

OILSEED

20th June 2005

- Rapeseed Market Continued Higher on Uncertain Monsoon Conditions

DOMESTIC MARKET COMMENTARY

Soybean:

The domestic market opened firm at the futures and traded sharply positive in the spot markets news of increasing uncertainty in the monsoon amount and arrival and rising support from the international markets.

Majority of the traders are still interested in keeping their positions open as the bullish sentiments continues in the market following various contradicting statements regarding the progress of the monsoon in India.

The domestic future market trading started on a steady note but improved gradually as the day progressed

The Hazir market today also improved marginally amidst lack of support from the uncertainty in the monsoon.

The price of soybean in Kota market was quoted at Rs. 1340 per quintal. In Madhya Pradesh it was between Rs. 1460, in Karnataka it was Rs. 1310-1320 and in Maharashtra it was between Rs. 1290-1300.

Overall the market is expected to continue on the higher side for the coming few days amidst continuous increased support from the international as well as retail markets.

Rapeseed/Mustard:

A rapeseed market continued to rise amidst significant gains in the soyoil market and rising buying support at major mustard exchanges.

NAFED has offered the purchased mustard seeds to be sold in the open market in Kota and adjoining markets at the rate of Rs. 1550-1600 per quintal. Few traders / mill owners showed some interest at these rates.

The uncertain monsoon in the country is also responsible for the prevailing rising trend in the prices, but as soon as the rain arrives, the market is expected to make a significant downward movement.

Today, the rape oil found increased support from the buyers at major exchanges as well as in the spot markets. In the spot markets the prices jumped significantly amidst growing uncertainty in the amount and timing of monsoon.

Overall, it is expected that the rapeseed will continue trading range bound on higher side for the coming days amidst increased support from the soybean oil market.

Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Bags)
Jaipur	1725	80,000
Alwar	1675	1500
Delhi	1760	1000
Agra	1810	4100
Sri Ganganagar	1560	7000
Kota	1520	3000

Groundnut

Groundnut continued on the higher side at various centres amidst support of the increasing local demand and growing uncertainty in the monsoon.

The latest seeding report suggest that the area under groundnut farming was 81000 hectare as on June 13th against 119000 hectares on the same day last year.

The rising sentiment in the other edible oils is also causing upward movement in the groundnut oil prices.

The range-bound positive trade in groundnut oil prices in the domestic markets is likely to continue for the coming days amidst increasing demand.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2590 per quintal, the bold (60-70 Count) is Rs. 2790 per quintal, the 50-60 count seed is Rs. 2735 and for 40-50 count the rate is Rs. 2305 in Mumbai market. In Gujarat the price varied from Rs. 1500, in Tamil Nadu it was between Rs. 1390 in Rajasthan it was between Rs. 1400, in Karnataka it was between Rs. 1510 and in Andhra Pradesh it was Rs. 1420.

Vayda Quotes

Mustard futures as on 20th June 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	5-Aug	338.9	340.3	342.3	339.2	+4.4	343.3
Hapur	5-Aug	358.8	360.5	363.1	360.2	+4.4	363.2
Bikaner	5-Jun	330.0	334.0	334.0	334.0	4	334.0
Bikaner	5-Aug	335.0	339.0	339.0	339.0	4	339.0
Hisar	5-Aug	337.4	337.8	339.7	337.1	3	340.4

CBOT

CBOT market remained closed during the weekend holiday. Market commentary will be available on 21.06.05

CBOT Soybean futures as on 17 June 2005 Cents/bushels)

Months	Previous Settle	Open	High	Low	Change	Close
Jul'05	700.6	698.6	726.6	698.6	+23.4	724.0
Aug'05	706.2	703.2	731.4	703.2	+21.2	727.4

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX July Contract

Rapeseed July contract opened up and continued to trade high during day's session. The market is expected to move up for another couple of days before declining.

Stochastic Oscillators: The %D-line looking up in the neutral region indicating firmness in the prices. The % K-line also moved higher in the neutral region supporting the rising sentiments in the prices.

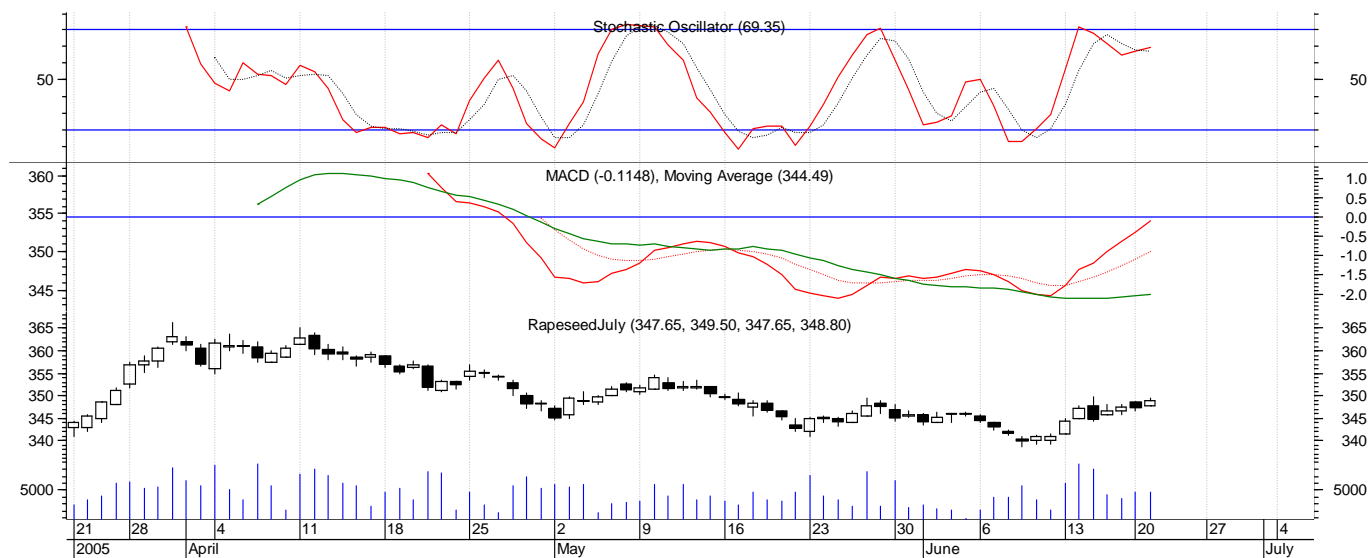
Currently the MACD is **bullish** since it is trading above its signal line. The MACD crossed above its signal line 5 period(s) ago. Since the MACD crossed its moving average, RapeseedJuly's price has **increased 0.43%**, and has ranged from a high of 349.700 to a low of 344.500. The 7-Day MA turned up indicating the changing sentiment and has made a bullish crossover of the 14-Day MA is hinting to the growing strength in the market.

Market advice:

Trade is expected to open firm and trade range bound on the higher side for Tuesday. Trade cautiously with an eye on support and resistance level given below. Can go long for short-term or trade with intra-day outlook.

Advisable trade limits:

Support at 348.00 and Resistance 351.10



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX July Contract

Soybean seeds July contract opened firm and continued further on the higher side with range bound movements during today's session of trade.

Stochastic Oscillators: The %K line continued up and entered the overbought region indicating the steady increase in the domestic prices. The % D-line also moved up entering in the overbought region hinting to the rising strength in the price trends. The market is expected to open firm and continue range bound on the higher side. But downward technical correction also expected shortly.

Currently the **MACD** is bullish since it is trading above its signal line. The MACD crossed above its signal line 3

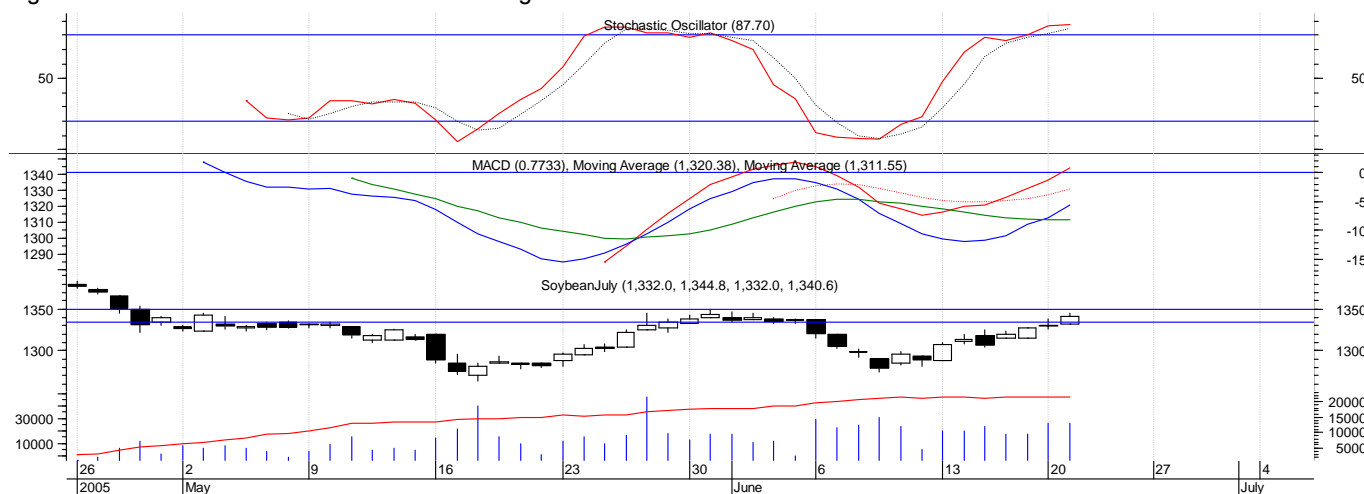
period(s) ago. Since the MACD crossed its moving average, Soybean July's price has increased 1.65%, and has ranged from a high of 1,344.80 to a low of 1,315.35. 7-Day MA also continued up crossing the 14-Day MA from below making a bullish crossover, supporting the firmness in the soybean market.

Market advice:

Market is expected to open firm and trade high for Tuesday amidst increased uncertainty in the monsoon and declining seeds rate for the new crop. Trade cautiously with an eye on support and resistance levels given below.

Advisable trade limits:

Support at 1334.00 and Resistance at 1350.00



*Latest Procurement details of NAFED (24.05.05)

Commodity	State	Amount (mt)
Mustard/ Rapeseed	Rajasthan	1334715
	Uttar Pradesh	36280
	Gujarat	188255
	Madhya Pradesh	137509
	Chattisgarh	2159
	Punjab & Haryana	233540
	Delhi	8978
	Punjab	5338
	Total	1946774
Safflower	Maharashtra	19187
	Karnataka	4757
	Andhra Pradesh	4376
	Total	28320
Sunflower	Karnataka	28

Forex Rates

(As on 20.06.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.54
Malaysia	Ringgit	11.47
European Union	Euro	53.22
United Kingdom	GBP	79.50
Japan	100 Yen	40.05

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