

### Oilseed Summary

*Oilseed prices feature downward pressure in the cash market 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 continue to decline.*

### Spot Market Analysis: Rapeseed/Mustard Seed

*Mustard seed witnessed weak sentiments on increased supply and weak demand in the cash market.*

- The mustard seed arrivals at major centers continue to witness upward move increasing the seed supply in the cash market.
- Mustard seed arrivals in Rajasthan are reported higher at 3.5 lakh bags (85 kg each) compared to 2.5 lakh bags a day earlier.
- The market still lacks aggressive buying due to slack in mustard oil demand.
- The state of Jammu remains a major buyer of the seed from Delhi market. However, there is no fresh demand in the seed from eastern states like Bihar, Jharkhand and West Bengal.
- These states prefer to buy the seed from Uttar Pradesh or Madhya Pradesh due to competitive freight charges compared to Delhi.
- India's mustard seed output is estimated at 7-7.1 Mn T this season on higher acreage followed by favourable weather conditions by Mustard oil Producers Association (MOPA) in its 32nd annual meet held at Jaipur on 13 March 2011.
- Global oilseed production for 2010/11 is projected at 444.2 million tons, up 2.4 million tons from last month - USDA.

*Mustard seed prices are likely to face downward 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 noticed steady to weak tone pressured by bearish local mustard seed supply scenario and global cues Monday.*

- Soybean arrivals in Madhya Pradesh slightly increased and reported lower at 25 thousand bags compared to 22 thousand bags on Saturday.
- The big plants/crushers in Madhya Pradesh are reportedly operating 10-15 days a month while small ones about 20 day a month due to decline in supplies of the beans followed by disparity on crushing and poor overseas meal demand.
- Indian soy meal market continues to notice weak overseas demand. No fresh forward deal in meal witnessed.
- The local meal sellers are now trying to aggressively market the soy meal in local, Indian, market due to demand shift to South American countries.
- Competitive price offer by South American countries, Argentina and Brazil, lead to the demand shift from India to South America.
- Earth quake followed by Sunami in Japan has affected the shipments to Asia Pacific countries.
- India expects to export 2.5 -3 Lt of soy meal in March. The exports are likely to decline to 1.5 Lt in April on the back of demand shift to South America
- The Brazilian soybean crop is unlikely to reach earlier optimistic forecasts of 71-72 Mn T - Oil World. USDA has projected the output at 70 Mn T.

*Soybean prices will continue 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 depicts strong selling pressure in the market.
- Prices closed below by 9-day and 18-day EMA, indicating bearish momentum in near and medium-term.
- MACD is easing in negative territory.
- RSI and stochastic are declining in oversold region.

*The soybean prices are likely to extend losses in Tuesday's session.*

### Trade Recommendation - Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2315</b>	<b>2305</b>	<b>2300</b>	<b>2320</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2290	2300	2309.5	2362	2379



## RAPESEED

### Technical Analysis:

- Candlestick chart pattern reveals selling pressure 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 oversold zone.

*The Mustard prices are expected to ease in Tuesday's session.*

### Trade Recommendation - Rapeseed NCDEX (Apr)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2692</b>	<b>2982</b>	<b>2977</b>	<b>2697</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2670	2675	2687	2758	2778



### NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	38	84	123
<b>May</b>	38	0	46	85
<b>Jun</b>	84	46	0	39
<b>Jul</b>	123	85	39	0

\*Far Month Contract Vs Near Month Contract.

### NCDEX Soy Seed Price Spread

NCDEX Spread	Mar	Apr	May	Jun
<b>Mar</b>	0	23.5	54	76
<b>Apr</b>	23.5	0	30.5	52.5
<b>May</b>	54	30.5	0	22
<b>Jun</b>	76	52.5	22	0

\*Far Month Contract Vs Near Month Contract.

## Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		14/3/2011	12/03/2011		14/3/2011	12/03/2011	
Soybean	Indore -P	2280-2330	2290-2330	Unch			
	Indore -M	2200-2245	2200-2250	-5			
	Arrivals in Madhya Pradesh				25000	22000	+3000
	Nagpur-P	2260-2300	2320-2340	-40			
	Nagpur - M	2200-2240	2270-2320	-80			
	Kota-P	2280-2300	2280-2310	-10			
	Kota - M	2180-2225	2200-2250	-25			
Rapeseed/Mustard	Jaipur - C	2750	2750	Unch			
	Alwar - C	2000-2550	-	-			
	SriGanganagar	2400	2425	-25			
	Kota		-				
	Neewai	2550	2725	-175			
	Ramganj						
	Baran						
	Arrivals in Rajasthan				350000	250000	+100000
	Delhi- C	2650	2700	-50			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2600	2640	-40			
Sunflower Seed	Rajkot	595	595	Unch	10000	10000	Unch
Sunflower Seed	Latur	2750-3150	2700-3200	-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/ql.

## Other Oilseeds (Mumbai) 14-03-11 12-03-11 Change

Niger Seed (4% FM)	3200	3250	-50
Sesame White 98/2/1 FM	5100	5100	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2500	2500	Unch
Groundnut Kernel	3725	3725	Unch
Castor Seed	5050	5050	Unch
Prices are in INR/100 kg.			

## FOREX RATES as on 14.03.11

Country/ Continent	Currency	Value in Rupees	
		14.03.11	12.03.11
USA	Dollar	45.15	45.24
Europe	Euro	62.95	62.82
Japan	Yen	55	55.24
Britain	Pound Strlg.	72.58	72.69

## 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>