

OILSEED

31st August 2005

- Rapeseed Prices Remain Stable Today

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX September Contract

Rapeseed September Contract opened higher and after that went up smoothly. The price movement remain good.

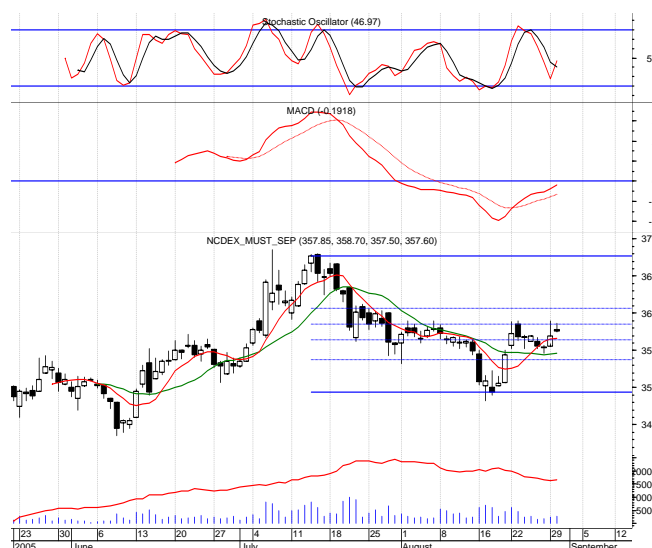
All the indicators are indicating towards further improvement in the price of the September contract.

Market advice:

Maintain the long position. New entrants may buy below 360marks.

Advisable trade limits:

Support at 360.84 and Resistance 364.0



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX September Contract

Soybean seed September Contract opened higher and went up thereafter smoothly. The contract closed at the day high.

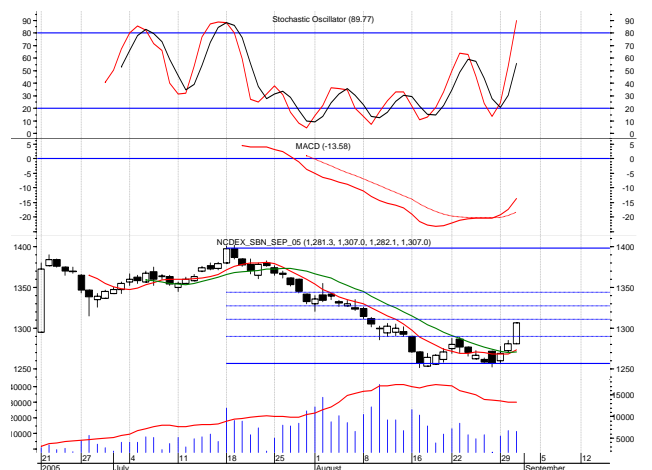
The %K - line has reached the oversold region. The MACD is going up making a wider gap with the EMA. The 7-day crossed the 14-day MA from below. The RSI (55.30) is in the neutral region.

Market advice:

More improvement is likely tomorrow. Remain long. Buy below 1300.

Advisable trade limits:

Support at 1290.0 and Resistance at 1315.00



DOMESTIC MARKET COMMENTARY

Soybean:

Soybean prices maintained the up-trend today also amid strong demand and expected crop losses. The improvement in the prices of oil and DOC also supported the prices of seed to go up today.

The total soybean crop is estimated at 52-55 lakh tonnes. Among which MP is likely to contribute 34-37 lakh tonne, Maharashtra 10-12 lakh tonne, Rajasthan 7 tonne and others (Karnataka, UP) 3 lakh tonne. However, the crop

size may go down further if there is no rainfall in the coming days.

Soy oil prices also maintained the strong trend and improved smoothly and closed significantly high.

Soybean futures at the NCDEX also today went up smoothly after opening on the higher side. The NCDEX September contract today closed at Rs1307.0 (Up by Rs. 26.45).

The price of soybean in Kota market was quoted at Rs. 1255 per quintal. In Madhya Pradesh it was Rs. 1275-80, in Karnataka it was Rs. 1205 and in Maharashtra it was Rs. 1260.

The prices of soybean are likely to improve further in the coming days.

Rapeseed/Mustard:

The improvement in the prices of rapeseed and mustard continued today also. The lower stocks are helping the prices to maintain the stable trend.

The major vayda exchanges today showed significant improvement today amid strong demand and improved buying interests.

The September contract at the NCDEX today after opening on the higher side improved further. The September contract at the NCDEX closed at Rs 362.50 per 20 kg.

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

Rapeseed prices are likely to continue the improvement in the coming days too.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1825	15000
Alwar(C)	1720-25	1500
Delhi(C)	1810-15	700-800
Agra(C)	1880	-
Sri Ganganagar (NC)	1560-70	200-250
Kota (NC)	1560-1600	2500

Vayda Quotes

Mustard futures as on 31 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	340.10	340.7	344.5	340.7	+4.4	344.5
Hapur	Aug	368.60	367.5	368.8	367.5	0.0	368.6
Hapur	Nov	362.70	363.7	368.5	363.7	+5.8	368.5
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	339.5	335.9	+3.9	340.0

Groundnut

The prices of groundnut in the major markets today maintained the strong trend. The arrival remained around 1500 bags in Gujarat. The prices also improved. Groundnut seed fetched Rs 400 per 20 kg. In the Jhansi mandi also the prices of groundnut remained stable.

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Groundnut oil prices maintained the stable trend amid improvement in the demand in the retail end by the millers.

The present trend of the groundnut prices is strong. Further improvement is likely in the prices on improved demand for the crop and stable demand in oil.

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 Surged on Fears of Flooding and Increased Short Coverings

Heavy rains for today and tomorrow caused flooding in southeast soybean belt.

Increased buying from China of more than 10 cargoes in the last week added to the more positive tone.

Traders concerned over increased deliveries in September due to the closed ports at the gulf.

The US soybean is expected to continue on the positive side on Wednesday evening amidst closure of major ports.

CBOT Soybean futures as 30 August 2005 (Cents/bushel)

Months	Previous Settle	Open	High	Low	Change	Close
Sep05	594.0	595.4	609.4	595.0	+5.6	599.6
Nov05	606.0	604.4	621.0	604.4	+5.0	611.0

CBOT remains closed on Saturday and Sunday.

South American Soybean Improved Amidst Increased Exporting Prospects

South American exporters gained advantage in export market but hike in freight rates due to surging crude restrained aggressive buying.

Increased Chinese short-term demand sparked enthusiasm in SA soybeans but jump in freight rates this week could cool Chinese traders.

Expected lower soybean planting this season in Brazil ushered bullishness in the market.

Amidst increasing crude prices, the South American Soybean market is expected to trade marginally on the lower side.

Forex Rates

Country/Continent	Currency	Value in Rupees
USA	Dollar	44.01
Malaysia	Ringgit	11.67
European Union	Euro	53.92
United Kingdom	GBP	78.89
Japan	100 Yen	39.60