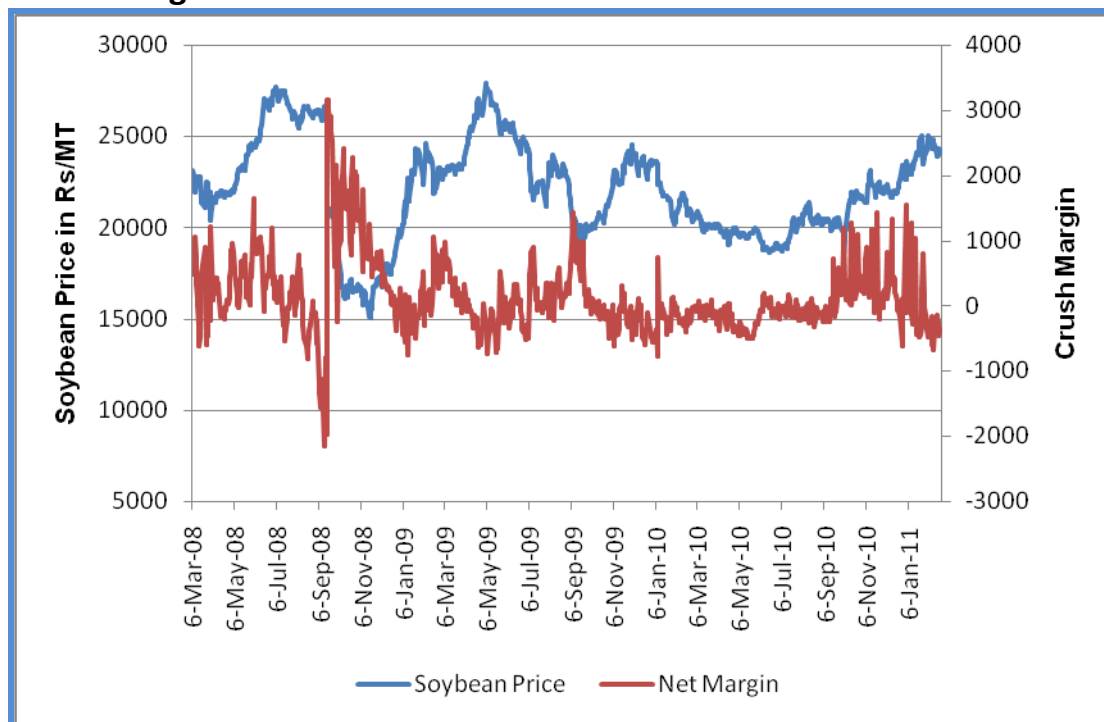
Soybean prices in physical market extended gains on fresh demand in soy meal and weak supply in beans.

Soybean arrivals in Madhya Pradesh are reported lower at 40-45 thousand bags as compared to 55-60 thousand bags a day earlier.

- The soybean arrivals declined to 40-45 thousand bags in Madhya Pradesh bags from 1.0 lakh bags a month earlier.
- No aggressive buying by the crushers in the beans reported today.
- In the latest development about 3 rack load of soy meal contracted at Rs.18700/MT from Madhya Pradesh to be shipped out from Kandla in early March 2011.
- In addition to it a fresh deal of 500 MT of soy meal, ready delivery, at Rs.18750/MT got finalized.
- Traders expect about 3.5 MT of soy meal shipment in March lower compared to an estimated 4 MT in February.
- The Indian oilmeals prices are likely ease in near-term on the back of competitive offer price by Argentina and Brazil with their fresh soybean crop Arrivals.

Soybean prices are likely to face downwards pressure with new crop arrivals in Brazil and Argentina, which is yet to pick-up. However, any fresh demand in soy meal, of Indian origin, will lend support to the domestic soybean price.

Crush Margin



SOYBEAN**Technical Analysis:**

- Candlestick chart pattern reflects side-ways move in the prices.
- Close 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 neutral zone.
- ***The soybean prices are likely to witness both-ways price movement in Wednesday's.***

Trade Recommendation – Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2429	2450	2466	2498	2511

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

- Mustard seed chart reflects side-ways move and the prices are looking for a direction.
- Prices closed below 9-day and 18-day EMA supporting bearish momentum in near and medium-term.
- MACD is declining in positive territory
- RSI is easing in neutral region while stochastic is rising in oversold zone.
- ***Mustard seed prices are looking for a direction and may witness both way price movement in Wednesday's session***

Trade Recommendation – Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
WAIT	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2932	2944	2947	2987	3005

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
Apr	-	46	93	143
May	-	-	47	97
Jun	-	47	0	50
Jul	-	97	50	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		22/2/2011	21/2/2011		22/2/2011	21/2/2011	
Soybean	Indore -P	2400-2450	2400-2440	+10			
	Indore -M	2310-2360	2300-2350	+10			
	Arrivals in Madhya Pradesh				45000	45000	Unch
	Nagpur-P	2400-2450	2390-2420	+30	-	-	-
	Nagpur - M	2340-2380	2300-2350	+30			
	Kota-P	2400-2420	2400-2415	+5			
	Kota - M	2330-2385	2325-2375	+10			
	Jaipur - C	2885-2890	2880-2885	+5			
	Alwar - C	2775-2780	2760-2770	+10			
	SriGanganagar	2500	2500	Unch			
Rapeseed/Mustard	Kota						
	Neewai	2850	2825	+25			
	Ramganj						
	Baran						
	Arrivals in Rajasthan				60000	55000	+5000
	Delhi- C	2835	2815	+20			
Groundnut (In Shell)	Katni (MP)						
	Hapur (UP)	2760	2780	-20			
	Rajkot	605	600	+5		10000	
Sunflower Seed	Latur	2850-3450	2850-3500	-50	2500	3000	-500

*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) 22-Feb11 21-Feb-11 Change

Niger Seed (4% FM)	3100	3100	Unch
Sesame White 98/2/1 FM	5250	5250	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2575	2600	-25
Groundnut Kernel	3775	3775	Unch
Castor Seed	5850	5725	+125

Prices are in INR/100 kg.

FOREX RATES as on 22.02.11

Count	Currency	Value in Rupees - 22.02.11	Value in Rupees - 21.02.11
USA	Dollar	45.20	45.11
Europe	Euro	61.4	61.70
Japan	Yen	54.25	54.24
Britain	Pound Strlg.	73.07	73.25

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