

OILSEED

30th August 2005

- Groundnut Prices Showing Strength Ahead

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX September Contract

Rapeseed September Contract opened higher and after tat declined. The candle made a long upper shadow. The price movement remain less.

Stochastic Oscillators: The %K - line has made a bullish crossover with the %D-line. Both the lines are in the neutral region.

The MACD remains above the signal line and is likely to go up above the zero line.

The 7-day MA is above the 14-day MA.

Market advice:

The contract is likely to see a reversal tomorrow. Buy below 356 and sell above 359.00

Advisable trade limits:

Support at 356.9 and Resistance 358.80



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX September Contract

Soybean seed September Contract opened higher and went up thereafter smoothly.

Stochastic Oscillators: The %K - line is going up followed by the % D-line. Both are in the neutral region.

The MACD is going up making a wider gap with the EMA.

The 7-day MA is likely to cross the 14-day MA from below. The RSI (43.16) is in the neutral region.

Market advice:

More improvement is likely tomorrow. Remain long. Buy below 1272 and sell above 1290.

Advisable trade limits:

Support at 1270.0 and Resistance at 1290.00



DOMESTIC MARKET COMMENTARY

Soybean:

Prices of soybean improved today amid improvement in demand and expectation of a decline in the crop size. The improvement in the demand in DOC and oil also supported the prices.

The total soybean crop is estimated at 55 lakh tonnes. Among which MP is likely to contribute 36-37 lakh tonne, Maharashtra 11-12 lakh tonne, Rajasthan 7 tonne and others (Karnataka, UP) 3 lakh tonne. Lack of rainfall may further reduce the crop estimates. The market players are expecting more crop loss.

The soy oil prices at the NBOT improved today significantly. The DOC prices today also improved at the major spot markets.

Soybean futures at the NCDEX also today went up smoothly after opening on the higher side. The NCDEX September contract today closed at Rs1281.50 (Up by Rs.11.80).

The price of soybean in Kota market was quoted at Rs. 1245 per quintal. In Madhya Pradesh it was Rs. 1265, in Karnataka it was Rs. 1200 and in Maharashtra it was Rs. 1245.

There may be further improvement in the prices of soybean in the nearby days if there is no rainfall.

Rapeseed/Mustard:

Rapeseed prices also improved today amid lack of market arrivals and stable demand. The rape oil price also went up today. The market participants are waiting for the decision of the NAFED for selling.

The major vayda exchanges today showed marginal improvement overall.

The September contract at the NCDEX today after opening on the higher side declined slightly. The September contract at the NCDEX closed at Rs 357.60 per 20 kg.

The arrival of mustard in Rajasthan remained at around 0.15 lakh bags today.

The prices of rapeseed are likely to improve further if the stocks are not released by the NAFED.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1810-15	15000
Alwar(C)	1690-1700	1000
Delhi(C)	1820-25	1500
Agra(C)	1880	-
Sri Ganganagar (NC)	1575-80	500
Kota (NC)	1560-1580	2000

Vayda Quotes

Mustard futures as on 30 August 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Aug	345.80	345.8	345.8	345.8	0.0	345.8
Delhi	Nov	339.40	339.4	340.2	339.4	+0.7	340.1
Hapur	Aug	368.60	367.5	368.8	367.5	0.0	368.6
Hapur	Nov	361.80	361.9	362.7	361.4	+0.9	362.7
Bikaner	Aug05	348.20	348.2	348.2	348.2	0.0	348.2
Hisar	Aug	333.00	333.0	333.1	333.0	0.0	333.0
Hisar	Nov	336.10	336.1	336.9	335.9	0.0	336.1

Groundnut

The Rajkot mandi opened today after remaining closed for 4 days. The prices of groundnut remained steady today. The daily arrival remained around 10000 bags on an average. In Karnataka too the prices remain almost unchanged. The coming crop is likely to decline in Rajasthan however, there may be improvement in Gujarat and AP.

Groundnut oil prices maintained the stable trend.

The prices of groundnut are expected to remain stable tomorrow and also in the coming few days.

The rate of the Export Quality (80-90 Count) groundnut was Rs. 2850 per quintal, the bold (60-70 Count) is Rs. 2980

per quintal, the 50-60 count seed is Rs. 2850 and for 40-50 count the rate is Rs. 2450 in Mumbai market.

CBOT

CBOT Soy Futures Moved Up on Less Than Expected Rains in Illinois

November soybeans improved marginally after news on the crop estimate on Friday afternoon from the crop tour last week, less than expected rains for Illinois over the weekend and some light concerns with potential crop loss.

The Pro Farmer crop tour estimated the production to be at 75.74 million tonnes, down 0.19 million tonnes from the August USDA forecast. The lower estimate of the production in US is certainly going to add bullishness to the soybean complex market in the near future.

Hurricane Katrina could keep the port of New Orleans shut down for several days were seen having a bearish influence on Prices.

It is anticipated that crops rated in good-to-excellent condition to come in 1 to 2 percentage points higher than last week in the weekly crop progress reports to be released today evening.

The US soybean is expected to continue range bound on the lower side on Tuesday evening amidst continuing uncertainty in the US soybean production prospects.

CBOT Soybean futures as 29 August 2005 (Cents/bushel)

Months	Previous Settle	Open	High	Low	Change	Close
Sep05	591.0	594.4	597.4	593.4	+3.0	594.0
Nov05	602.0	608.0	609.0	604.4	+4.0	606.0

CBOT remains closed on Saturday and Sunday.

South American Soybean Improved Marginally on Closure of New Orleans Port

Owing to the recent occurrence of Hurricane Katrina, the export port of New Orleans is to be closed for the next few days benefiting the South American ports, which can fulfil

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the quick shipment demand for soybean to the global market.

Low prices, losses last year and high input costs for the new crop season could cause drop in the planting area for soybean in Brazil. However, the focus of attention for now is still on the size of the US crop, and drier than normal weekend weather in US Midwest region helped support the market overnight.

The market anticipated a good rain event across Illinois on Saturday, but the rains were disappointing, and that supported a bounce overnight. Concerns with flooding of the un-harvested crop in the Deep South added to the positive tone.

The discount of palm oil to soybean oil on the world market and possible shifts in domestic demand to other edible oils could more than offset the improvements in demand from bio-diesel usage, and the implied soybean oil usage from last week's crush report was a disappointment to the demand bulls.

Stats Canada estimated the Canadian canola crop at 8.3 million tonnes on Friday, which is up by 7.7% from last year, pressuring the soybean oil market, as world oil supplies look plentiful this season.

Amidst improving export potential, the South American Soybean market is expected to continue range bound on the positive side.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.01
Malaysia	Ringgit	11.67
European Union	Euro	53.59
United Kingdom	GBP	78.54
Japan	100 Yen	39.48