

### Oilseed Summary

*Oilseed prices feature upward move on buying support in mustard seed. However, bearish sentiments in soybean and higher output estimates in domestic mustard seed restrict the gains. With South American exporters marketing new crop soy meal aggressively, demand for Indian meal continue to decline leading to weakness in local soybean prices.*

### Spot Market Analysis: Rapeseed/Mustard Seed

*Steady to firm sentiments witnessed in domestic mustard seed cash markets on good buying support in conjunction with higher Malaysian palm oil on Wednesday.*

- Active participation of the buyers mainly the stockists followed by millers at the current price levels remained supportive to the seed market.
- The seed prices are moving up despite rise in supplies, signaling good purchases in the seed. The arrivals in Rajasthan continue to rise and are reported at 4.50 lakh bags (85 kg each) compared to 4.20 lakh bags previous day.
- The arrivals in Sri Ganganagar and Hanumangarh are in full swing in association with other parts of Rajasthan. If the good buying continues the local seed prices may move up.
- However, no fresh demand in mustard oil witnessed in the retail market which is the negative factor for the seed market. Any improved demand in the oil will encourage the millers to increase the crushing in the seed.
- Millers are keen in exploring the overseas market for mustard seed DOC exports ahead to rise in crushing which is expected in due course. Any fresh overseas DOC demand will lend support to the mustard seed prices. India exports above 100 thousand tones of mustard DOC in the month of April.

*Mustard seed prices are likely to gain on active market participation by stockists followed by good purchases in the seed in conjunction with rising international vegoil market, in near-term.*

### Spot Market Analysis: Soybean

*Soybean market noticed firm tone followed by buying support in the beans to meet the crushing requirement after dull trade activity in recent days due to closure of finance year and festivities.*

- Arrivals in Madhya Pradesh regained and witnessed the previous level of 20000 bags (90 kg each).
- However, the overall soybean crushing remained poor due to disparity on crushing followed by slow down in Indian soy meal exports. The current crush margin stands negative at Rs -340/MT compared to an average monthly, March, crush margin of Rs - 246/MT. This may subsequently affect the crushing during the month.
- The weak soy meal export is attributed to demand shift to South America owing to attractive price offer in the same. Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 37/MT which is above previous day's level of USD 32/MT.
- Any fresh overseas soy meal demand is expected to lend support to the local soybean market. Parity in soy meal exports to Japan at \$435-\$439 per tone is evident considering the fact it purchased Indian soy meal at the said price including cost and freight.

*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 buying support in the market.
- Prices closed above 9-day and 18-day EMA, indicating bullish momentum in near and medium-term.
- MACD is heading upwards in negative territory.
- RSI is rising in neutral zone while stochastic moving up in overbought zone.

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

### Trade Recommendation – Soybean NCDEX (May)

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2458</b>	<b>2468</b>	<b>2473</b>	<b>2453</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2421</b>	<b>2433</b>	<b>2463</b>	<b>2471</b>	<b>2480</b>



## RAPESEED

### Technical Analysis:

- Candlestick chart pattern reflects buying interest in the market.
- Prices closed above 9-day and 18-day EMA indicating gains in near and medium-term.
- MACD is rising in negative territory.
- RSI is easing in neutral region while stochastic is overbought zone.

*The Mustard prices are likely to witness gains in Thursday's session.*

### Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
<b>BUY</b>	<b>&gt;2784</b>	<b>2794</b>	<b>2799</b>	<b>2779</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2720</b>	<b>2738</b>	<b>2789</b>	<b>2796</b>	<b>2816</b>



### NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	56	108	157
<b>May</b>	-	0	52	101
<b>Jun</b>	-	-	0	49
<b>Jul</b>	-	-	-	0

\*Far Month Contract Vs Near Month Contract.

### NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
<b>Apr</b>	0	50	88	115
<b>May</b>	-	0	38	65
<b>Jun</b>	-	-	0	27
<b>Jul</b>	-	-	-	0

\*Far Month Contract Vs Near Month Contract.

## Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		06/04/2011	05/04/2011		06/04/2011	05/04/2011	
Soybean	Indore -P	2360-2410	2300-2350	+60			
	Indore -M	2270-2320	Closed	-			
	Arrivals in Madhya Pradesh				20000	Closed	-
	Nagpur-P	2400-2440	-	-	-	-	-
	Nagpur - M	2340-2380	-	-	-	-	-
	Kota-P	2380-2400	-	-	-	-	-
	Kota - M	2350-2400	-	-	-	-	-
Rapeseed/Mustard	Jaipur - C	2610	2600	+10			
	Alwar - C	2450	2450	Unch			
	SriGanganagar	2300	2300	Unch			
	Kota		-			-	-
	Neewai	2367	2365	+2	-	-	-
	Ramganj		-		-	-	-
	Baran		-		-	-	-
	Arrivals in Rajasthan				450000	4200000	+3000
	Delhi- C	2525	2520	+5			
	Katni (MP)				-	-	-
Groundnut Seed	Hapur (UP)	2550	2530	+20	-	-	-
	Rajkot	635	625	+10	4000	6000	-2000
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) 06-04-11 05-04-11 Change

Niger Seed (4% FM)	3200	3200	Unch
Sesame White 98/2/1 FM	5050	5050	Unch
Sunflower Seed	3500	3500	Unch
Kardi Seed 2% Exp Quality	2400	2400	Unch
Groundnut Kernel	4025	4000	+25
Castor Seed	5400	5400	Unch
Prices are in INR/100 kg.			

## FOREX RATES as on 06.04.11

Country/ Continent	Currency	Value in Rupees	
		06.04.11	05.04.11
USA	Dollar	44.20	44.45
Europe	Euro	63.09	63.01
Japan	Yen	51.85	52.69
Britain	Pound Strlg.	72.24	71.58

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