

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 continued downtrend in cash market tracking fall in Malaysian palm oil on Thursday.

- Fresh crop arrival pressure, higher domestic output estimates and weakness in international vegoil market remained negative factors for the physical seed market.
- The mounting arrival pressure
- Mustard seed arrivals in Rajasthan are reported higher at 3.6 lakh bags (85 kg each) compared to 3.0 lakh bags a week ago.
- Both miller and stockists are actively participating in the market at the current price level.
- Higher output estimates this season, 6.8 - 7.1 Mln T vs 5.8 Mln T last year, continue to remain bearish factor.
- The millers are exploring the exports opportunity in mustard seed DOC.
- Reportedly 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

The major soybean markets remained closed in Madhya Pradesh on Thursday. Soybean prices continued to decline in Nagpur and Kota.

- The key soybean cash markets remained closed in Madhya Pradesh on account of *Rang Panchmi* on Thursday.
- No arrivals in the markets of Madhya Pradesh reported.
- Buying activity in the beans remained dull in the market centers of Maharashtra and Rajasthan with the decline in crushing.
- Lower crushing in the beans is due to disparity followed by poor soy meal exports.
- Demand shift in soy meal to South America is witnessed followed by competitive price offer with their new crop arrivals.
- Slack in domestic 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 Doji candle, significant of indecision 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 easing in neutral zone.

The soybean prices are likely to decline in Friday's session.

Trade Recommendation – Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2339	2329	2324	2344
Support & Resistance				
S2	S1	PCP	R1	R2
2271	2292	2333.5	2343	2355

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

- Candlestick chart pattern indicates downtrend in the market.
- 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 oversold region while stochastic is easing in neutral zone.

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

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<2717	2707	2702	2722
Support & Resistance				
S2	S1	PCP	R1	R2
2700	2705	2712	2730	2753

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	47	93	132
May	-	0	46	85
Jun	-	-	0	39
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	30.5	51.5	73.5
May	-	0	21	43
Jun	-	-	-	22
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		24/3/2011	23/03/2011		24/3/2011	23/03/2011	
Soybean	Indore -P	Closed	2300-2350	Closed			
	Indore -M	Closed	2190-2250	Closed			
	Arrivals in Madhya Pradesh				Closed	20000	
	Nagpur-P	2346*	NCDEX spot price				
	Nagpur - M						
	Kota-P	2310*	NCDEX spot price				
	Kota - M						
Rapeseed/Mustard	Jaipur - C	2540-2550	2600	-50			
	Alwar - C	2000-2400	2400	Unch			
	SriGanganagar	2275	2300	-25			
	Kota	2350	-	-			
	Neewai	-	2350		-	-	-
	Ramganj	-	-		-	-	-
	Baran	-	-	-	-	-	-
	Arrivals in Rajasthan				360000	360000	Unch
	Delhi- C	2325-2330	2660	-30			
	Katni (MP)	-	-				
	Hapur (UP)	-	-				
Groundnut Seed	Rajkot	600	610	-10	5000	8000	-3000
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/qtl.

Other Oilseeds (Mumbai) 24-03-11 23-03-11 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	3825	3775	+50
Castor Seed	5375	5300	+75
Prices are in INR/100 kg.			

FOREX RATES as on 24.03.11

Country/ Continent	Currency	Value in Rupees	
		24.03.11	23.03.11
USA	Dollar	44.77	44.96
Europe	Euro	63.03	63.68
Japan	Yen	55.30	55.60
Britain	Pound Strlg.	72.66	73.56

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