

### Oilseed Summary

*Oilseed prices feature gains on buying support in the domestic market. 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 remained steady on supportive buying at lower quotes followed by peak season and in view of lower edible oil imports. Weakness in Malaysian palm oil failed to pressure the domestic seed market.*

- The arrivals in Rajasthan fell and were reported at 4.0 lakh bags (85 kg each) compared to the previous day's level of 4.2 lakh bags. About 1.8 - 1.9 lakh bags of the seed arrivals were registered in the corresponding period last year. The arrivals are seen falling across the major centers.
- Stockists remain the key players in the physical market while millers are witnessed purchasing hand to mouth due to poor demand in the mustard oil at retail.
- The mustard oil retailers feel the demand may pick-up after second week of May with the rise in the oil purchases from pickle industry.
- The moisture content in the seed is reported to have declined to 5-6 per cent from earlier 7-8 per cent. Moisture content below 6 per cent is considered ideal for crushing.
- The mustard seed millers are expecting fresh overseas demand in the mustard seed DOC in view of better exports in the same in the month of March. 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 declined on weak buying coupled with fall in international vegoil market.*

- The arrivals in Madhya Pradesh are reported slightly lower at 43000 bags (90 kg each) compared to the previous day's level of 45000 bags.
- The traders expect the size of the soybean area to remain near previous levels of about 9.3 million hectares after the reports of normal monsoon this season. India's soybean market is determined by the monsoon, which subsequently determines the size of the soybean area.
- Solvent extractors are discouraged in crushing soybean followed by disparity in crushing margin. This is due to the slow down in the soy meal exports followed by demand shift to South America owing to competitive price offer by the region.
- Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 37/MT compared USD 17/MT, in the corresponding period last month.
- Reportedly U.S. soy meal shipments to Southeast Asia during the October-March period was estimated around 835,000 tons, down sharply from 1.8 million tons in the same period last year. Shipments of another 150,000 tons are in the pipeline. Expected higher soybean production in the region has diverted the buyers to the region from U.S. This may negatively affect in the U.S. soy meal prices.
- China reportedly cancelled more than 10 cargoes of soybeans, about 500,000 tons so far this month.

*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 easing in neutral zone while stochastic is rising in neutral region.

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

### Trade Recommendation – Soybean NCDEX (May)

Call	Entry	T1	T2	SL
<b>SELL</b>	<b>&lt;2426</b>	<b>2416</b>	<b>2411</b>	<b>2431</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2386</b>	<b>2401</b>	<b>2421</b>	<b>2445</b>	<b>2462</b>



## RAPSEED

### Technical Analysis:

- Candlestick chart pattern reveals indecision in the market.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- MACD is rising in negative territory.
- RSI is easing in neutral region while stochastic is heading upwards in neutral zone.

*Mustard seed prices may witness both way price movement in Wednesday's session.*

### Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
<b>Wait</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Support &amp; Resistance</b>				
S2	S1	PCP	R1	R2
<b>2690</b>	<b>2710</b>	<b>2739</b>	<b>2762</b>	<b>2781</b>



### NCDEX RM Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	51	103	146
<b>Jun</b>	-	0	52	95
<b>Jul</b>	-	-	0	43
<b>Aug</b>	-	-	-	0

### NCDEX Soy Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	41	74	104
<b>Jun</b>	-	0	33	63
<b>Jul</b>	-	-	0	30
<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
		26/04/2011	25/04/2011		26/04/2011	25/04/2011	
Soybean	Indore -P	2340-2380	2370-2410	-30			
	Indore -M	2260-2310	2270-2330	-20			
	Arrivals in Madhya Pradesh				43000	45000	-2000
	Nagpur-P	2400-2440	2410-2480	-40			
	Nagpur - M	2300-2360	2360-2415	-55			
	Kota-P	2380-2420	2380-2425	-5			
	Kota - M	2300-2330	2230-2330	Unch			
Rapeseed/Mustard	Jaipur - C	2650	2660	-10			
	Alwar - C	2500-2515	2500-2510	+5			
	SriGanganagar	2300-2350	2350	Unch			
	Kota		2500				
	Neewai	2440	2430	+10	-		
	Arrivals in Rajasthan				400000	420000	-20000
	Delhi- C	2575	2575	Unch			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	2560	2560	Unch			
	Rajkot	680	680	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)

	26/04/2011	25/04/2011	Change
Niger Seed (4% FM)	3100	3100	Unch
Sesame White 98/2/1 FM	5125	5125	Unch
Sunflower Seed	3400	3400	Unch
Kardi Seed 2% Exp Quality	2500	2550	-50
Groundnut Kernel	4250	4200	+50
Castor Seed	5185	5210	-25
Prices are in INR/100 kg.			

## FOREX RATES as on 26.04.11

Country/ Continent	Currency	Value in Rupees	
		26.04.11	25.04.11
USA	Dollar	44.59	44.54
Europe	Euro	64.81	64.99
Japan	Yen	54.56	54.32
Britain	Pound Strlg.	73.49	73.60

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