

OILSEED

05th July 2005

- Rapeseed Market Lowered Marginally on Lack of Support from Buyers

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX July Contract

Rapeseed July contract opened higher and continued on the higher side for day's session. The market is expected to move further in the positive side amidst expected increased support from the buyers.

Stochastic Oscillators: The %D-line continued significantly up in the overbought region hinting to increasing strength in the prices in the prices. The % K-line also continued up in the overbought region indicating the growing support for the up trend in the prices.

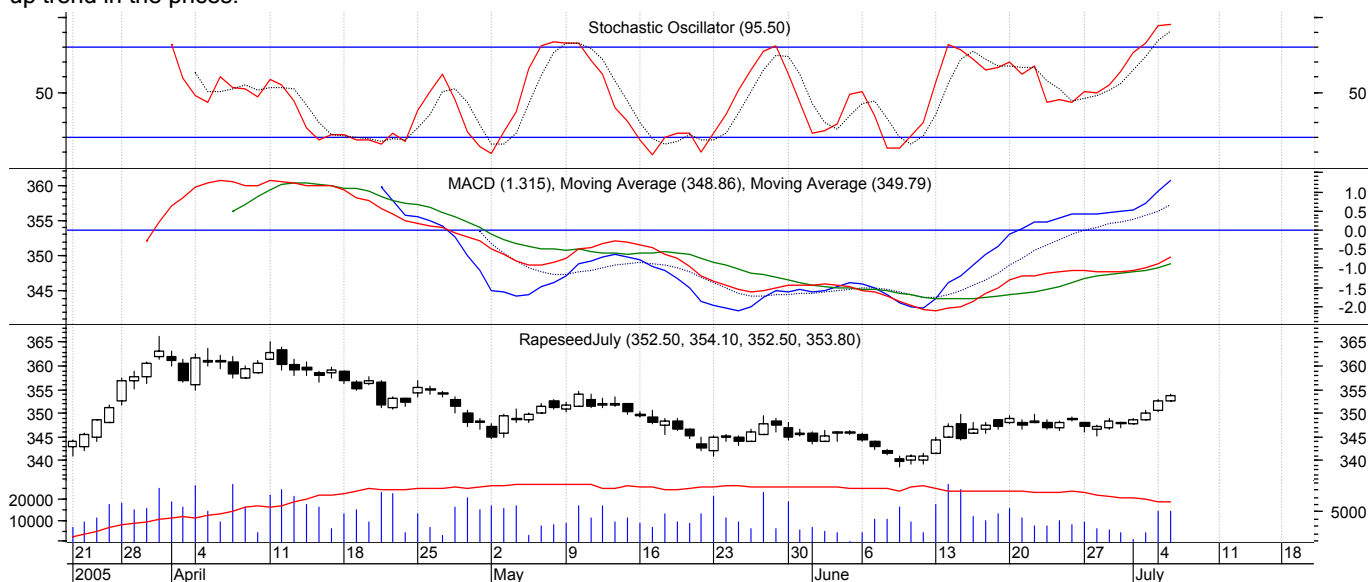
Currently the MACD is bullish since it is trading above its signal line. The MACD crossed above its signal line 18 period(s) ago. Since the MACD crossed its moving average, Rapeseed July's price has increased 1.87% and has ranged from a high of 354.10 to a low of 344.50. The 7-Day MA continued up along with the 14-Day MA hinting to the continuing strength in the market prices.

Market advice:

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

Advisable trade limits:

Support at 352.40 and Resistance 355.20



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX July Contract

Soybean seed July contract opened on the positive side but and continued higher for most of the day but declined marginally towards the end of the day amidst uncertain buyer's support and absence of any clear indications from the international markets.

Stochastic Oscillators: The %K line continued up entering the oversold region indicating the growing strength in the domestic prices. The % D-line also continued up in the neutral region hinting to the improving sentiments in the market.

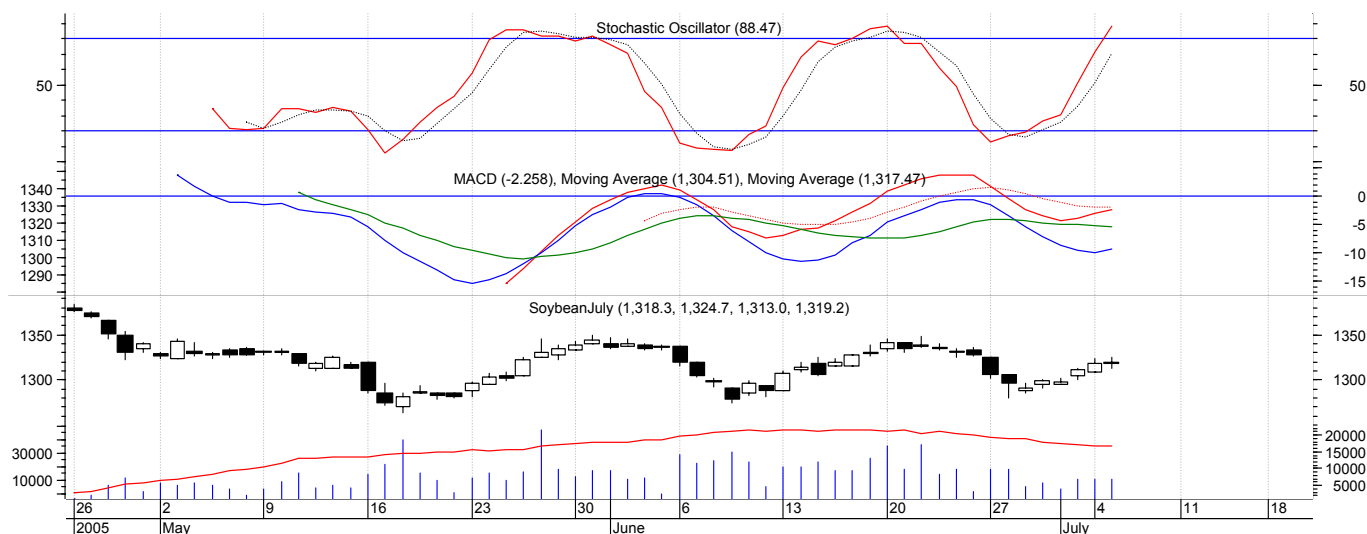
Currently the MACD is bearish since it is trading below its signal line. The MACD crossed below its signal line 6 period(s) ago. Since the MACD crossed its moving average, Soybean July's price has increased 1.81% and has ranged from a high of 1,324.70 to a low of 1,280.00. The 7-Day MA continued lower showing the weak sentiments in the markets along with the 14-Day MA.

Market advice:

Market is expected to open steady and trade on the higher side for Wednesday. Trade cautiously with an eye on support and resistance levels given below.

Advisable trade limits:

Support at 1313.00 and Resistance at 1330.00



DOMESTIC MARKET COMMENTARY

Soybean:

The international market is still supporting the up trend in the market for long run, but the status and progress of Indian monsoon is still dominating over the international indicators keeping the market under tight check in spite of the underlying bullishness. The NCDEX (July Contract) exchange closed at Rs. 1319.20 (Up by Rs. 1.70).

The Hazir market today continued improving marginally and owing to the increasing retail demand and increasing uncertainty in the planting progress in the major soybean growing areas.

Till now Soybean sowing is down 87 per cent at 245,000 hectares compared with 1.9 million hectares last year.

The price of soybean in Kota market was quoted at Rs. 1320 per quintal. In Madhya Pradesh it was Rs. 1450, in Karnataka it was Rs. 1260 and in Maharashtra it was between Rs. 1280-1285.

The market is expected to continue trading higher for Monday amidst gradual increase in retail demand.

Rapeseed/Mustard:

The rapeseed market today traded range bound amidst partial support from the buyers at the futures and growing uncertainty in the supply.

The unsteady progress of the monsoon in the parts of Madhya Pradesh and Rajasthan is also expected to keep the prices under tremendous pressure in the coming days.

Today, the rapeseed found marginal support from the buyers at major exchanges growing uncertainty regarding the unsteady progress of monsoon. In the spot markets the prices continued on the higher side amidst increased uncertainty in the supply.

Today the new crop arrival reached 0.45 lakh bags in Rajasthan and about 0.12 lakh bags in Madhya Pradesh.

Overall, it is expected that the rapeseed will continue trading on higher side for Wednesday as the retail demand is expected to be on the rise amidst uncertain progress in planting of other edible oil crops.

Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Bags)
Jaipur	1760-1765	-
Alwar	1700-1710	2000
Delhi	1780	1000
Agra	1825	-
Sri Ganganagar	1580	500
Kota	1525-1560	1750

Groundnut

Groundnut today improved marginally at various centres owing to the declining crop prospects in lieu of the spreading floods in Gujarat. The news of the spread of floods in some parts of Madhya Pradesh also added to the bullishness in the market sentiments.

The domestic demand is expected to improve marginally in the coming days amidst growing uncertainty in the cultivation of the new crop.

As per the latest planting report the Groundnut sowing is down 63 per cent to 838,000 hectares compared to 2.3 million hectares last year. Delayed rains also held up sowing. Currently, sowing has been stopped in the groundnut growing regions of Gujarat due to flood.

The range-bound positive trade in groundnut oil prices is expected to continue for the coming days amidst growing uncertainty about the upcoming crop.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2595 per quintal, the bold (60-70 Count) is Rs. 2850 per quintal, the 50-60 count seed is Rs. 2800 and for 40-50 count the rate is Rs. 2285 in Mumbai market.

Vayda Quotes

Mustard futures as on 05th July 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	5-Aug	345.50	346.25	346.25	344.00	-0.50	345.00
Hapur	5-Aug	366.45	367.00	367.20	365.60	-0.55	365.90
Bikaner	5-Aug	337.60	338.00	338.00	338.00	+0.40	338.00
Hisar	5-Aug	343.20	343.60	343.60	342.50	+0.10	343.30

CBOT

CBOT remained closed during the weekend holiday. Market will reopen on Tuesday's evening (05.07.05). The market is expected to be marginally positive amidst support from screen trading.

CBOT Soy oil futures as 01 July 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Jul'05	651.6	665.4	673.4	658.0	21.8	673.4
Aug'05	656.0	670.0	676.0	662.0	20.0	676.0

CBOT remains closed on Saturday and Sunday.

Forex Rates

(As on 05.07.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.57
Malaysia	Ringgit	11.48
European Union	Euro	51.84
United Kingdom	GBP	76.45
Japan	100 Yen	38.95

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