

OILSEED

23rd September 2005

- Futures Market for Soybean Improved Slightly

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX October Contract

Rapeseed October Contract is indicating a downward trend today. The contract opened above the last day's closing prices and closed on a lower side.

All the indicators are indicating towards a bearish trend of the prices.

Market advice:

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

Advisable trade limits:

Support at 343.2 and Resistance at 348.68



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX October Contract

Soybean seed October Contract witnessed strong today. It opened below the last day's closing price but closed on upper side.

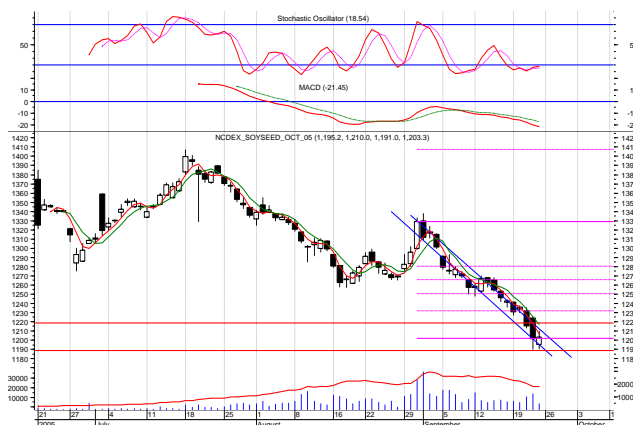
The patterns of the indicators except MACD are indicating to improved slightly in the coming days.

Market advice:

For the short-term the outlook is slightly bullish although the stochastic indicate trend reversal. Remain long.

Advisable trade limits:

Support at 1189.00 and Resistance at 1218.53.



DOMESTIC MARKET COMMENTARY

Soybean:

The market price for soybean maintained its bearish trend for many days at major spot market and also continued this trend today also. The soybean prices decreased at Indore market and traded at Rs.1170-1180 per quintal and in Kota it was remained on lower side and traded on Rs.1249-1260 per quintal. The soybean was also decreased at Nagpur market and prevailed at the range of 1190-1195 per quintal. In Maharashtra the soybean was also quoted relatively on lower side and quoted at Rs.1170-1180 per quintal. According to the traders, the kharif soybean crop damaged due to the rains, but the rest of the crop are in good condition in Indore. The market demand remained quietly weak today.

Soybean October futures at the NCDEX improved slightly today and settled on higher side. The NCDEX October contract today closed at the Rs1203.25 (Up by Rs. 1.70).

The oil market declined marginally towards the end of the day in spite of the firm trading for the most of the day on reduced retail demand and increased pressure of imports.

In the month of September, India has imported about 1.58 lakh tonnes of soybean oil till 23.09.05. The Hazir markets traded marginally lower amidst falling prices in the futures market and declining retail demand.

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

Rapeseed/Mustard:

The major markets for rapeseed/mustard remained moderately range bound but weak today as against of previous day due to less demand, although the arrival remained slight weak as compared to last day. There was no fundamental and technical support to boost up the prices. The selling pressure from NAFED has offset the prices in major trading point. The NAFED also continued its

selling at the price of Rs.1600 per quintal, but traders was asking Rs.1575 per quintal, according to the trade sources.

The Vyada exchanges also showed negative sentiment today except Bikaner.

The trading activity of the October contract at the NCDEX witnessed range bound with slight weak today.

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

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1785-1790	15000
Alwar(C)	1685	1000
Delhi(C)	1790	800-900
Agra(C)	1840	-
Sri Ganganagar (NC)	1530	700
Kota (NC)	1540-65	1000-1200

Vayda Quotes

Mustard futures as on 23rd September 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	333.0	332.6	333.4	332.2	-0.8	332.2
Hapu r	Nov	353.9	354.0	354.4	352.9	-0.5	353.4
Bika ner	Oct	347.1	347.0	347.0	347.0	-0.1	347.0
Hisar	Nov	325.9	325.6	326.2	325.1	-0.8	325.1

Groundnut

Groundnut prices witnessed a decreasing trend in Mumbai and other markets also followed this same trend due to less demand. The new crop has hit the market in Gujarat but very few and also the crop was damaged due to rain, therefore the sentiment remained poor although there was relatively strong demand. It is expected that good rainfall would boost up the crop production in this kharif season. The new kharif crop is expected to hit the market within 15th October at full-fledged.

In Gujarat (Rajkot) the prices of groundnut seed remained at the price of Rs.395-400 per 20 kg and Rs.520-525 per 10 kg for shrink quality.

Groundnut prices are likely to remain weak for the coming few days.

Spot Rates of Groundnuts in Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	22.09.05	23.09.05
Gr Kernel	2390.00*	2395.00*
Bolds 60/70	2885.00*	2880.00*
Javas 60/70	2990.00*	3000.00*
Javas 70/80	2875.00*	2910.00*
Javas 80/90	2815.00*	2825.00*

*Plus Tax / Against Form, X CST Paid, @ VAT Exempted

CBOT

Disclaimer

CBOT Soy Futures Settle Higher

Soy futures at Chicago Board of Trade settled mixed on Thursday. November soybean future settled up 2.75 cents at \$5.805 per bushel and January up 2 cents at \$5.8875 per bushel. December soymeal futures closed down 6 cents at \$175 per ton and December soyoil up 35 points at 23.56 cents per pound. Likely increase of soyoil usage for bio-diesel production, higher energy markets and supportive export data were the bullish factors helped pushing futures higher. However, reports of RITA to pass over Midwest region had slightly bearish impact on futures. USDA reported export sale of 1.20 lakh ton of soybean to China. US export sale came up against earlier trade expectations. The US Department of Agriculture estimated the weekly export sale of US soybean at 7.52 lakh ton, up against earlier expectation of 4-7 lakh ton. USDA reported weekly export sale of US soymeal at 94,200 ton with in the range of earlier expectations between 0.75-1.50 lakh ton, while weekly export of soyoil was estimated at 5,900 ton against earlier expectations between 0-10,000 ton.

South American soybean future ends higher

South American soybean settled higher on possibility of likely switchover by some importers, if hurricane affects shipping from United State. November South America Soybean closed up 4 cents at \$6.525 per bushel. Presumed factor seems to be loosing ground with increased reports of fading intensity of RITA. Weather in South America is a crucial factor to look on. Increased talks and proceedings as well towards preferential use of bio-diesel might boost the farmers' inclination towards soy crop in South America. The US Department of Agriculture has pegged soybean production in Brazil at 60 million ton and in Argentina at 39 million ton this year.

CBOT Soybean futures as on September 22, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Chan ge	Close
Sep0 5	577.6	582.0	584.2	578.4	2.8	580.4
Nov0 5	586.6	591.0	593.0	587.4	2.0	588.6

CBOT remains closed on Saturday and Sunday.

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.93
Malaysia	Ringgit	11.65
European Union	Euro	53.35
United Kingdom	GBP	78.41
Japan	100 Yen	39.33

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