

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 prices extended losses in cash market on bearish domestic fundamentals in the seed.

- Continued rising arrival pressure in the physical market remained negative factor for the seed market.
- Mustard seed arrivals in Rajasthan are reported at higher at 3.6 lakh bags (85 kg each) compared to 3.0 lakh bags a day earlier.
- Higher output estimates this season, 6.8 - 7.1 Mln T vs 5.8 Mln T last year, continue to remain bearish factor.
- Both miller and stockists are keen in buying the seed.
- Currently the seed millers are looking for the exports opportunity in mustard seed DOC. India exports above 100 thousand tones of mustard DOC in April, as the month is noted as peak period time in mustard seed,

Mustard seed prices are likely to face downward pressure on new crop supply pressure. Higher output estimate continue to weigh on the seed prices.

Spot Market Analysis: Soybean

Soybean prices eased pressured by lower domestic mustard seed and poor soy meal exports.

- Poor crushing in the beans due to disparity and weakness in domestic mustard seed on peak season kept the beans prices lower.
- The disparity is attributed to demand shift in soy meal to South America followed by competitive price offer on peak season in the soybean crop there.
- Hence no aggressive buying reported by solvent extractors/crushers.
- 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 steady at 20,000 bags.
- Slack in soy meal demand from poultry feed industry noticed. Poultry feed industry is the major local buyer in the meal. This is due to the slow down in the industry.
- The domestic soy meal sellers are aggressively marketing the meal in the local 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 slight buying support 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.
- RSI and stochastic are moving up in neutral zone.

The soybean prices are likely to improve in Thursday's session.

Trade Recommendation – Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
BUY	>2345	2355	2360	2340
Support & Resistance				
S2	S1	PCP	R1	R2
2307	2326	2349.5	2363	2378



RAPESEED

Technical Analysis:

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

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

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<2728	2718	2713	2733
Support & Resistance				
S2	S1	PCP	R1	R2
2690	2695	2723	2750	2771



NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	48	94	139
May	-	0	46	91
Jun	-	-	0	45
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	29.5	49.5	73.5
May	-	0	20	44
Jun	-	-	0	24
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		23/3/2011	22/03/2011		23/3/2011	22/03/2011	
Soybean	Indore -P	2300-2350	2330-2365	-15			
	Indore -M	2190-2250	2200-2260	-10			
	Arrivals in Madhya Pradesh				20000	20000	Unch
	Nagpur-P	2320-2350	2320-2350	Unch			
	Nagpur - M	2230-2300	2270-2315	-15			
	Kota-P	2260-2300	2290-2300	Unch			
	Kota - M	2200-2260	2225-2280	-20			
Rapeseed/Mustard	Jaipur - C	2600	2640	-40			
	Alwar - C	2400	2000-2400	Unch			
	SriGanganagar	2300	2325	-25			
	Kota	-	-				
	Neewai	2350	2350	Unch	-	-	-
	Ramganj	-	-	-	-	-	-
	Baran	-	-	-	-	-	-
	Arrivals in Rajasthan				360000	300000	+60000
	Delhi- C	2660	2625				
	Katni (MP)	-	-				
	Hapur (UP)	-	-				
Groundnut Seed	Rajkot	610	610	Unch	8000	8000	Unch
Sunflower Seed	Latur	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/ql.

Other Oilseeds (Mumbai) 23-03-11 22-03-11 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	3775	Unch
Castor Seed	5300	5175	+125
Prices are in INR/100 kg.			

FOREX RATES as on 22.03.11

Country/ Continent	Currency	Value in Rupees	
		23.03.11	22.03.11
USA	Dollar	44.96	44.97
Europe	Euro	63.68	63.98
Japan	Yen	55.60	55.59
Britain	Pound Strlg.	73.56	73.34

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