

Oilseed Summary

Oilseed prices are expected 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 in days ahead.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices eased on fresh supplies in some of the mandis of seed producing regions Tuesday.

Mustard seed arrivals in Rajasthan mandis declined and reported at 70,000 thousand bags compared to 75,000 bags previous day.

- Slack in mustard oil demand kept the mustard seed prices lower followed by poor buying in the seed from millers.
- The buyers were millers however and aggressive buying reported in the seed.
- The big buyers and stockists are expecting the seed prices to come down with the pick-up in the arrivals.
- The carry forward stock of the old crop seed is expected between 5-6 lakh tones down compared to 7-8 lakh tones of previous season.

Mustard seed prices are likely to face downwards pressure on new crop arrivals. Higher output estimates continue to weigh on the seed prices. Besides, dull activity in the market is attributed to poor demand in rapeseed oil.

Spot Market Analysis: Soybean

Soybean prices in physical markets further declined pressured by mustard seed and lackluster trade in the beans Monday.

Soybean arrivals in Madhya Pradesh are reported steady at 40 thousand bags compared with previous day's level.

- No aggressive buying in seed by the millers noticed today.
- The crush margin of the beans have slightly improved from and noticed at Rs.-126/MT from below Rs. -380/MT a couple of week back.
- No major activity witnessed in soy meal cash market.
- There is no report on any fresh forward deal in the meal.
- India expects to export 2.5 -3 lt of soy meal in March while in April the export for the same is likely to decline further to 1.5 lt.
- The major international soy meal buyers are expecting competitive meal price in Latin America with gradual increase in their new crop arrivals.
- This is expected to impact on Indian soy meal exports and pressure the prices in days ahead.

Soybean prices are likely to face downward 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, for loading vessels in port, will lend support to the domestic soybean price.

SOYBEAN

Technical Analysis:

- Candlestick chart pattern reveals "Doji" candle significant of indecision in the market.
- Prices closed below by 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 fall on Wednesday's session.

Trade Recommendation - Soybean NCDEX (Mar)

Call	Entry	T1	T2	SL
SELL	<2409	2399	2394	2414
Support & Resistance				
S2	S1	PCP	R1	R2
2380	2399	2414	2441	2460



RAPESEED

Technical Analysis:

- Candlestick chart pattern depicts indecision in the market.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- MACD is declining in negative territory indicating bearish sentiment for short term.
- RSI is easing in oversold zone while stochastic is rising in oversold region.

The Mustard prices are expected to move downwards on Wednesday's session.

Trade Recommendation - Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2876	2866	2861	2881
Support & Resistance				
S2	S1	PCP	R1	R2
2827	2851	2871	2900	2920



NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	40	81	140
May	40	0	41	100
Jun	81	41	0	59
Jul	140	100	59	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Mar	Apr	May	Jun
Mar	0	36	64	83.5
Apr	36	0	28	47.5
May	64	28	0	19.5
Jun	83.5	47.5	19.5	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		01/3/2011	28/2/2011		01/3/2011	28/2/2011	
Soybean	Indore -P	2380-2420	2390-2440	-20			
	Indore -M	2280-2330	2310-2360	-30			
	Arrivals in Madhya Pradesh				45000	40000	+5000
	Nagpur-P	2370-2420	2370-2420	Unch			
	Nagpur - M	2300-2350	2300-2360	-10			
	Kota-P	2380-2400	2400-2440	-10			
	Kota - M	2300-2355	2330-2360	-5			
Rapeseed/Mustard	Jaipur - C	2850	2860	-10			
	Alwar - C	2750	2750	Unch			
	SriGanganagar	2450	2450	Unch			
	Kota	2500-2525	-	-			
	Neewai	2800	2825	-25			
	Ramganj						
	Baran						
	Arrivals in Rajasthan				70000	75000	-5000
	Delhi- C	2840	2850	-10			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2780	2800	-20			
	Rajkot	600	605	-5	10000	10000	Unch
Sunflower Seed	Latur	2650-3250	2800-3340	-90	1000	1000	Unch

*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) 1-Mar-11 28-Feb-11 Change

Niger Seed (4% FM)	3100	3060	+40
Sesame White 98/2/1 FM	5250	5250	Unch
Sunflower Seed	3600	3600	Unch
Kardi Seed 2% Exp Quality	2575	2575	Unch
Groundnut Kernel	3775	3750	+25
Castor Seed	5500	5500	Unch
Prices are in INR/100 kg.			

FOREX RATES as on 01.03.11

Country/ Continent	Currency	Value in Rupees	
		01.03.11	28.03.11
USA	Dollar	45.12	45.18
Europe	Euro	62.32	62.15
Japan	Yen	54.91	55.32
Britain	Pound Strlg.	73.43	72.78

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