

OILSEED

4th October, 2005

- Soybean Futures Declined

TECHNICAL ANALYSIS

COMMODITY: MUSTARD SEED

Perspective: Very Short Term

NCDEX October Contract

Rapeseed October Contract The contract opened slightly above the last day's closing prices but then the prices declined.

PROC, RSI, Stochastic and Candlesticks all are indicating a bearish trend. However price may open low.

Market advice:

For the short term the sentiment is bearish. Remain Short.

Advisable trade limits:

Support at 346.0 and Resistance at 349.1



COMMODITY: SOYBEAN SEED

Perspective: Very Short Term

NCDEX October Contract

Soybean seed October Contract opened firm but closed down today when compared to last day's closing price. It may remain on a downwards side. PROC, RSI and Candlesticks are indicating bearish sentiments.

Market advice:

For the short-term the outlook is bearish. Remain Short.

Advisable trade limits:

Support at 1199.3 and Resistance at 1211.60



DOMESTIC MARKET COMMENTARY

Soybean:

Soybean market prices declined slightly. At the Indore market Soybean traded in the range of Rs. 1190-1220. In Nanded the prices are Rs. 1180 per quintal. In Kota market it traded at Rs. 1225 - 30 and in Nagpur market it was Rs. 1210-1215. In Dhulia it was Rs. 1200 - 1210. the fall in prices was observed mainly due to increase in supply of Soybean in markets. At Indore market a total of 20000 bags arrived of which 5000 were of new category and 15000 bags of old category.

Soybean October futures at the NCDEX today opened above and settled low. The NCDEX October contract today closed at the Rs1203.10.

The market is expected to be bearish on Wednesday.

Rapeseed/Mustard:

Mustard seed market remained up today at most of the places. Arrival has been increasing at most of the places. In Sriganaganagar 300 bags of Mustard seed arrived. However prices are continuing to move upward due to demand from international markets. NAFED is offering at Rs. 1600 per

quintal. The new MSP is of Rs.1715 that is Rs.15 up from earlier price of Rs.1700.

Prices of rapeseed are likely to be high at the domestic spot market.

Status of Price & Supply of the New Crop

Markets	Prices (Rs/Qtl)	Arrivals (Bags)
Jaipur (C)	1785-90	15000
Alwar(C)	1700	600-700
Delhi(C)	1780	1000-1500
Agra(C)	1835	-
Sri Ganganagar (NC)	1550	500
Kota (NC)	1530-60	2000

Vayda Quotes

Mustard futures as on 4th October 2005

Cent re	Mo nth s	Prev. Settle	Open	High	Low	Cha nge	Close
Delhi	Nov	334.5	334.9	334.9	333.6	-0.6	333.9
Hapu r	Nov	355.8	356.0	356.0	354.5	-0.7	355.1
Bika ner	Oct	346.9	346.9	346.9	346.9	0	346.9
Hisar	Nov	326.2	325.8	325.8	324.9	-1.2	325.0

Groundnut

In Gujarat (Rajkot) the prices of groundnut seed (without tax) traded in the range of Rs.510-515 per 10 kg for shrink quality. In Gujarat 15000 bags arrived due to rains unlike the expected 25000 bags. Crop condition is good but the groundnut arriving in the markets is of an inferior quality. However after 8-10 days of time traders expect arrival of superior quality of groundnut may begin. Production of 22 - 24 lakh tonnes is expected to be this year. Groundnut prices may remain bearish in the coming days. Around 150000 bags are expected to arrive in the market after Dusshera.

Spot Rates of Groundnuts In Mumbai

Groundnut	(Rates in Rs. Per 100 kgs)	
	3.10.05	4.10.05
Gr Kernel	2500*	2485*
Bolds 60/70	2880*	2880*
Javas 60/70	3050	3050*
Javas 70/80	2975*	2975*
Javas 80/90	2900.00*	2915*

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

CBOT

CBOT Soy Futures Slightly End Up

Soybean Futures on the Chicago Board of Trade ended Up on Monday. CBOT November soybean futures settled 7.75 cents at US \$5.81 per bushels. It was 5 cents off the high and 15 cent up from the low. January Soybeans closed up 9.25 cents at US \$ 5.92 5. This was 15.5 up from the low and 4 cent off the high and December Soybean Oil finished up 0.7 cent at 24.65 cents / ponds, 0.33 off the high and 0.92 up from the low. The prices for the oil market continue to find support from increased usage in the energy sector and the USDA Quarterly Grains Stocks Report shows the bullish market of soybean oil. There is no doubt that the

soybean rally was the key driver of the market by sharp gain in soybean oil. Soybean stocks for September 1st were pegged at 255 million bushels versus from trade expectations at 294 million and that compares to 112 million at this time last year. US 2004 soybean production was lowered by 17.3 million bushels to 3.124 billion versus the previous estimate of 3.141 billion. According to the Brazil Vegetable Oils Industry Association, Brazil could export a record 25 million tonnes of soybeans for the 2006/2007, which is up from 21.3 million tonnes this season. Meal exports, however, could fall to 12.8 million tonnes from 13.1 million this season.

South American Soy Futures Marginally Up

CBOT November US soybeans futures were marginally high. November South American soybeans closed 11.5 cents higher at US\$ 6.41 per bushel. Volume was 87 contracts. The high fertilizer prices reduce the planted acreage of soybean in Brazil. However, according to the Brazil Vegetable Oils Industry Association, Brazil could export a record 25 million tonnes of soybeans for the 2006/2007, which is up from 21.3 million tonnes. The soy oil market may be continues higher due to increasing demand of energy fuel and the prices of soymeal is uncertain due to increased oil seed crushed could result more meal supply than expected demand of meal. South American bean may get advantages of low US harvest in this week. Without fundamental support in meal, there is chance of up trend for oil continue and soymeal in a longer-term downtrend.

CBOT Soybean futures as on October 3, 2005 (Cents/bushel)

Month s	Previous Settle	Open	High	Low	Chan ge	Close
Nov 05	573.2	572.4	585.4	566.4	7.8	581.0
Jan 05	583.2	582.4	596.4	577.0	9.2	592.4

Forex Rates

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.13
Malaysia	Ringgit	11.72
European Union	Euro	52.58
United Kingdom	GBP	77.77
Japan	100 Yen	38.70

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