

### 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 witnessed steady to firm tone supported by firm global cues and rains some in some mustard seed growing area Thursday.*

*Mustard seed arrivals in Rajasthan mandis moved up and reported at 80,000 thousand bags compared to 70,000 bags previous day.*

- In a latest development Alwar has reported an arrival of about 800 bags of new crop seed.
- Rains over the north and north-western mustard seed growing regions may adversely affect the seed crop as in most of the places it is nearing harvest.
- The major buyers of the seed are millers. Stockists refrained themselves away from the seed market.
- Weak demand in mustard oil demand pressured the mustard seed prices subsequently poor buying in the seed from millers.
- The bulk buyers are waiting for 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 gained in cash market supported by higher international vegoil market Thursday. Renewed Chinese buying interest in US and Brazil soybean for April/May delivery supported international soybean prices. Rains in Brazil are likely to delay the ongoing harvest of the beans there.*

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

- Normal regular buying activity noticed in the soybean market.
- No aggressive buying in the beans reported in key centers.
- No major aggressive buying in seed by the millers noticed today.
- 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 selling pressure in the market.
- Prices closed below by 9-day and 18-day EMA, indicating bearish momentum in near and medium-term.
- RSI is rising in neutral region while stochastic is easing in neutral zone.

*The soybean prices are likely to fall on Friday's session.*

**Trade Recommendation – Soybean NCDEX (Apr)**

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2459</b>	<b>2449</b>	<b>2444</b>	<b>2464</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2424	2444	2453.5	2491	2510

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

- Candlestick chart pattern depicts side-ways move 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 and stochastic are easing in neutral region.

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

**Trade Recommendation – Rapeseed NCDEX (Apr)**

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2876</b>	<b>2866</b>	<b>2861</b>	<b>2881</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2847	2860	2871	2893	2911

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	41	85	129
<b>May</b>	41	0	44	88
<b>Jun</b>	85	44	0	44
<b>Jul</b>	129	88	44	0

\*Far Month Contract Vs Near Month Contract.

**NCDEX Soy Seed Price Spread**

NCDEX Spread	Mar	Apr	May	Jun
<b>Mar</b>	0	38.5	82	84
<b>Apr</b>	38.5	0	43.5	45.5
<b>May</b>	82	43.5	0	2
<b>Jun</b>	84	45.5	2	0

\*Far Month Contract Vs Near Month Contract.

## Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		03/3/2011	01/03/2011		03/3/2011	01/03/2011	
Soybean	Indore -P	2410-2435	2380-2420	+15			
	Indore -M	2300-2360	2280-2330	+30			
	Arrivals in Madhya Pradesh				40000	45000	-5000
	Nagpur-P	2410-2450	2370-2420	+30			
	Nagpur - M	2360-2415	2300-2350	+65			
	Kota-P	2400-2420	2380-2400	+20			
	Kota - M	2325-2365	2300-2355	+30			
Rapeseed/Mustard	Jaipur - C	2860	2850	+10			
	Alwar - C	2750	2750	Unch			
	SriGanganagar	2450	2450	Unch			
	Kota		2500-2525				
	Neewai	2800	2800	Unch			
	Ramganj						
	Baran						
	Arrivals in Rajasthan				70000		
	Delhi- C	2850	2840	+10			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2800	2780	+20			
Groundnut Seed	Rajkot	600	600	Unch	10000	10000	Unch
Sunflower Seed	Latur	2700-3400	2650-3250	+150	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/ctl.

## Other Oilseeds (Mumbai) 3-Mar-11 1-Mar-11 Change

Niger Seed (4% FM)	3200	3100	-100
Sesame White 98/2/1 FM	5100	5250	-150
Sunflower Seed	3600	3600	Unch
Kardi Seed 2% Exp Quality	2575	2575	Unch
Groundnut Kernel	3775	3775	Unch
Castor Seed	5450	5500	-50
Prices are in INR/100 kg.			

## FOREX RATES as on 03.03.11

Country/ Continent	Currency	Value in Rupees	
		03.03.11	01.03.11
USA	Dollar	44.96	45.12
Europe	Euro	62.33	62.32
Japan	Yen	54.93	54.91
Britain	Pound Strlg.	73.37	73.43

## DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>