

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

Weak sentiments were noticed in the mustard seed cash market due to slack in demand after Holi, Monday.

- No aggressive buying reported by the millers in the physical market.
- Arrivals improved compared to the previous trading session but still below 1 week average
- Mustard seed arrivals in Rajasthan are reported at 2.1 lakh bags (85 kg each) compared to 3.5 lakh a week ago.
- Overall, the seed sentiments remain bearish on higher output estimates.
- 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 seed 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 slightly firm tone in the absence of fresh buying on Monday.

- Solvent extractors/crushers are not keen in aggressive purchases in soybean.
- Slack in overseas soy meal demand has lead to disparity on crushing the beans.
- This is due to international demand shift in the meal to South America followed by competitive price offer on peak season in the soybean crop there.
- Reportedly some soy meal for March shipments is lying in the Indian port of Gandhi Dham Port.
- The big crushing plants are reportedly operating between 10-15 days a month while smaller plants are seen operating 20-25 days a month.
- Soybean arrivals in Madhya Pradesh are reported lower at 12,000 bags compared to 25,000 bags a week ago.
- 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.
- Rains and wet weather in Brazil is hampering the soybean harvest.

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 indecision in the market.
- Prices closed above 9-day EMA, indicating bullish momentum in near-term.
- MACD is rising in negative territory.
- RSI is easing in neutral region while stochastic is moving up in neutral zone.

The soybean prices may witness both way price movement in Tuesday's session.

Trade Recommendation – Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2331	2349	2364	2391	2411



RAPESEED

Technical Analysis:

- Candlestick chart pattern indicates selling pressure in the market.
- Prices closed below 9-day 18-day EMA indicating bearish momentum in near and medium-term.
- MACD is rising in negative territory indicating bullish sentiment for short term.
- RSI is easing in neutral region while stochastic is rising in neutral region.

The Mustard prices are likely to decline in Tuesday's session.

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<2783	2773	2768	2788
Support & Resistance				
S2	S1	PCP	R1	R2
2749	2769	2778	2818	2831



NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	43	87	124
May	43	0	44	81
Jun	87	44	0	37
Jul	124	81	37	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	31	54	74
May	31	0	23	43
Jun	54	23	0	20
Jul	74	43	20	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		21/3/2011	19/03/2011		21/3/2011	19/03/2011	
Soybean	Indore -P	2300-2380	2325-2375	+5			
	Indore -M	2240-2300	2240-2300	Unch			
	Arrivals in Madhya Pradesh				12000	8000	+4000
	Nagpur-P	2330-2370	2300-2340				
	Nagpur - M	2280-2330	2280-2300				
	Kota-P	2300	-				
	Kota - M	2240-2290	-				
Rapeseed/Mustard	Jaipur - C	2680	2690-2700	-20			
	Alwar - C	2000-2420	2000-2500	-80			
	SriGanganagar	2450	2450	Unch			
	Kota	-	-				
	Neewai	2425-2430	-	-	-	-	-
	Ramganj	-	-	-	-	-	-
	Baran	-	-	-	-	-	-
	Arrivals in Rajasthan				210000	6000	+204000
	Delhi- C	2630	-	-	-	-	-
	Katni (MP)						
	Hapur (UP)	-	2580	-	-	-	-
Groundnut Seed	Rajkot	610	605	+10	10000	8000	+2000
Sunflower Seed	Latur	-	2800-3150	-	-	1500	-

*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) 21-03-11 19-03-11 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	2375	Unch
Groundnut Kernel	3775	3750	+25
Castor Seed	5175	5125	+50
Prices are in INR/100 kg.			

FOREX RATES as on 21.03.11

Country/ Continent	Currency	Value in Rupees	
		21.03.11	19.03.11
USA	Dollar	45.05	45.00
Europe	Euro	63.81	63.69
Japan	Yen	55.65	55.57
Britain	Pound Strlg.	73.05	72.96

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