

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 witnessed gains on supportive buying at the current price levels.

- The mustard seed supply in Rajasthan remained steady at 4.0 lakh bags (85 kg each) compared to the previous day's level. About 1.5 - 1.6 lakh bags of the seed arrivals were registered in various mandis of Rajasthan in the the corresponding period last year.
- Sluggish demand in the mustard oil continued to pressure the domestic seed prices. This has resulted in hand to mouth buying in seed by the millers.
- However, stockists are the major buyers in the seed who have the holding capacity and they are expected to off-load when the prices of the seed move up once the supply cools-off.
- The millers and mustard oil retailers expect the oil demand to improve with the fresh demand in the oil from pickle industry, expected after second week of May. Consumption of pickle increases in summers.
- Mustard seed DOC exports remain attractive with traditional buyers showing interest the DOC purchases from India. 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 gained on firm global cues on Saturday. Higher domestic mustard seed prices and overnight gains in the CBOT soybean complex remained supportive factors for the local soybeans.

- Besides, the arrivals in Madhya Pradesh fell and were reported at 30000 bags (90 kg each) compared to 50000 bags a day earlier.
- Slack 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 44/MT compared to USD 15/MT, in the corresponding period last month.
- The domestic soybean crush margin disparity is recorded at Rs -320/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 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.

Soybean prices are likely witness range-bound in Monday's session.

Trade Recommendation – Soybean NCDEX (May)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2381	2397	2411	2432	2449



RAPESEED

Technical Analysis:

- Candlestick chart pattern reveals side-ways 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 are heading upwards in neutral zone.

Mustard seed prices may remain range-bound in Monday's session.

Trade Recommendation – Rapeseed NCDEX (May)

Call	Entry	T1	T2	SL
Wait	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
2721	2728	2752	2774	2792



NCDEX RM Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
May	0	49	96	142
Jun	-	0	47	93
Jul	-	-	-	46
Aug	-	-	-	0

NCDEX Soy Seed Price Spread

NCDEX Spread	May	Jun	Jul	Aug
May	0	46	80	103.5
Jun	-	0	34	57.5
Jul	-	-	0	23.5
Aug	-	-	-	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
		30/04/2011	29/04/2011		30/04/2011	29/04/2011	
Soybean	Indore -P	2350-2400	2320-2380	+20			
	Indore -M	2260-2310	2220-2280	+30			
	Arrivals in Madhya Pradesh				30000	50000	-20000
	Nagpur-P	-	2380-2440	-			
	Nagpur - M	-	2320-2360	-			
	Kota-P	-	2350-2400	-			
	Kota - M	-	2300-2350	-			
Rapeseed/Mustard	Jaipur - C	2650	2640	+10			
	Alwar - C	2550-2560	2525-2550	+10			
	SriGanganagar	2360	2380	-20			
	Kota	2650-2660	2700	-40			
	Neewai	-	2425	-			
	Arrivals in Rajasthan				400000	400000	Unch
	Delhi- C	2600	2590	+10			
	Katni (MP)	-					
Groundnut Seed	Hapur (UP)	2660	-	-	-	-	-
	Rajkot	680	680	Unch	5000	6000	-1000
Sunflower Seed	Latur	2900-3400	2900-3400	Unch	2000	2500	-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)

	30/04/2011	29/04/2011	Change
Niger Seed (4% FM)	3100	3050	+50
Sesame White 98/2/1 FM	5125	5125	Unch
Sunflower Seed	3400	3400	Unch
Kardi Seed 2% Exp Quality	2500	2450	+50
Groundnut Kernel	4200	4200	Unch
Castor Seed	5150	5195	-45
Prices are in INR/100 kg.			

FOREX RATES as on 30.04.11

Country/ Continent	Currency	Value in Rupees	
		30.04.11	29.04.11
USA	Dollar	44.22	44.38
Europe	Euro	65.64	65.83
Japan	Yen	54.54	54.42
Britain	Pound Strlg.	73.92	73.87

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