

OILSEED

13th September 2005

- Domestic Market Remained Slight Weak

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX September Contract

Rapeseed September Contract opened below the last day's closing price but closed at higher side.

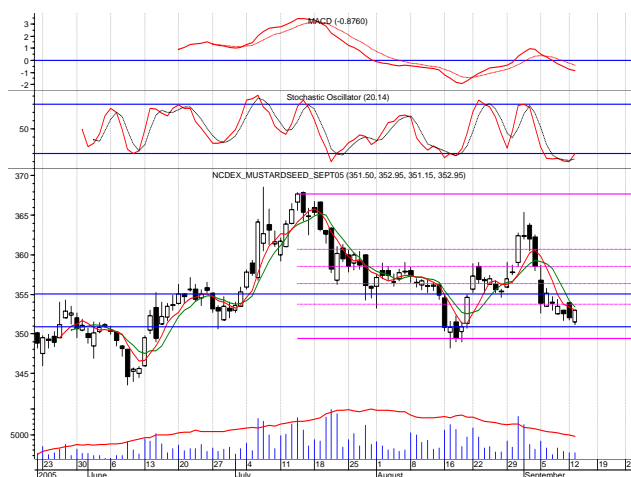
Almost all the indicators are showing strong ness of the prices except the MACD that is in the negative territory.

Market advice:

Remain long.

Advisable trade limits:

Support at 350.9 and Resistance 355.0.



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX September Contract

Soybean seed September Contract opened below the last day's closing price but closed at higher side.

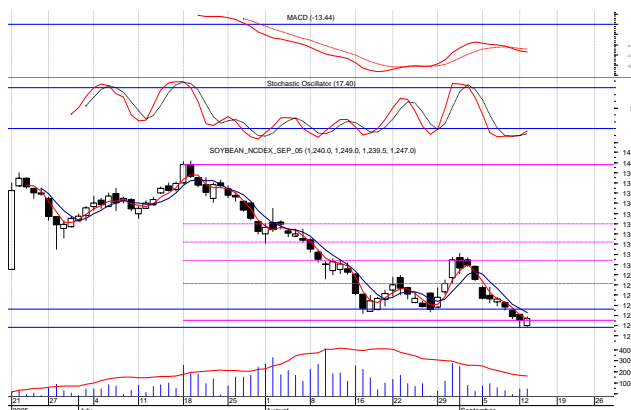
The pattern of the indicators is showing that the slight bullishness would be possible.

Market advice:

For the short-term the outlook is slight bullish. Remain long.

Advisable trade limits:

Support at 1238.62 and Resistance at 1256.34



DOMESTIC MARKET COMMENTARY

Soybean:

Soybean prices improved slightly today at the major spot markets. The prices maintained the stable with slight upward movement however, due to rainfall that is expected to support the crop growth.

Soy oil prices improved marginally as traders in the Indore market resorted to increased buying amidst expectation of good prices. Bears were seen losing grip in the prices amidst increased buyer's activity at the retail market. In the month of September, India has imported about 1.12 lakh tonnes of soybean oil till 13.09.05. The Hazir markets declined marginally seeing the uncertain retail market and

declining retail demand. The prices of soymeal maintained the steadiness.

Soybean futures at the NCDEX today opened lower but closed at higher side. The NCDEX September contract today closed at the Rs1247.00 (Up by Rs. 1.9).

The price of soybean in Kota market was quoted at Rs. 1200-1220 per quintal. In Madhya Pradesh it was Rs. 1230-1240, in Karnataka it was Rs. 1180-1190 and in Maharashtra it was Rs. 1220-1225.

The prices of soybean are likely to remain weak in the major markets in the short-term.

Rapeseed/Mustard:

Rainfall in Rajasthan keeps pressurising the prices of rapeseed and mustard. Though the supply remained weak. The NAFED is also waiting for the good prices for its good quality stocks. The NAFED has now closed its sells due to rainfall.

The Vyada exchanges showed some mixed trend today also however, most of the exchanges closed on the slight upside.

The September contract at the NCDEX today after opening lower but closed at higher side. The September contract at the NCDEX closed at Rs 352.95 per 20 kg.

Prices of rapeseed and mustard are likely to remain weak.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1790	10000-12000
Alwar(C)	1690-1700	500-600
Delhi(C)	1800	1000
Agra(C)	1840	-
Sri Ganganagar (NC)	1540	200
Kota (NC)	1540-70	700-800

Vayda Quotes

Mustard futures as on 10 September 2005

Centre	Months	Prev. Settle	Open	High	Low	Change	Close
Delhi	Nov	338.1	337.8	340.0	337.8	+1.9	340.0
Hapur	Nov	359.7	359.7	361.8	359.6	+2.1	361.8
Bikaner	Oct	348.0	348.0	348.0	348.0	0	348.0
Hisar	Nov	334.5	334.5	335.5	334.5	-0.8	335.3

Groundnut

The groundnut prices witnessed to stable at most of the places due to stable demand and monsoon activity today. The arrival remained under pressure due to rainfall in the major areas. The mixing in groundnut oil remains as the negative factor for the crop. However, good demand offsets that.

In Gujarat the prices of groundnut seed remained around Rs 395-400 per 20 kg.

Groundnut prices are likely to remain weak due to rainfall with a slow improvement for 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 Continued Lower on Increased Short Coverings

The USDA pegged soybean Crop Production at 2.856 billion bushels as compared with trade expectations at 2.814 billion bushels (range 2.768-2.895) and compared with 2.791 billion bushels.

Ending stocks for the 2005/2006 seasons were pegged at 205 million bushels as compared with the average trade

estimate at 185 million bushels (range 163-220) and compared with 180 million bushels. Total world usage was revised higher by nearly 1.5 million tonnes to 215.2 million tonnes and Brazil production was revised lower by 2 million tonnes to 60 million tonnes.

Weekly export inspections came in at just 3.97 million bushels due to the closing of the port in New Orleans for the week ending September 8th. While closing lower on the session, the close was above the opening and near the highs of the day, which might entice some short covering ahead.

Consistent domination of the bears is expected to continue amidst increasing prospects of good crops in the US.

South American Soybean Declined Marginally on Improved Production Prospects in US

World ending stocks for the 2005/2006 season were pegged at 44.92 million tonnes from 48.27 million tonnes last months forecast and from 44.46 (revised from 45.98) million tonnes this past season.

Brazil production was revised lower to 60 million tonnes from 62 million tonnes last month. The recovery in New Orleans continues with talk that grain elevators are already running near 85% of normal.

Export sales were better than expected with China booking 228,000 tonnes of the total. China imported 2.65 million tonnes in August, which brought the January to August cumulative imports to 17.65 million tonnes, up 41.2% from last year.

The Commitment-of-Traders report with options showed the market in a classic bullish set-up with non-commercial traders (funds) long and non-reportable (small traders) net short 20,740 contracts.

Expected decline in the trade prospects and increased planting cost is expected to help the bears in the South American Soybean market.

CBOT Soybean futures as on September 12, 2005 (Cents/bushel)

Months	Previous Settle	Open	High	Low	Change	Close
Sep05	580.4	570.0	575.0	567.0	-5.4	575.0
Nov05	590.0	578.0	585.0	577.0	-5.0	585.0

CBOT remains closed on Saturday and Sunday.

Forex Rates

Country/Continent	Currency	Value in Rupees
USA	Dollar	43.88
Malaysia	Ringgit	11.63
European Union	Euro	53.92
United Kingdom	GBP	79.89
Japan	100 Yen	39.69

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