

OILSEED

08th August 2005

- Rapeseed Prices Continued Lower Amidst Declining Retail Demand

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX August Contract

Rapeseed August Contract opened firm but traded marginally lower for the day amidst increased selling amidst growing uncertainty in the other edible oil markets.

Stochastic Oscillators: The %K - line dipped marginally in the neutral region indicating to the unsteadiness in the market. The % D-line continued up in neutral region indicating the strength in the market prices.

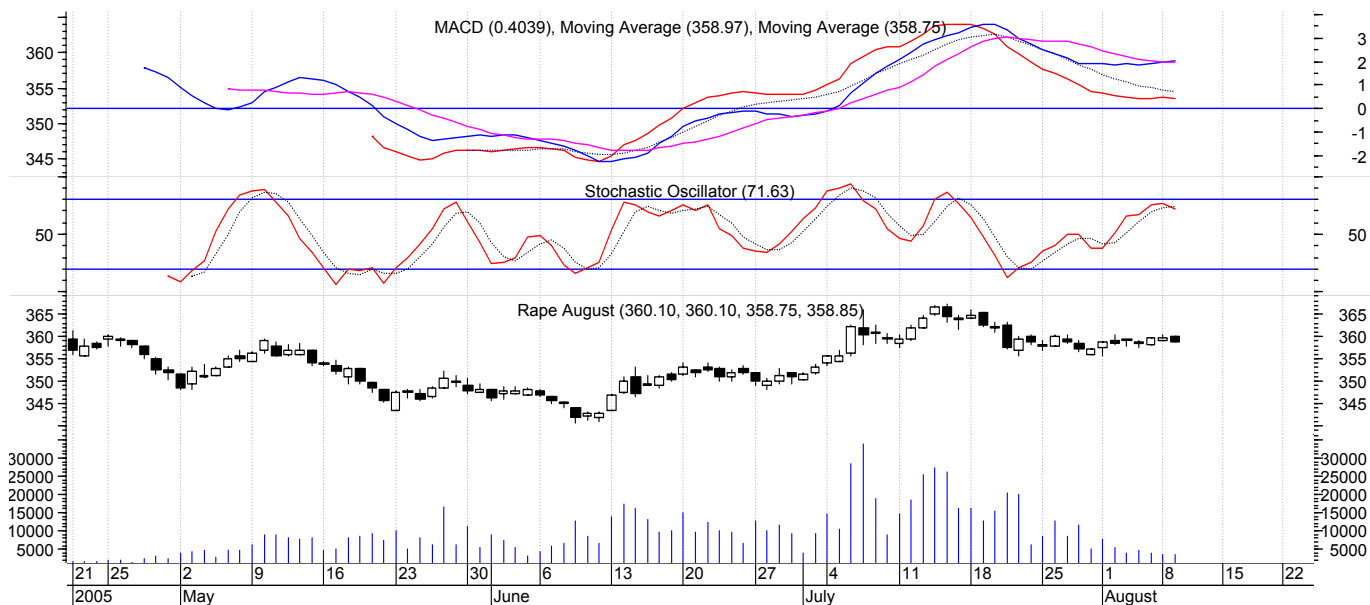
Currently the MACD is bearish since it is trading below its signal line. The MACD crossed below its signal line 14 period(s) ago. Since the MACD crossed its moving average, Rape August's price has increased 0.36% and has ranged from a high of 363.150 to a low of 355.600. The 7-Day MA continued upward making a bullish crossover of the % D-line showing the rising strength in the prices. The 14-Day MA also moved up hinting to the improving sentiments in the prices.

Market advice:

Market is expected to continue range bound on the lower side for Tuesday. Sell with short-term outlook.

Advisable trade limits:

Support at 357.00 and Resistance 361.10



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX August Contract

Soybean seed August Contract opened range bound and traded lower for the day amidst declining support from the soybean oil market.

Stochastic Oscillators: The %K - line continued lower in the neutral region indicating to the weakness in the prices. The % D-line also moved lower in the neutral region supporting downward in the market.

Currently the MACD is bearish since it is trading below its signal line. The MACD crossed below its signal line 11

period(s) ago. Since the MACD crossed its moving average, August Soybean's price has decreased 3.53%, and has ranged from a high of 1347.00 to a low of 1288.00.

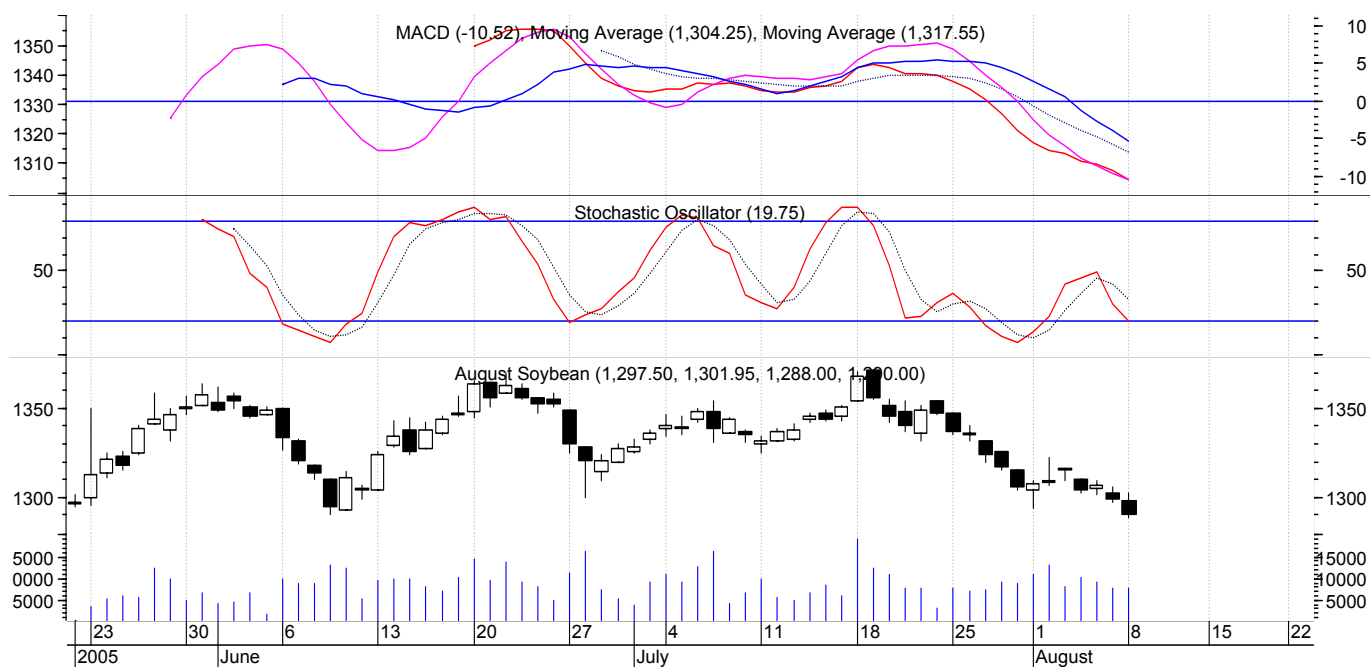
The 14-Day MA continued lower along with the 7-Day MA supporting the extended weakness in the market prices.

Market advice:

Market is expected to open range bound and trade lower for Tuesday. Look for concrete direction before investing.

Advisable trade limits:

Support at 1283.00 and Resistance at 1298.00



DOMESTIC MARKET COMMENTARY

Soybean:

The domestic market opened weak and traded further on the lower side for the day amidst increased selling pressure and lack of demand in the retail market.

The US soybean market is expected to open on a high note but trade range bound as the trading progresses. The high trading could be attributed to the uncertainty in the crop weather and declining exports. Following the international uncertainty, the domestic market continued on the lower side. At the time of closure the NCDEX August Soybean Contract was at Rs. 1290.00 (Down by Rs.6.70).

The trade at the domestic exchanges is greatly volatile on the lower side following pressure of expected bumper soybean crop owing to good rains.

In the month of August, India has imported about 0.88 lakh tonnes of soybean oil till 08.08.05. The Hazir markets continued range bound on the lower side amidst increased uncertainty at the futures and declining retail demand.

The price of soybean in Kota market was quoted at Rs. 1210 per quintal. In Madhya Pradesh it was Rs. 1270, in Karnataka it was Rs. 1200 and in Maharashtra it was Rs. 1210.

The market is expected to open marginally lower for Tuesday amidst declining support from the buyers and increased pressure from the imports.

Rapeseed/Mustard:

The rapeseed market today traded lower in both the futures as well as the domestic markets amidst unsteady buying support and continuing uncertainty in the other edible oil markets.

There uncertainty regarding the selling of mustard in the market by NAFED still continues in the domestic market keeping the futures range bound. NAFED is inviting daily tenders, but the rate quoted is on the higher side at which the domestic traders are reluctant to purchase.

Today the mustard arrival was 0.15 lakh bags in Rajasthan, which is on the lower side.

The rapeseed market is expected to continue range bound with marginal improvement on Tuesday as the buyers' support is expected to improve.

Status of Price & Supply of the New Crop

Markets	Prices	Arrivals (Bags)
Jaipur (C)	1815-1820	-
Alwar(C)	1725-1730	1500
Delhi(C)	1825	700-800
Agra(C)	1725	-
Sri Ganganagar (NC)	1570-1575	No Arrival
Kota (NC)	1570-1615	2500

Groundnut

Groundnut improved marginally amidst continuing uncertainty regarding the supply in the market and increasing uncertainty in the other edible oil markets.

The continuing heavy rains in major growing areas of Gujarat owing to heavy rains and opening of major dams expected to cause damage to the crop if water is logged in the fields for a longer duration, creating uncertainty in the overall out put after less than normal sowing. The prospect of declining production is expected to impart bullishness in the market in the coming days.

The domestic market is expected to continue trading range bound on the positive side on Tuesday amidst increased uncertainty in edible oil markets.

The rate of the Export Quality (80-90 Count) groundnut is Rs. 2875 per quintal, the bold (60-70 Count) is Rs. 3075 per quintal, the 50-60 count seed is Rs. 2960 and for 40-50 count the rate is Rs. 2490 in Mumbai market.

Vayda Quotes

Mustard futures as on 08 August 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Aug	345.90	346.30	346.30	345.10	-0.80	345.10
Delhi	Nov	341.30	341.10	341.10	338.80	-2.50	338.80
Hapur	Aug	368.50	368.50	368.70	367.00	-1.10	367.40
Hapur	Nov	363.90	363.90	364.00	361.00	-2.20	361.70
Bikaner	Aug	349.00	349.00	349.00	349.00	0.00	349.00
Hisar	Aug	336.50	336.60	336.80	334.80	-1.20	335.30
Hisar	Nov	335.20	335.50	335.80	332.80	-2.20	333.00

CBOT

CBOT remained closed during the weekend holiday.
Market will reopen on Monday's evening (08.08.05).

CBOT Soybean futures as 05 August 2005 (Cents/bushel)

Months	Previous Settle	Open	High	Low	Change	Close
Aug'05	671.2	671.0	671.0	640.0	-12.8	658.4
Oct'05	675.4	678.4	678.4	645.0	-13.8	661.6

CBOT remains closed on Saturday and Sunday.

Forex Rates (As on 08.08.2005)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.55
Malaysia	Ringgit	11.59
European Union	Euro	53.70
United Kingdom	GBP	77.29
Japan	100 Yen	38.75

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