

OILSEED

19th August 2005

- Oilseed Markets saw Less Activities on Raksha Bandhan

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX September Contract

Rapeseed September Contract opened on the higher side and then improved slightly on the day.

Stochastic Oscillators: The %K -line has crossed the oversold region from below. The % D-line also has crossed the oversold region from below.

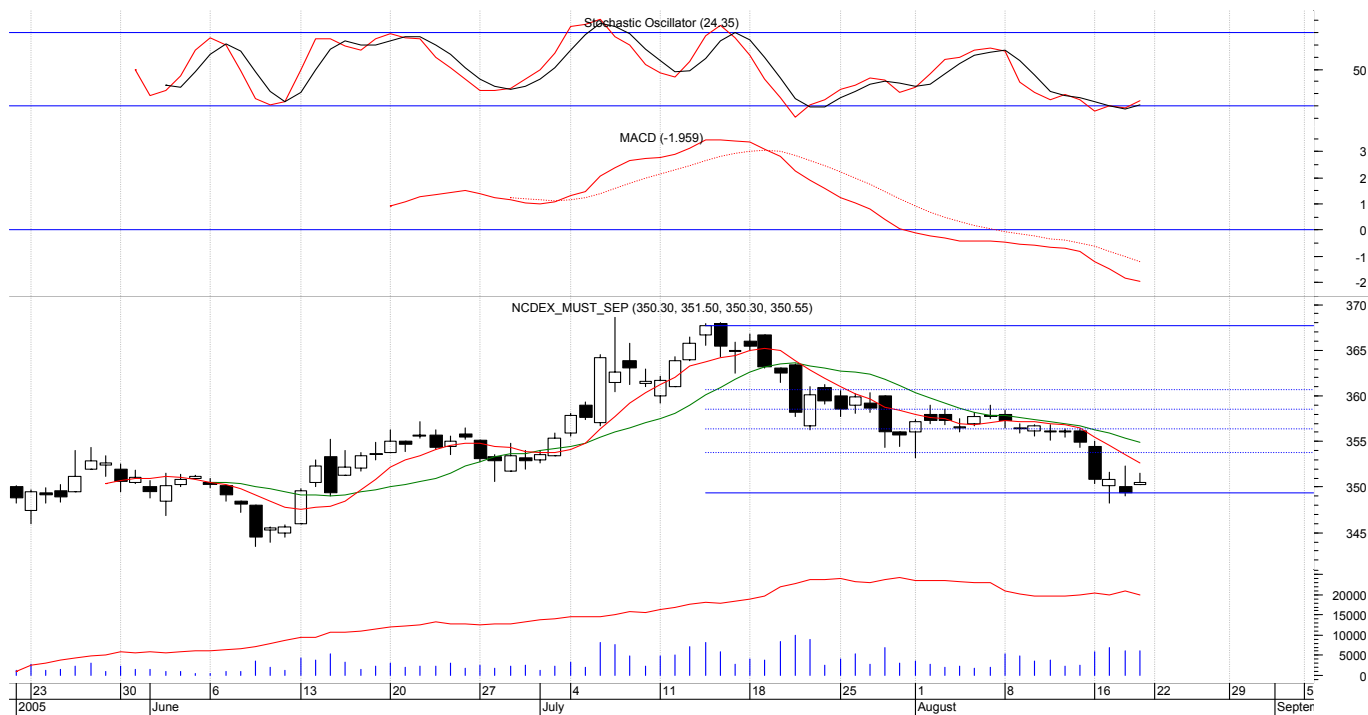
Currently the MACD is in the negative territory. The MACD is currently bearish and the prices decreased 3.31 per cent since the MACD crossed its signal line. The RSI is indicating the positive signal.

Market advice:

The contract may open on the higher side but the is expected to trade range-bound.

Advisable trade limits:

Support at 348.00 and Resistance 353.50



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX September Contract

Soybean seed September Contract opened marginally lower today however the contract recovered on the day.

Stochastic Oscillators: The %K - line has just come out from the oversold region. The % D-line is however, below the oversold territory.

The MACD is in the bearish territory and the gap with its EMA is widening. The indication is bearish.

Both the 14 day and 7 day MAs are going down smoothly and the faster MA is below than the slower MA. Both the MAs are above the price line.

Market advice:

There may be slight improvement tomorrow also. Check the magic levels given below.

Advisable trade limits:

Support at 1252.00 and Resistance at 1271.00



DOMESTIC MARKET COMMENTARY

Soybean:

The major markets for soybean remained closed today on the occasion of Raksha Bandhan.

The NBOT vayda remained closed today.

The soybean futures at the NCDEX opened on the lower side however, improved thereafter.

The September contract at the NCDEX today improved amid slight buying support. Today the NCDEX septt Soybean Contract closed at Rs. 1267.00 (Up by Rs.4.00).

For the short-term the prices may be showing some steadiness however, the weakness is likely to continue.

Rapeseed/Mustard:

Market activities remained very low in the major markets today due to holiday on the occasion of Raksha Bandhan. The Hapur vayda also remained closed today.

The prices of mustard seed are at present running weak due to lack of demand.

In the near future also the prices of rapeseed and mustard are not likely to improve significantly.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1780-1785	5000-7000
Alwar(C)	1670-1675	1000
Delhi(C)	1790-95	700-800
Agra(C)	1870-75	-
Sri Ganganagar (NC)	1540	500
Kota (NC)	--	-

Vayda Quotes (Hapur Vayda remained closed Today) Mustard futures as on 18 August 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Aug	341.70	342.0	342.0	342.0	-0.2	341.5
Delhi	Nov	335.70	335.7	336.7	334.6	-1.0	334.7
Hapur	Aug	363.50	364.0	364.0	362.5	-0.1	363.4
Hapur	Nov	356.40	356.8	357.0	354.6	-1.5	354.9
Bikaner	Aug	348.00	348.0	348.0	348.0	0.0	348.0
Hisar	Aug	332.90	333.0	333.2	330.8	-1.4	331.5
Hisar	Nov	333.60	333.8	334.2	331.7	-2.2	331.4

Groundnut

Almost all the major markets remained closed to on the auspicious occasion of Raksha bandhan.

No significant activities were noticed. The market is waiting for new crop, which is likely to hit the market in September last to October first.

If the demand in the oil market goes up smoothly there will be some improvement in the groundnut prices too.

CBOT

CBOT Soy Futures Continued to Decline Amidst Improving Crop Weather

Soybean futures on the Chicago Board of Trade ended a choppy, two-sided session moderately lower on Thursday, quietly falling to session lows down the stretch, and unable to sustain early market strength.

The close near the lows is likely a function of better weather to see improving crop conditions into the weekend. Solid export sales news helped offset a bearish weather outlook to keep the trade choppy early in the session.

Another cold front is expected to bring rains on Saturday. Many areas are expected to receive 1 inch or more and eastern cornbelt areas should get 1/4 to 1/2 inch.

Weekly US export sales for soybeans came in at 425,900 metric tonnes as compared to trade expectations between 100,000-250,000. Cumulative old crop sales have reached 101.7% of the USDA forecast for the season as compared to 103.4% on average over the last five years.

Meal sales were 61,600 metric tonnes as compared to trade expectations between 25,000-100,000. Cumulative old crop sales have reached 88.5% of the USDA forecast as compared to 94.8% on average over the last five years. Sales of 106,300 metric tonnes per week are needed to reach the USDA estimate.

Oil sales came in at 3,600 metric VS. trade expectations between 0-5,000. In addition, the oversold condition of the market and ideas that the negative weather outlook has already been priced on the sharp break off of Friday's highs added to the positive tone.

In trades, Refco bought 400 November; Cargill Investor Services bought 300 November and Fimat and RJ O'Brien were each buyers of 200 November. Cargill Investor Services sold 1,000 November; Rand Financial and Refco each sold 500 November; and Fimat and Man Financial each sold 300 November. Commodity funds were estimated sellers of 2,000 contracts.

The US soybean is expected to trade marginally on the lower side on Thursday evening amidst continuously improving crop weather.

CBOT Soybean futures as 18 August 2005 (Cents/bushel)

Months	Previous Settle	Open	High	Low	Change	Close
Sep05	615.0	614.0	616.0	609.6	-5.4	609.6
Nov05	624.6	623.0	626.0	620.2	-4.4	620.2

CBOT remains closed on Saturday and Sunday.

South American Soybean Traded Range Bound Amidst Subdued Trading at Exchanges

November South American soybeans traded range bound. South American export activity has remained firm recently, highlighted by sales to China for fall delivery.

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.

Uneasiness with the Brazil currency action and the political situation in Brazil triggered some selling over the past week, with cash markets at Paranagua still holding a stiff premium for October delivery.

China may have bought as much as 110,000 tonnes of US soybeans last week, which would have been the first purchase for new crop soybeans for the year. This compares with 2.06 million tonnes of US soybeans on the books last year at this time. Traders believe that China has booked more Brazil and Argentina soybeans for September and October delivery than normal, which could be why US sales have been so slow.

Commercial buying emerged in soybean oil to help forge a low yesterday, as high energy prices may be helping put in a floor on commodity markets (such as soyoil, corn and sugar) that can be converted to fuel. While the weather outlook looks favorable for improving crop conditions into late August, the market has stopped going down after taking out nearly the entire weather premium established when some areas of the Midwest turned dry in May and June.

South Korea bought 52,500 tonnes of US soybeans and 52,500 tonnes of Brazil soybeans overnight, and there is an improving tone for export activity after the recent sharp break in prices.

On a quick call around, we found bio-diesel prices BELOW regular diesel prices at most Midwest locations, and with the tax credits from the new bill and the economic advantage to the producers, bio-diesel demand, and therefore soyoil demand, should grow significantly in the years just ahead.

The Latin American soybean market is expected to trade higher on Thursday amidst increased uncertainty in the cropping weather in US.

Forex Rates (As on 19.08.2005)

Country/Continent	Currency	Value in Rupees
USA	Dollar	43.58
Malaysia	Ringgit	11.58
European Union	Euro	54.01
United Kingdom	GBP	78.08
Japan	100 Yen	39.45