

OILSEED

15th September 2005

- Domestic Market Remained Slight Stable

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX September Contract

Rapeseed September Contract witnessed downward sentiment today. The contract opened below the last day's closing prices and settled on lower side.

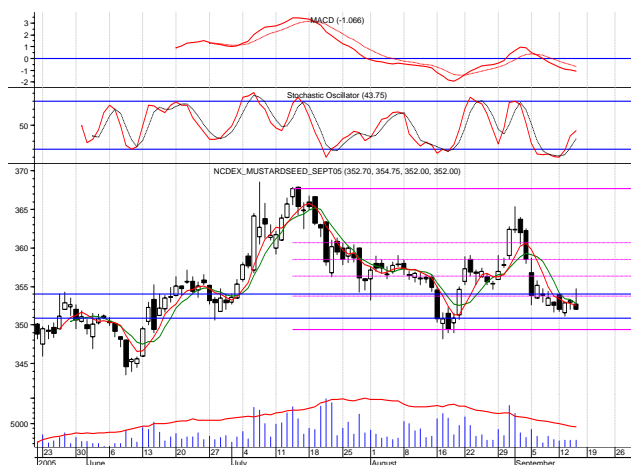
The pattern of the indicator is indicating to bearishness of prices.

Market advice:

For the short term the outlook is slight bearish. Remain short.

Advisable trade limits:

Support at 350.78 and Resistance at 353.97.



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX September Contract

Soybean seed September Contract opened below the last day's closing price and remained on lower side after that.

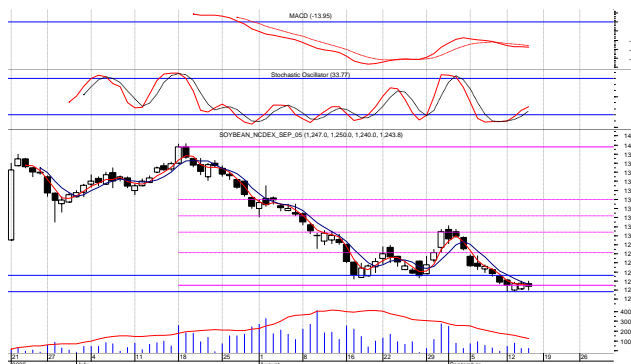
The patterns of the indicators are indicating to range bound with slight weak ness of the prices in the coming days.

Market advice:

For the short-term the outlook is range bound with slight bearish. Remain short.

Advisable trade limits:

Support at 1238.62 and Resistance at 1256.34



DOMESTIC MARKET COMMENTARY

Soybean:

Soybean prices remained almost stable today at the major spot markets. This is due to rainfall that is expected to support the crop growth.

Soybean futures at the NCDEX today opened lower but and closed at lower side as against of previous day. The NCDEX September contract today closed at the Rs1243.85 (Down by Rs. 3.65).

The price of soybean in Kota market was quoted at Rs. 1276-1280 per quintal. In Indore it was Rs. 1225-1230, in Karnataka it was Rs. 1185-1195 and in Maharashtra it was Rs. 1225-1230.

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

Rapeseed/Mustard:

Today the rapeseed/mustard prices traded on higher side at most of the trading point, but mostly increased in Joypur as compared to last day due to more demand. Rajasthan received good rainfall today; therefore the prices of rapeseed and mustard were under pressure. 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 downside.

The trading activity of the September contract at the NCDEX remained very poor today.

Prices of rapeseed and mustard are likely to remain bullish as short term.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1805	15000
Alwar(C)	1690-1700	600-700
Delhi(C)	1805-1810	800-900
Agra(C)	1850	-
Sri Ganganagar (NC)	1550	300
Kota (NC)	1540-60	600-700

Vayda Quotes

Mustard futures as on 15 September 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	339.1	339.5	339.7	338.0	-1.1	338.0
Hapu r	Nov	361.0	361.7	361.7	359.5	-1.4	359.6
Bika ner	Oct	347.2	347.2	347.2	347.2	0	347.2
Hisar	Nov	334.6	335.1	335.1	333.6	-1.0	333.6

Groundnut

Today Groundnut was traded at stable position in most of the places due to stable demand and less arrival. The arrival has been hampered 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. The kharif groundnut crop production is expected to be increased due to good rainfall. Andhra Pradesh, Rajasthan and Maharashtra market also showed the stable tone today. The new kharif crop will hit the market within 15th October at full-fledged.

In Gujarat the prices of groundnut seed remained stable position as of previous day on an around Rs 400-405 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 Dipped Significantly on Increased Deliveries

Hefty deliveries, a weak tone for the cash basis levels and continued reaction to Monday's bearish supply news helped pressure the market this morning.

The NOPA crush report showed the August crush at 123.2 million bushels as compared with trade expectations at 128.2 million bushels and the July crush at 133.7 million

bushels. Meal led the market lower with December meal moving to the lowest level since February 24th.

Oil stocks were initially pegged at 1.153 billion pounds as compared with 1.575 billion last month and 871,460 pounds last year. At the end of the 2004/2005 season (October 1st) the USDA pegged oil stocks at 1.721 billion pounds as compared with 1.076 billion last year.

NOPA announced that they were reviewing the stocks number in Iowa, which dropped to 212.2 million pounds from 494 million last months. In to the mid-session NOPA announced a revision in oil stocks to 1.421 billion pounds.

Increased deliveries pressure is expected to pull down the prices further in the coming days.

South American Soybean Improved on Increased Bearishness in US Soybean Market

The lack of movement of cash soybeans in Brazil continues to provide some underlying support to futures, as the trade is uncertain on just how far the cash will need to be bid higher in order to attract some producer selling.

The USDA pegged Brazil soybean production at 60 million tonnes for the coming season, which was down 2 million from last month but up 9 million from last year's drought impacted crop.

Early maturing soybeans are ready for harvest and as harvest increases, the pipeline will fill up quickly. The USDA Secretary of Agriculture yesterday indicated that conditions at the Port of New Orleans are quickly improving and that the port should be in good shape for harvest.

There are some concerns that a wetter pattern may develop for the Midwest next week and the following week that might slow harvest.

The South American market is expected to open and trade slightly amidst prolonged weakness in the US soybean trade.

CBOT Soybean futures as on September 14, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Chan ge	Close
Sep 05	576.0	573.0	574.0	567.0	-6.6	569.4
Nov 05	586.0	580.4	583.0	576.6	-5.8	580.2

CBOT remains closed on Saturday and Sunday.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.94
Malaysia	Ringgit	11.63
European Union	Euro	53.70
United Kingdom	GBP	79.86
Japan	100 Yen	39.74

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