

OILSEED

18th July 2005

- Rapeseed Market Continued Range Bound Amidst Unsteady Retail Support

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX August Contract

Rapeseed August Contract opened firm, continued trading on the higher for most of the day but declined marginally towards the end of the session, hinting to the possible weakness in the prices. The market traded today amidst lack of buying initiatives by majority of traders. Most of the traders are waiting for the convincing trading moves of the NAFED, which is about to sell 4-5 lakh tonnes of mustard in domestic market through domestic tenders.

Stochastic Oscillators: The %K - line continued downward in the neutral region after making a bearish cross over of the % D-line indicating to the weakness in the prices. The

% D-line also moved lower entering the neutral region indicating the creeping weakness in the market.

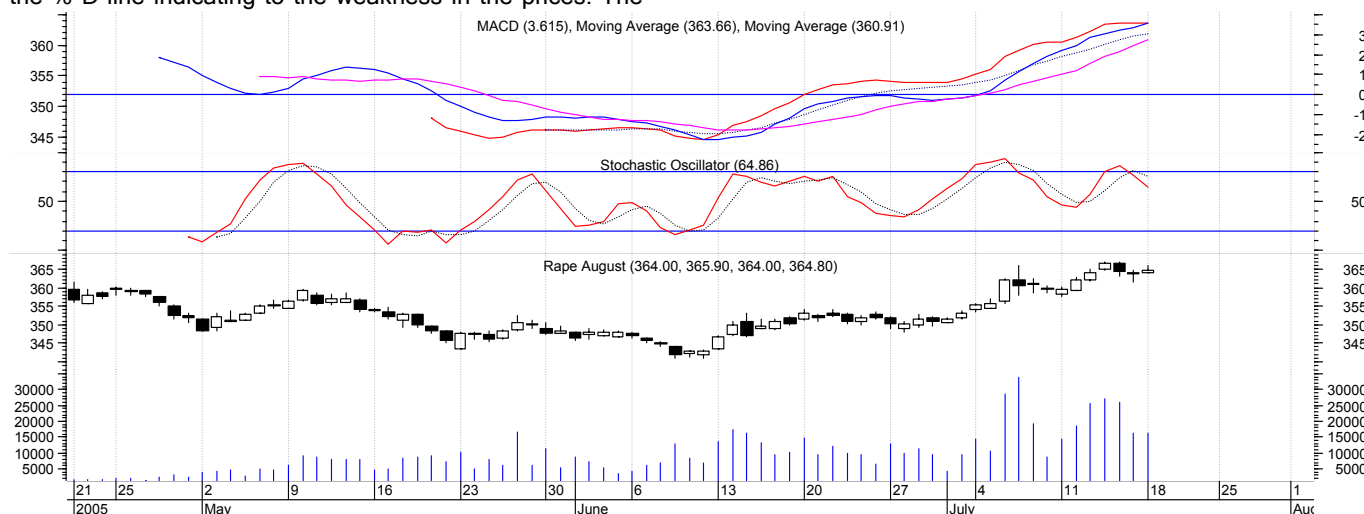
Currently the MACD is bullish since it is trading above its signal line. The MACD crossed above its signal line 29 period(s) ago. Since the MACD crossed its moving average, Rapeseed August's price has increased 4.24% and has ranged from a high of 367.10 to a low of 346.65. The 7-Day MA continued moving sharply up along with the 14-Day MA still supporting the strength in the market prices.

Market advice:

Trade is expected to open range bound and trade marginally on the lower side for Tuesday. Go short with very short-term outlook.

Advisable trade limits:

Support at 362.70 and Resistance 366.60



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX August Contract

Soybean seed August Contract opened firm and continued higher for the day amidst increased support from the domestic buyers.

Stochastic Oscillators: The %K continued up along with the % D-line in the overbought region indicating the continuing strength in the domestic prices.

Currently the MACD is bullish since it is trading above its signal line. The MACD crossed above its signal line period(s) ago. Since the MACD crossed its moving

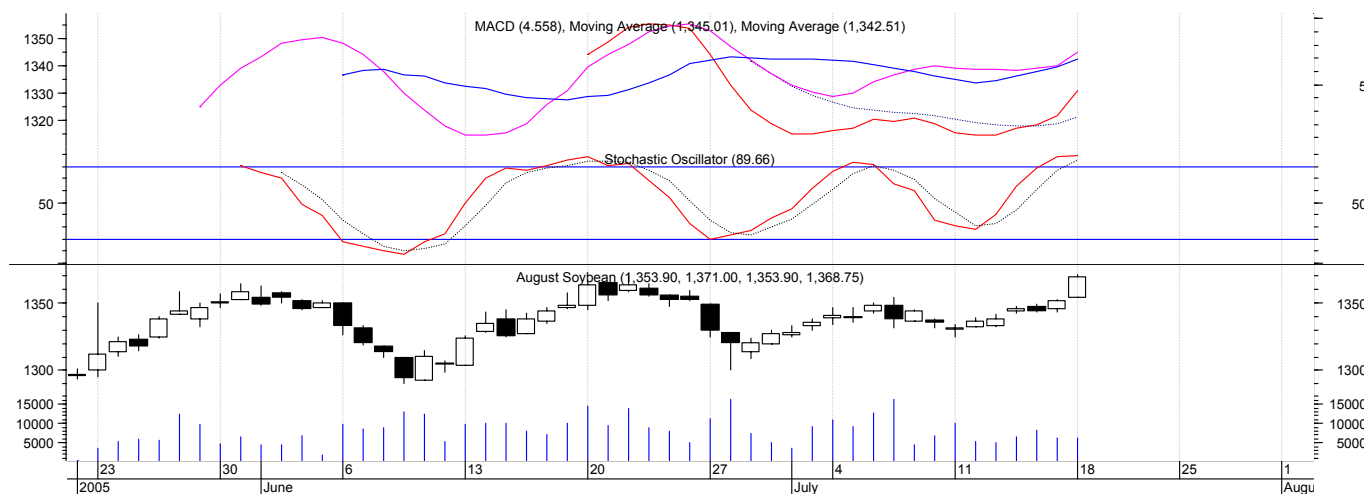
average, August Soybean's price has increased 1.88% and has ranged from a high of 1,371.00 to a low of 1,343.00. The 14-Day MA continued up showing the improving sentiments in the markets along with the 7-Day MA hinting to the increasing strength in the prices.

Market advice:

Market is expected to open and trade range bound on the lower for Tuesday in the positive region. Go long with short-term outlook.

Advisable trade limits:

Support at 1356.00 and Resistance at 1371.00



DOMESTIC MARKET COMMENTARY

Soybean:

The domestic market opened range bound but continued upward for the day amidst increased buyer's support and absence of clear indications from the international markets.

The international CBOT market was closed on regular weekend holiday. As per NOPA, the US crush report is more than the expected quantum, which is expected to impart slight bearishness in the market. The long-term prospect in the US market is still expected to be bullish as the warm weather is predicted in the coming week. At the time of closure the NCDEX August Contract was at Rs. 1368.75 (Up by Rs. 17.65).

The Hazir market continued range bound in the positive region amidst marginal strength in the futures market.

The price of soybean in Kota market was quoted at Rs. 1280-1290 per quintal. In Madhya Pradesh it was Rs. 1460, in Karnataka it was Rs. 1310 and in Maharashtra it was Rs. 1280.

The market is expected to open steady for Tuesday but trade range bound on the lower side as the day progresses amidst widespread uncertainty in the international markets.

Rapeseed/Mustard:

The rapeseed market today improved marginally at the futures amidst increased support from the buyers, though it declined towards the end session as the uncertainty in the buyers, support crept in.

The traders are still expressing their concern over the declining supply in the retail market. The regular miller's demand is keeping the market tight.

The policy of the NAFED regarding the mustard seed sale is not yet clear. As per the trade sources, the NAFED is expected to open sell tenders on daily basis, in order to dispose the extra purchased lots of mustard seeds.

The unsteady progress of sowing of other oilseed crops and declining weather in major growing areas helped the prices to improve. In the spot markets the prices moved slightly ahead on amidst increasing demand.

Today the new crop arrival reached 0.25-0.30 lakh bags in Rajasthan.

The rapeseed market is expected to continue trading range bound for Tuesday (marginally on the lower side) as the buyers' support is expected to be uncertain.

Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Bags)
Jaipur	1845-1850	-
Alwar	1740	1000
Delhi	1820-1825	100-1200
Agra	1910	-
Sri Ganganagar	1600	500
Kota	1600-1630	1000

Groundnut

Groundnut today traded range bound at various centres. In the southern markets the prices increased marginally amidst stable demand while the demand in the western markets is still indecisive and is based on the progress on the monsoon and the ongoing sowing process, which has turned very unsteady.

The Gujarat market lowered marginally amidst continuing uncertainty in demand while the Hyderabad and Chennai market witnessed significant improvement in the same.

The progress of the current monsoon is still the main cause of the increase in the prices, which is hindering the smooth sowing of the new crop.

Apart from the uncertain and slow sowing progress, the import of the other competitive edible oil is also not in large amount, imparting increased pressure on the domestic groundnut prices.

The domestic market is expected to continue trading range bound on Tuesday amidst continuing uncertainty and delay in the sowing of the new crop.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2800 per quintal, the bold (60-70 Count) is Rs. 3000 per quintal, the 50-60 count seed is Rs. 3020 and for 40-50 count the rate is Rs. 2435 in Mumbai market.

Vayda Quotes

Mustard futures as on 18th July 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	5-Aug	350.30	351.00	352.10	350.60	0.50	350.80
Hapur	5-Aug	372.30	373.50	374.30	372.30	0.10	372.40
Bikaner	5-Aug	342.00	342.00	342.00	342.00	0.00	342.00
Hisar	5-Aug	347.70	348.30	349.20	348.10	0.70	348.40

CBOT

CBOT remained closed during the weekend holiday. Market will reopen on Monday's evening (18.07.05).

CBOT Soy oil futures as 15 July 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Jul'05	720.0	735.0	736.0	717.0	+1.0	721.0
Aug'05	722.2	737.0	738.0	711.0	+2.2	724.4

CBOT remains closed on Saturday and Sunday.

Forex Rates

(As on 16.07.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.51
Malaysia	Ringgit	11.47
European Union	Euro	52.37
United Kingdom	GBP	76.27
Japan	100 Yen	38.79

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