

## Oilseed Summary

*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 noticed mixed trend in the various centers on varied factors on Friday.*

- The arrivals of the mustard seed declined in Rajasthan and reported at 4.0 lakh bags (85 kg each) compared to the previous day's level of 4.5 lakh bags. About 1.5 - 1.6 lakh bags of the seed arrivals were registered in various mandis of Rajasthan in the corresponding period last year.
- Mustard oil demand at retail continue to remain weak, hence millers are not active in the physical market of the seed. Stockists are noticed as the major buyer of the seed and they are expected to off-load the seed once the seed prices head up.
- The mustard oil retailers expect fresh demand in the oil from pickle industry after second week of May. Consumption of pickle increases in summers.
- The millers continue to explore the opportunity in the DOC exports. The mustard seed millers are expecting India's mustard seed DOC exports to reach above 1.5 lakh tones in the month of April. This is in the view of better exports in the same in the month of March.

*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 fell on sluggish buying in the beans followed by poor crushing demand on Friday.*

- The arrivals in Madhya Pradesh increased and reported higher at 50000 bags (90 kg each) compared to 45000 bags a day earlier.
- Fall in overseas soy meal exports due to the demand shift followed by attractive price offer by South America has pressured the domestic soybean and meal prices.
- Currently, the spread between Indian soy meal quotes (FAS Kandla USD/MT) and FOB Argentina is ruling higher at USD 49/MT compared USD 17/MT, in the corresponding period last month.
- The domestic soybean crush margin disparity is recorded at Rs -302/MT compared to average monthly March disparity of Rs -246/MT.
- Oil World has raised their Brazilian soybean production estimate to a record 72.5 Mn T from earlier 72 Mn T.
- In the international front Argentina's soybean harvesting made good progress with almost 10.0 Mn ha done by the end of the last week.

*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 improved on demand and quoted at Rs.680/20 kg compared to the previous week's level of Rs.625-640/20 kg while arrivals stand around 5000-6000 bags per day. The *khari* 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 negative territory.
- RSI and stochastic are easing 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;2408</b>	<b>2398</b>	<b>2393</b>	<b>2413</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2360	2380	2403	2418	2432



## RAPESEED

### Technical Analysis:

- Candlestick chart pattern reveals range-bound movement in prices.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- MACD is rising in negative territory.
- RSI and stochastic is heading upwards in neutral zone.

*Mustard seed prices may witness gains in Friday's session.*

### Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
<b>Wait</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Support & Resistance				
S2	S1	PCP	R1	R2
2705	2722	2745	2755	2775



### NCDEX RM Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	47	95	130
<b>Jun</b>	-	0	48	83
<b>Jul</b>	-	-	0	35
<b>Aug</b>	-	-	-	0

### NCDEX Soy Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
<b>May</b>	0	42	77.5	104
<b>Jun</b>	-	0	35.5	62
<b>Jul</b>	-	-	0	26.5
<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
		29/04/2011	28/04/2011		29/04/2011	28/04/2011	
Soybean	Indore -P	2320-2380	2350-2390	-10			
	Indore -M	2220-2280	2250-2290	-10			
	Arrivals in Madhya Pradesh				50000	45000	+5000
	Nagpur-P	2380-2440	2400-2450	-10			
	Nagpur - M	2320-2360	2330-2370	-10			
	Kota-P	2350-2400	2400-2440	-40			
	Kota - M	2300-2350	2370-2400	-50			
Rapeseed/Mustard	Jaipur - C	2640	2650	-10			
	Alwar - C	2525-2550	2525	+25			
	SriGanganagar	2380	2350-2390	-10			
	Kota	2700	2650	+50			
	Neewai	2425	2420	+5			
	Arrivals in Rajasthan				400000	450000	-50000
	Delhi- C	2590	2610	-20			
	Katni (MP)						
Groundnut Seed	Hapur (UP)	-	-				
	Rajkot	680	680	Unch	6000	6000	Unch
Sunflower Seed	Latur	2900-3400	2950-3400	Unch	2500	2000	+500

\*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)

	29/04/2011	28/04/2011	Change
Niger Seed (4% FM)	3050	3050	Unch
Sesame White 98/2/1 FM	5125	5125	Unch
Sunflower Seed	3400	3400	Unch
Kardi Seed 2% Exp Quality	2450	2450	Unch
Groundnut Kernel	4200	4200	Unch
Castor Seed	5195	5200	-5
Prices are in INR/100 kg.			

## FOREX RATES as on 29.04.11

Country/ Continent	Currency	Value in Rupees	
		29.04.11	28.04.11
USA	Dollar	44.38	44.33
Europe	Euro	65.83	65.73
Japan	Yen	54.42	54.20
Britain	Pound Strlg.	73.87	74.13

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