

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 witnessed gains on some buying support in physical market on Saturday.

- The fresh crop arrivals pressure continues to weigh on the seed prices.
- Mustard seed arrivals in Rajasthan are reported higher at 4.0 lakh bags (85 kg each) against Rs2600/qtl compared to 2.0 lakh bags in the corresponding period last year against Rs2550/qtl. A 100 per cent rise in arrivals this season compared to last year.
- Reportedly the markets in *Sekhawati* belt of Rajasthan which includes Sri Ganganagar is expected to notice the arrival pressure in a couple of weeks.
- Sri Ganganagar market currently notice an arrival of 500-700 bags a day. The arrivals are similar to that of the last year.
- Overall, the seed sentiments remain weak with poor demand in the mustard oil and higher output estimates in the seed this year.

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 slightly improved in tandem with domestic mustard seed price on Saturday.

- However, weak sentiments prevailed in the soybean physical market due to slack in soy meal demand.
- Crushers are reluctant in crushing the beans due to disparity followed by poor exports in soy meal.
- The crush margin of soybean is increasing and the current crush margin is calculated negative at Rs -420/MT compared to Rs -120/MT a week ago.
- Hence, poor buying in beans by solvent plant extractor's witnessed in the market.
- Normal domestic demand in soy meal is noticed. The regular domestic demand stands at 2.5 lakh tones a month.
- The traditional International soy meal buyers of Indian origin are diverting their demand to South America as competitive price offer makes it viable to purchase the meal from South America.
- The soybean harvest in Brazil has reached 56% of the estimated area for the week ending March 25 compared to 47% previous week. In the same period last year, the rate was 66%, and the historical average for the period is 49%.

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 side-ways move in the price with slight weakness in the seed.
- Prices closed below 9-day 18-day EMA, indicating bearish momentum in near and medium-term.
- RSI and stochastic are easing in neutral zone.

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

Trade Recommendation - Soybean NCDEX (Apr)

Call	Entry	T1	T2	SL
SELL	<2336	2326	2321	2341
Support & Resistance				
S2	S1	PCP	R1	R2
2293	2321	2331	2355	2371

**RAPESEED****Technical Analysis:**

- Candlestick chart pattern indicates slight selling in the market.
- Prices closed below 9-day 18-day EMA indicating bearish momentum in near and medium-term.
- RSI and stochastic are easing in neutral zone.

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

Trade Recommendation - Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<2752	2742	2737	2757
Support & Resistance				
S2	S1	PCP	R1	R2
2723	2736	2747	2777	2791

**NCDEX RM Seed Price Spread**

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	56	105	149
May	-	0	49	93
Jun	-	-	0	44
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	37.5	63	87.5
May	-	0	25.5	50
Jun	-	-	0	24.5
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		26/3/2011	25/03/2011		26/3/2011	25/03/2011	
Soybean	Indore -P	2300-2350	2290-2330	+20			
	Indore -M	2230-2280	2225-2275	+5			
	Arrivals in Madhya Pradesh				20000	21000	-1000
	Nagpur-P	-	-				
	Nagpur - M	-	-				
	Kota-P	-	2280-2300				
	Kota - M	-	2200-2240				
Rapeseed/Mustard	Jaipur - C	2600	2560	+40			
	Alwar - C	2000-2400	2000-2400	Unch			
	SriGanganagar	2300	2300	Unch			
	Kota		2350				
	Neewai		2350		-	-	-
	Ramganj		-		-	-	-
	Baran		-		-	-	-
	Arrivals in Rajasthan				400000	400000	Unch
	Delhi- C	2550-2560	2530-2535	+25			
	Katni (MP)						
	Hapur (UP)						
Groundnut Seed	Rajkot		605			5000	
Sunflower Seed	Latur	2850-3150	-	-	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) 26-03-11 25-03-11 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 26.03.11

Country/ Continent	Currency	Value in Rupees	
		26.03.11	25.03.11
USA	Dollar	44.65	44.65
Europe	Euro	62.82	63.28
Japan	Yen	54.84	55.14
Britain	Pound Strlg.	71.50	71.91

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>