

### Oilseed Summary

*Oilseed prices feature weakness. 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 mostly witnessed steady to firm tone followed by buying support in the market on Thursday.*

- The arrivals in Rajasthan improved and reported at 4.2 lakh bags (85 kg each) compared to 4.0 lakh bags a day ago. A significant rise in the seed supply is evident this season followed by higher seed output this year. About 2.0 - 2.5 lakh bags of the seed arrivals was registered in the corresponding period last year.
- The buying further improved ahead of *Good Friday* holiday on 22 April when financial institutions will remain closed and so some of the centers.
- Stockists are the major buyers in the seed at the current price levels while the regular crushers are not aggressively participating in the seed market. The millers are noticed buying the seed hand to mouth due to the slack in the mustard oil demand at retail market.
- Any fresh demand from eastern states will lend support to the seed prices. The eastern states start receiving pre-monsoonal rains from April onwards this may improve the demand in the oil.
- The moisture content in the seed is reported to have declined to 6-7 per cent from earlier 8-9 per cent. Moisture content below 6 per cent is considered ideal for crushing.
- The mustard seed millers are exploring the opportunity in mustard seed DOC exports ahead of improvement in crushing. As per trade sources India is expected to export above 1.5 lakh tones of mustard seed DOC in April 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. Likely catch up in Mustard oil demand is expected to back the same.*

### Spot Market Analysis: Soybean

*Soybean prices noticed steady to firm tone supported by international soybean market.*

- The arrivals in Madhya Pradesh are reported steady at 45000 bags (90 kg each) compared with previous day. The sellers are keen in off-loading the beans at the current price level.
- Slack in overseas soy meal demand due to the demand shift to South America restricted the gains in the local soybean followed by poor crushing. This has gradually increased the disparity in crushing the beans. Currently the disparity is recorded at Rs -496/MT compared to average monthly March disparity of Rs -246/MT.
- Competitive price offer in soy meal by South America has eventually negatively affected the Indian soy meal exports. Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 42/MT compared USD 5/MT, in the corresponding period last month.
- Argentina temperatures declined in recent days and there is now the risk of frost damage. This may lend support to the international soybean prices.

*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.*

### Spot Market Analysis: Other Oilseeds

- The domestic groundnut prices and supply in key center of Rajkot is witnessed stable between at Rs.625-640/20 kg while arrivals stand around 5000-6000 bags per day. The *kharif* groundnut sowing in Gujarat will start in early June after a spell. It is premature to comment on the planting intention of the groundnut cultivators.

## SOYBEAN

### Technical Analysis:

- Candlestick chart pattern reflects selling pressure in the market.
- Prices closed below 9-day and 18-day EMA, indicating bearish momentum in near and medium-term.
- MACD is easing in positive territory.
- RSI is rising in neutral zone while stochastic is slightly rising in neutral region.

*Soybean prices are likely to fall in Saturday's session.*

### Trade Recommendation – Soybean NCDEX (May)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2430</b>	<b>2420</b>	<b>2415</b>	<b>2435</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2391</b>	<b>2411</b>	<b>2424.50</b>	<b>2450</b>	<b>2460</b>



## RAPESEED

### Technical Analysis:

- Candlestick chart pattern reveals selling pressure in the market.
- 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 easing in neutral region while stochastic is heading upwards in oversold zone.

*Mustard seed prices are likely to fall in Saturday's session.*

### Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2713</b>	<b>2703</b>	<b>2698</b>	<b>2718</b>
Support & Resistance				
S2	S1	PCP	R1	R2
<b>2675</b>	<b>2689</b>	<b>2708</b>	<b>2734</b>	<b>2751</b>



### NCDEX RM Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	44	90	137
<b>Jun</b>	-	0	46	93
<b>Jul</b>	-	-	0	47
<b>Aug</b>	-	-	-	0

### NCDEX Soy Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	33	62.5	85.5
<b>Jun</b>	-	0	29.5	52.5
<b>Jul</b>	-	-	0	23
<b>Aug</b>	-	-	-	0

\*Far Month Contract Vs Near Month Contract.

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## Oilseed Prices at Key Markets

Commodity	Centre	Prices (Rs/Qtl)		Change	Arrivals (Bags)		Change
		21/04/2011	20/04/2011		21/04/2011	20/04/2011	
Soybean	Indore -P	2360-2410	2370-2410	Unch			
	Indore -M	2260-2320	2260-2310	+10			
	Arrivals in Madhya Pradesh				45000	45000	Unch
	Nagpur-P	2420-2470	2380-2445	+25	-	-	-
	Nagpur - M	2320-2380	2300-2350	+30			
	Kota-P	2380-2420	2380-2420	Unch	-	-	-
	Kota - M	2330-2350	2300-2340	+10			
Rapeseed/Mustard	Jaipur - C	2615	2620	-5			
	Alwar - C	2450	2450	Unch			
	SriGanganagar	2360	2350	+10			
	Kota		2450				
	Neewai	2380	2375	+5	-	-	-
	Arrivals in Rajasthan				420000	400000	+20000
	Delhi- C	2520	2505	+15			
	Katni (MP)				-	-	-
Groundnut Seed	Hapur (UP)	2550	2550	Unch	-	-	-
Sunflower Seed	Rajkot	640	640	Unch	5000	5000	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/qtl.

## Other Oilseeds (Mumbai)

21/04/2011 20/04/2011 Change

Niger Seed (4% FM)	3050	3100	-50
Sesame White 98/2/1 FM	5125	5125	Unch
Sunflower Seed	3425	3425	Unch
Kardi Seed 2% Exp Quality	2500	2525	-25
Groundnut Kernel	4100	4100	Unch
Castor Seed	5190	5180	+10
Prices are in INR/100 kg.			

## FOREX RATES as on 21.04.11

Country/ Continent	Currency	Value in Rupees	
		21.04.11	20.04.11
USA	Dollar	44.30	44.38
Europe	Euro	64.69	63.92
Japan	Yen	54.00	53.54
Britain	Pound Strlg.	72.92	72.55

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