

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 slightly weak sentiments noticed in the mustard seed cash market on weak buying Saturday.

- The key mustard seed markets remained closed due to *Holi* on Saturday
- Arrivals of the seed considerably declined and dull activity reported in the seed market.
- Mustard seed arrivals in Rajasthan are reported significantly lower at between 5 - 6 thousand bags compared to previous day's level of 3.0 - 3.5 lakh bags.
- Overall, the seed sentiments remain bearish due to higher supply scenario this season.
- The mustard seed output is estimated between 6.8 - 7.1 Mln T, this season, by competent agencies compared to 5.8 Mln T last year.
- 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.

*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 cash market witnessed steady to weak tone due of weak buying support.

- The key physical markets of bean remained closed due to *Holi*, subsequently lower arrivals reported in the market.
- The plants and crushers refrained themselves from the physical bean market.
- Soybean arrivals in Madhya Pradesh are reported lower at around 8 thousand bags compared to 20 thousand bags a day earlier.
- 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 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 reveals upwards move in the price.
- Prices closed above 9-day EMA, indicating bullish momentum in near-term.
- MACD is rising in negative territory.
- RSI and stochastic are moving up in neutral zone.

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

Trade Recommendation – Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
BUY	>2365	2375	2380	2360
Support & Resistance				
S2	S1	PCP	R1	R2
2314	2354	2370	2389	2420

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

- Candlestick chart pattern indicates buying support in the market.
- Prices closed above 9-day EMA indicating bullish momentum in near-term.
- MACD is rising in negative territory indicating bullish sentiment for short term.
- RSI and stochastic are rising in neutral region.

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

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
BUY	>2805	2815	2820	2800
Support & Resistance				
S2	S1	PCP	R1	R2
2748	2778	2810	2831	2857

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	44	87	119
May	44	0	43	75
Jun	87	43	0	32
Jul	119	75	32	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	31	55	78
May	31	0	24	47
Jun	55	24	0	23
Jul	78	47	23	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		19/3/2011	18/03/2011		19/3/2011	18/03/2011	
Soybean	Indore -P	2325-2375	2340-2380	-5			
	Indore -M	2240-2300	2240-2300	Unch			
	Arrivals in Madhya Pradesh				8000	20000	-12000
	Nagpur-P	2300-2340	2280-2340	Unch			
	Nagpur - M	2280-2300	2200-2240	+60			
	Kota-P		2240-2300				
	Kota - M		2225-2275				
Rapeseed/Mustard	Jaipur - C	2690-2700	2740-2750	-50			
	Alwar - C	2000-2500	2000-2500	Unch			
	SriGanganagar	2450	2450	Unch			
	Kota	-	2400-2425	-			
	Neewai	-	-	-			
	Ramganj						
	Baran						
	Arrivals in Rajasthan				6000	300000	-294000
	Delhi- C	-	2625	-	-	-	-
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2580	2580	Unch			
Sunflower Seed	Rajkot	605	600	+5	8000	10000	-2000
Sunflower Seed	Latur	2800-3150	Closed	-	1500	Closed	-

*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) 19-03-11 18-03-11 Change

Niger Seed (4% FM)	3200	3200	Unch
Sesame White 98/2/1 FM	5000	5000	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2375	2400	-25
Groundnut Kernel	3750	3725	+25
Castor Seed	5125	5125	Unch
Prices are in INR/100 kg.			

FOREX RATES as on 19.03.11

Country/ Continent	Currency	Value in Rupees	
		19.03.11	18.03.11
USA	Dollar	45.00	45.09
Europe	Euro	63.69	63.43
Japan	Yen	55.57	55.19
Britain	Pound Strlg.	72.96	72.82

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>