

OILSEED

25th July 2005

- Rapeseed Market Lowered Further on Increased Panic Selling

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX August Contract

Rapeseed August Contract opened weak and continued further down for most of the trading session for the day amidst increased selling pressure and declining retail demand.

Stochastic Oscillators: The %K - line continued up in the neutral region indicating to the rising strength in the prices. The % D-line also moved up in the neutral region indicating the growing strength in the market.

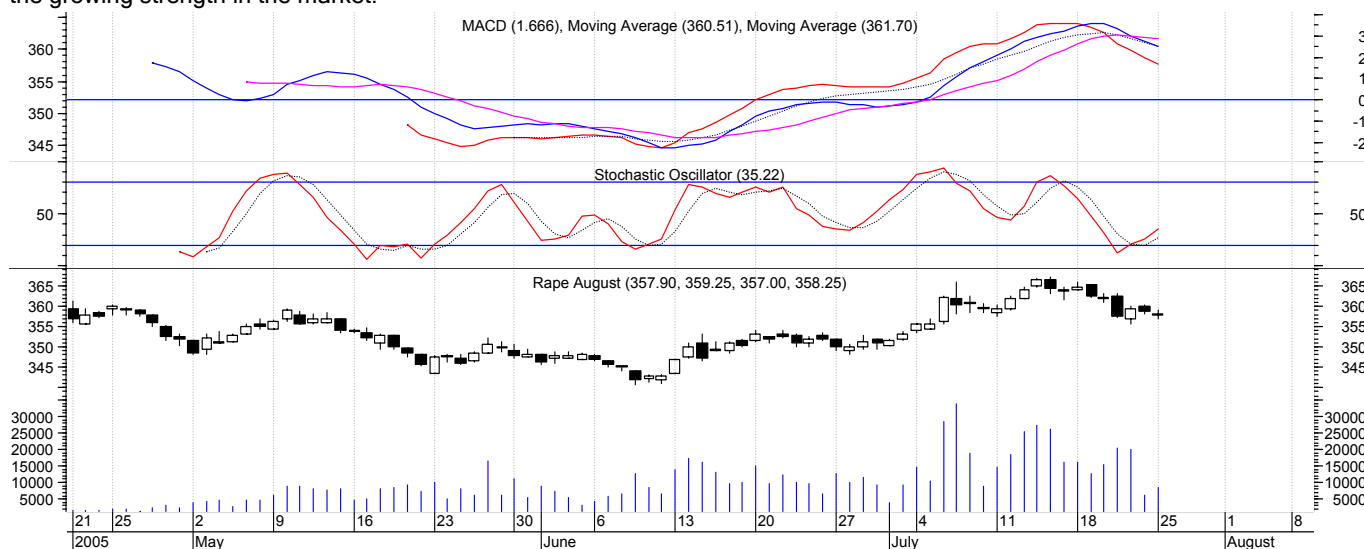
Currently the MACD is bearish since it is trading below its signal line. The MACD crossed below its signal line 3 period(s) ago. Since the MACD crossed its moving average, Rape August's price has increased 0.20% and has ranged from a high of 363.15 to a low of 355.65. The 7-Day MA dipped lower hinting to the continuing weakness in the prices along with the 14-Day MA.

Market advice:

Trade is expected to open range bound and trade marginally higher for Tuesday. Go long with intra-day outlook.

Advisable trade limits:

Support at 356.80 and Resistance 362.00



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX August Contract

Soybean seed August Contract opened weak and traded further on the lower side for the day amidst declining buying support and increased selling pressure.

Stochastic Oscillators: The %K - line continued improving in the neutral region indicating to the rising strength in the prices. The % D-line also improved marginally in the neutral region supporting the expected improvement in the market.

Currently the MACD is bearish since it is trading below its signal line. The MACD crossed below its signal line 0

period(s) ago. Since the MACD crossed its moving average, August Soybean's price has been unchanged, and has ranged from a high of 1,347.00 to a low of 1,335.00.

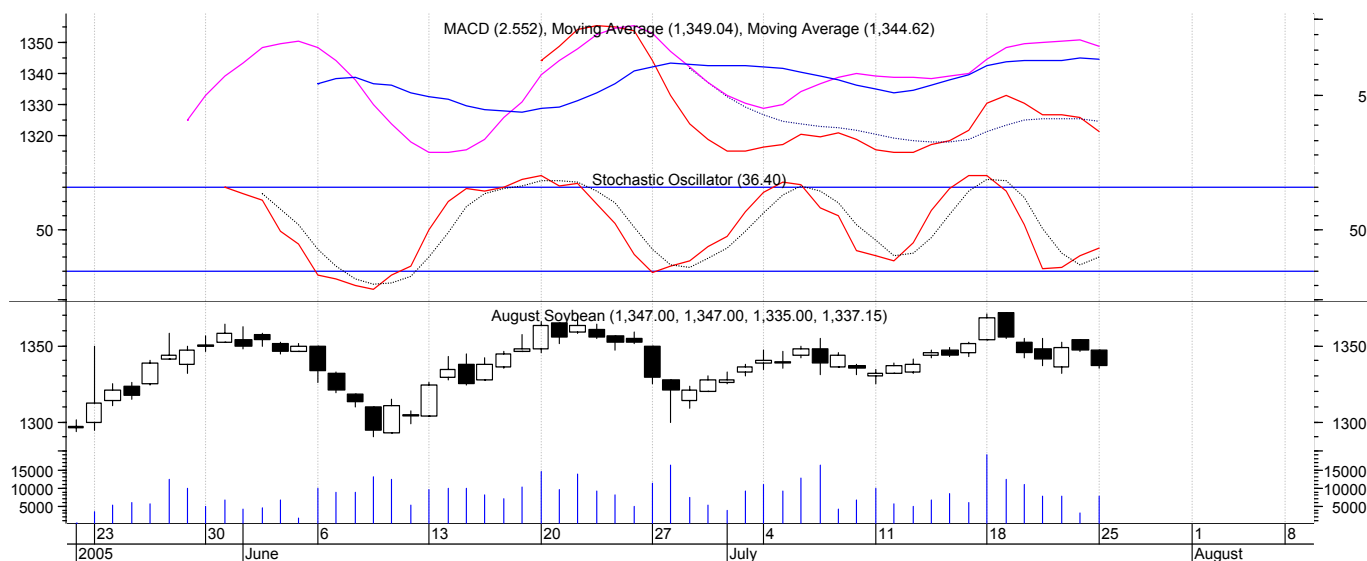
The 14-Day MA is still moving up showing the improving sentiments in the markets while the 7-Day MA declined marginally hinting to the steadiness in the prices.

Market advice:

Market is expected to open and trade range bound on the positive side for Tuesday. Go long with intra-day outlook.

Advisable trade limits:

Support at 1332.00 and Resistance at 1350.00



DOMESTIC MARKET COMMENTARY

Soybean:

The domestic market opened marginally weak and continued significantly lower for the day amidst increased selling and improving crop weather in the US.

The revaluation of Chinese currency was bound to create favourable situation for the US soybean market, but the improving prospects of good crop in the US triggered off the intense selling in the screen trade of CBOT, imparting weakness in the global edible oil markets. Continuing on the screen trading which clearly reflecting the positive the evening trade closed in the positive region providing support to the traders who were sitting bullish regarding the overall price movement. At the time of closure the NCDEX August Contract was at Rs. 1337.15 (Down by Rs. 1.20).

The Hazir market continued range bound in the positive region amidst low support from the retail demand and futures market.

The price of soybean in Kota market was quoted at Rs. 1230 per quintal. In Madhya Pradesh it was Rs. 1390, in Karnataka it was Rs. 1275 and in Maharashtra it was Rs. 1260.

The market is expected to open range bound but trade positive for Tuesday amidst expected positive support from CBOT Soybean futures at the screen trade.

Rapeseed/Mustard:

The rapeseed market today continued range bound on the lower side at the futures amidst indecisive buyers support and indecisive policy of NAFED regarding the sale of mustard in the open market.

As per the latest development NAFED is expected to come in the market with the open sale pattern. As per the trade sources the NAFED has already an open sale rate of Rs. 1680 for the markets of Rajasthan, Haryana and Punjab. But no further breakthrough has yet been achieved as the rate quoted by the NAFED official is on the higher side.

The unsteady progress of sowing of other oilseed crops and continuing dry spell in major growing areas is still holding the prices. In the spot markets the price declined marginally amidst lack of retail demand.

Today the new crop arrival reached 0.20-0.25 lakh bags in Rajasthan.

The rapeseed market is expected to trade range bound on the lower side on Tuesday as the buyers' support is expected to decline further.

Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Bags)
Jaipur	1810-1815	-
Alwar	1710-1715	400-500
Delhi	1810-1815	2000
Agra	1865	-
Sri Ganganagar	1570-1575	500
Kota	1580-1600	2000

Groundnut

Groundnut improved marginally at various centres. In all the major markets the prices remained steady as it witness no significant change in the demand.

The uncertain and slow sowing progress and increased import of the other competitive edible oil is imparting increased pressure on the domestic groundnut prices. As per the latest report, the sowing of groundnut is still down by 16 %, which is bound to reduce the overall production figures, thereby continuing the bullish trend in the prices in the coming days.

In other edible oil markets, the price movement is not in the position to provide sufficient support. The trade in the other edible oil markets is declining day by day leading to further uncertainty in the prices.

The domestic market is expected to continue trading range bound on the higher side on Tuesday amidst continuing support from the retail demand and declining supplies.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2790 per quintal, the bold (60-70 Count) is Rs. 3000 per quintal, the 50-60 count seed is Rs. 2950 and for 40-50 count the rate is Rs. 2400 in Mumbai market.

Vayda Quotes

Mustard futures as on 25th July 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	5-Aug	343.70	343.60	343.60	341.90	-1.50	342.20
Hapur	5-Aug	366.00	365.60	365.80	364.20	-1.10	364.90
Bikaner	5-Aug	344.00	344.00	345.50	344.00	+1.50	345.50
Hisar	5-Aug	338.60	337.70	337.70	335.30	-4.20	334.40

CBOT

CBOT remained closed during the weekend holiday.
Market will reopen on Monday's evening (25.07.05).

CBOT Soy oil futures as 22 July 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Jul'05	669.4	676.0	677.4	665.4	-0.2	669.2
Aug'05	674.4	681.0	682.0	670.4	-1.2	673.2

CBOT remains closed on Saturday and Sunday.

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Forex Rates

(As on 25.07.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.50
Malaysia	Ringgit	11.51
European Union	Euro	52.43
United Kingdom	GBP	75.56
Japan	100 Yen	38.95