

### 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

*Steady to firm sentiments noticed in mustard seed cash market on buying support and higher international market on Friday.*

- The millers were keen in the seed purchases on fresh demand in mustard oil ahead of the festival, *Holi*.
- However, higher output estimates (6.8 - 7.1 Mln T Vs 5.8 MlnT last year) in the seed and fresh crop arrival pressure limited the gains.
- Mustard seed arrivals in Rajasthan are reported between 3.0 - 3.5 lakh bags (85 kg each), same as previous day level.
- The millers are looking for the exports opportunity in mustard seed DOC. India exports above 100 thousand tones of mustard DOC in April, noted as peak season/period in mustard seed,
- The stockists are not active in the seed purchase now and they expect the seed prices to move further down in days ahead.s

*Mustard seed prices are likely to face downward pressure on new crop arrivals. Higher output estimates continue to weigh on the seed prices. Spurt in demand in mustard oil, ahead of Holi, lent support to the seed market.*

### Spot Market Analysis: Soybean

*Soybean prices surged on fresh local buying and global cues on Friday.*

- The solvent plant extractors/crushers were the major buyers of the beans on rise in soyoil demand in local market ahead of *Holi*.
- Soybean arrivals in Madhya Pradesh are reported slightly lower at 20 thousand bags compared to 25 thousand bags a day earlier.
- The current crush margin resulted negative at Rs. -278/MT compared to Rs. 454/MT previous day.
- Overall, the overseas soy meal demand remained dull and limited gains in the beans.
- The demand has shifted to Latin America due to their competitive price offer in the meal with their fresh crop arrivals.
- There is no fresh demand in soy meal from poultry industry, which is a major local buyer in the meal. This is due to the slow down in poultry industry.
- The soy meal sellers are aggressively marketing the meal in the local market.
- Recent rains in Brazil have delayed harvesting which was gaining momentum.
- In Brazil heavy rainfall was again received in many parts of Brazil in the most recent 7 days, keeping fields wet and preventing harvesting of mature soybeans and other crops.
- Soybean harvesting in Paraguay made good progress in the week, bringing completion to 75%.

*Fresh demand in soyoil ahead of the festival, Holi remained supportive factor for the bean market. Soybean prices will face downward pressure on the back of 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 upwards move in the price.
- 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 is rising in neutral region while stochastic is moving up in oversold zone.

*The soybean prices are expected to recover in Saturday's session.*

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

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2349</b>	<b>2359</b>	<b>2364</b>	<b>2344</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2308</b>	<b>2325</b>	<b>2353.5</b>	<b>2369</b>	<b>2385</b>

**RAPSEED****Technical Analysis:**

- Candlestick chart pattern reveals slight gains in the seed prices.
- 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 rising in neutral region.

*The Mustard prices are likely to gain in Saturday's session.*

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

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2776</b>	<b>2786</b>	<b>2791</b>	<b>2771</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2731</b>	<b>2763</b>	<b>2781</b>	<b>2807</b>	<b>2820</b>

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	45	93	132
<b>May</b>	45	0	48	87
<b>Jun</b>	93	48	0	39
<b>Jul</b>	132	87	39	0

\*Far Month Contract Vs Near Month Contract.

**NCDEX Soy Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	27.5	48.5	66.5
<b>May</b>	27.5	0	21	39
<b>Jun</b>	48.5	21	0	18
<b>Jul</b>	66.5	39	18	0

\*Far Month Contract Vs Near Month Contract.

## Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		17/3/2011	16/03/2011		17/3/2011	16/03/2011	
Soybean	Indore -P	2340-2380	2270-2340	+40			
	Indore -M	2240-2300	2130-2200	+100			
	Arrivals in Madhya Pradesh				20000	25000	-5000
	Nagpur-P	2280-2340	2250	+90			
	Nagpur - M	2200-2240	2200-2230	+10			
	Kota-P	2240-2300	2240-2260	+40			
	Kota - M	2225-2275	2180-2230	-25			
Rapeseed/Mustard	Jaipur - C	2740-2750	2700	+50			
	Alwar - C	2000-2500	2000-2500	Unch			
	SriGanganagar	2450	2450	Unch			
	Kota	2400-2425	2350-2400	+25			
	Neewai		-				
	Ramganj						
	Baran						
	Arrivals in Rajasthan				300000	300000	Unch
	Delhi- C	2625	2625	Unch			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2580	2525	+55			
Sunflower Seed	Rajkot	600	600	Unch	10000	10000	Unch
Sunflower Seed	Latur	Closed	2850-3100	-	Closed	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/ql.

## Other Oilseeds (Mumbai) 18-03-11 17-03-11 Change

Niger Seed (4% FM)	3200	3200	Unch
Sesame White 98/2/1 FM	5000	5100	-100
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2400	2425	-25
Groundnut Kernel	3725	3700	+25
Castor Seed	5125	5100	+25
Prices are in INR/100 kg.			

## FOREX RATES as on 16.03.11

Country/ Continent	Currency	Value in Rupees	
		18.03.11	17.03.11
USA	Dollar	45.09	45.24
Europe	Euro	63.43	63
Japan	Yen	55.19	57.14
Britain	Pound Strlg.	72.82	72.56

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