

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

Mustard seed prices witnessed firm trend in cash market on renewed buying in the seed.

- Stockists are keen in purchasing the seed at the current price levels followed by millers. The buying improved considering the current lower price levels.
- Millers are seen buying the seed hand to mouth due to subdued demand in the mustard oil. The mustard oil demand falls during summer.
- The arrivals in Rajasthan are reported steady at 4.50 lakh bags (85 kg each) compared to previous day's level. The supplies are already higher at these levels and may slightly increase and tune to the level of 4.7-5 - 5.0 lakh bags in a week.
- Currently, the moisture level in the seed is reported at about 8 per cent and buying is expected to further improve once the moisture content decreases to 5 per cent as the level is ideal for crushing the seed.
- The millers have started looking for the opportunity in mustard seed DOC exports ahead of improvement in the crushing. 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 buying in the seed.

Spot Market Analysis: Soybean

Soybean prices eased on poor demand in the cash market coupled with a fall in international vegoil market.

- Arrivals in Madhya Pradesh are reported slightly higher at 22000 bags (90 kg each) compared to the previous day's level of 20000 bags.
- Sluggish demand in the beans is noticed from solvent extractors due to weak crushing followed by disparity attributed to poor exports in soy meal. The current crush margin stands negative at Rs - 406/MT compared to an average monthly, March, crush margin of Rs -246/MT. This may consequently affect the crushing during the month.
- India's soy meal exports are hit due to demand shift to South America supported by competitive price offer in the meal. Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 36/MT which is above weekly average quote of USD 23/MT.
- Any shipment in soy meal is expected to boost the bean prices. Parity in soy meal exports to Japan at \$435-\$439 per tone is evident considering the fact Japan 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 uptrend in the price.
- 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 slightly 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
BUY	>2458	2468	2473	2453
Support & Resistance				
S2	S1	PCP	R1	R2
2432	2440	2463	2479	2496



RAPSEED

Technical Analysis:

- Candlestick chart pattern reflects side-ways movement 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 rising in overbought zone.

The Mustard prices are likely to witness both way price movement during Friday's session.

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2740	2754	2771	2804	2819



NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	57	111	160
May	-	0	54	103
Jun	-	-	0	49
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	44	81	110
May	-	0	37	66
Jun	-	-	0	29
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		07/04/2011	06/04/2011		07/04/2011	06/04/2011	
Soybean	Indore -P	2375-2400	2360-2410	-10			
	Indore -M	2260-2310	2270-2320	-10			
	Arrivals in Madhya Pradesh				22000	20000	+2000
	Nagpur-P	2420-2470	2400-2440	+30	-	-	-
	Nagpur - M	2300-2380	2340-2380	Unch	-	-	-
	Kota-P	2350-2400	2380-2400	Unch	-	-	-
	Kota - M	2300-2360	2350-2400	-40	-	-	-
Rapeseed/Mustard	Jaipur - C	2650	2610	+40			
	Alwar - C	2450	2450	Unch			
	SriGanganagar	2350	2300	+50			
	Kota					-	-
	Neewai	2380	2367		-	-	-
	Ramganj		-		-	-	-
	Baran		-		-	-	-
	Arrivals in Rajasthan				450000	450000	Unch
	Delhi- C	2450	2525	+25			
	Katni (MP)				-	-	-
Groundnut Seed	Hapur (UP)	2560	2550	+10	-	-	-
	Rajkot	640	635	+5	4000	4000	Unch
Sunflower Seed	Latur	-	-		-	-	-

*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) 07-04-11 06-04-11 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	4025	Unch
Castor Seed	5400	5400	Unch
Prices are in INR/100 kg.			

FOREX RATES as on 07.04.11

Country/ Continent	Currency	Value in Rupees	
		07.04.11	06.04.11
USA	Dollar	44.22	44.20
Europe	Euro	63.23	63.09
Japan	Yen	51.86	51.85
Britain	Pound Strlg.	71.97	72.24

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