

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 eased on higher supplies coupled with weak international vegoil market on Wednesday.

- The arrivals in Rajasthan further increased and reported at 5.0 lakh bags (85 kg each) compared to 4.75 lakh bags on Monday. The increased supplies remained negative factor for seed market and pressured the seed prices.
- Reduced off-take in the seed by the oil mills due to slack in the oil demand at retail continue to restrict aggressive gains in the seed.
- Overall, the majority of the buyers of the seed are stockists or those who have holding capacity, who will off-load the produce later when prices move up.
- The crushing is expected to improve with the decline in the moisture content in the seed. The average reported moisture content in the seed stands at 8 per cent and the fall to 5 per cent is expected to rise the crushing in the seed.
- The millers are looking for the opportunity for the mustard seed DOC exports ahead of improvement in the crushing. India exported about 1.28 lakh tones of DOC vs 0.40 lakh tones in the corresponding period last year. India's exports of rapeseed meal rocketed by 91% to 0.55 Mn T in Oct/March 2010/11.
- The trade sources expect India to export about 1.5 lakh tones of mustard seed DOC looking at the rise in March exports.

Mustard seed prices are likely to gain on active market participation by stockists with good buying in the seed.

Spot Market Analysis: Soybean

Weak sentiments were noticed in the soybean cash market on sluggish buying activity on Wednesday.

- Arrivals in Madhya Pradesh increased and reported at 35000 bags (90 kg each) compared to 7000 bags on Monday.
- The solvent extractors are not keen in aggressive crushing in the beans due to disparity in soybean crushing, currently at Rs -158/MT. Slow down in the Indian soy meal shipment has contributed to the disparity in soybean crush margin.
- The exports of soy meal are hit due to the demand shift of major buyers of Indian meal owing to competitive price offer. Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 50/MT which is above previous week's level of USD 37/MT.
- Increased old-crop carry-over stocks and better than expected production are seen raising soybean supplies of Brazil, Argentina, Paraguay, Uruguay and Bolivia by 1.9 Mn T from last year.
- Brazil's soybean harvesting has made good progress in the past two weeks and is almost complete in Mato Grosso and Mato Grosso do Sul.
- Soybean harvesting in Argentina is running behind schedule with only 4.0 Mn ha or 21% of the area done.

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 reflects downtrend in the price.
- Prices closed below 9-day EMA, indicating bullish momentum in near-term.
- MACD is easing in positive territory.
- RSI and stochastic are declining in neutral zone.

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

Trade Recommendation – Soybean NCDEX (May)

Call	Entry	T1	T2	SL
SELL	<2439	2429	2424	2444
Support & Resistance				
S2	S1	PCP	R1	R2
2399	2411	2434	2480	2503



RAPESEED

Technical Analysis:

- Candlestick chart pattern reflects side-ways movement in the price.
- Prices closed below 9-day and 18-day EMA indicating bearish momentum in near and medium-term.
- MACD is easing in negative territory.
- RSI is rising in neutral region while stochastic is easing 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	<2742	2732	2727	2747
Support & Resistance				
S2	S1	PCP	R1	R2
2694	2713	2737	2758	2778



NCDEX RM Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	49	100	148
May	-	0	51	99
Jun	-	-	0	48
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

NCDEX Soy Seed Price Spread

NCDEX Spread	Apr	May	Jun	Jul
Apr	0	58	92.5	119
May	-	0	34.5	61
Jun	-	-	0	26.5
Jul	-	-	-	0

*Far Month Contract Vs Near Month Contract.

Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		13/04/2011	11/04/2011		13/04/2011	11/04/2011	
Soybean	Indore -P	2340-2390	2400-2450	-60			
	Indore -M	2260-2310	2300-2350	-40			
	Arrivals in Madhya Pradesh				35000	7000	+28000
	Nagpur-P	2380-2440	-		-	-	-
	Nagpur - M	2330-2380	-		-	-	-
	Kota-P	2380-2430	-		-	-	-
	Kota - M	2325-2390	-		-	-	-
Rapeseed/Mustard	Jaipur - C	2625	2660	-35			
	Alwar - C	2425	2475	-50			
	SriGanganagar	2350	2400	-50			
	Kota	2500	2400-2425	+75		-	-
	Neewai	2380	2400	-20	-	-	-
	Arrivals in Rajasthan				500000	475000	+25000
	Delhi- C	2510	2510	Unch			
	Katni (MP)				-	-	-
Groundnut Seed	Hapur (UP)	2550	2600	-50	-	-	-
Sunflower Seed	Rajkot	635	640	-5	6000	5000	+1000
Sunflower Seed	Latur	-	3000-3300	-	-	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/ctl.

Other Oilseeds (Mumbai) 13-04-11 11-04-11 Change

Niger Seed (4% FM)	3170	3200	-30
Sesame White 98/2/1 FM	5125	5050	+75
Sunflower Seed	3450	3500	-50
Kardi Seed 2% Exp Quality	2500	2525	-25
Groundnut Kernel	4125	4125	Unch
Castor Seed	5300	5400	-100
Prices are in INR/100 kg.			

FOREX RATES as on 13.04.11

Country/ Continent	Currency	Value in Rupees	
		13.04.11	11.04.11
USA	Dollar	44.48	44.20
Europe	Euro	64.42	63.90
Japan	Yen	52.90	52.14
Britain	Pound Strlg.	72.36	72.26

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