

## OILMEAL

18<sup>th</sup> July 2005

### MAJOR ACTIVITY HIGHLIGHTS

- Soymeal Future Market Remained Firm
- Spot Prices of All the Meals Improved Today

### TECHNICAL ANALYSIS

July 18, 2005

**Commodity** : Soymeal  
**Contract** : July (Future)  
**Exchange** : NCDEX  
**Perspective** : Very Short Term (Daily)

**Candlesticks:** The candlestick pattern is showing range bound movement. The market is expected to open steady. Moreover, the resistance and support level will be at 9262 and 9205 levels respectively.

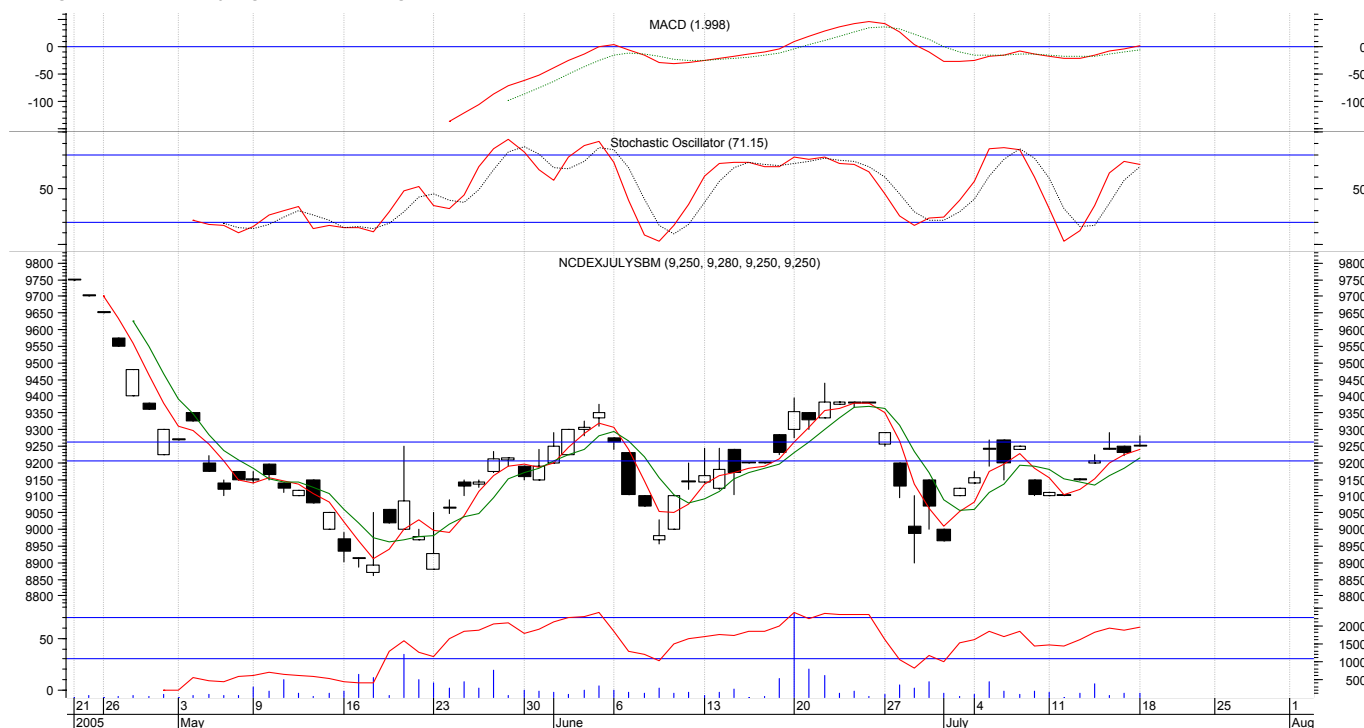
**Moving Average:** The 3 - day MA is lying above the 5 -day MA, 3 - day MA is still moving upward though has started changing its curvature.

**MACD:** The MACD (5-day) has cut the EMA from below and MACD is now moving upward after crossing zero line though EMA is still lying in neutral region

**Stochastic:** The percent K - line has changed its curvature and moving downward, percent D line is still moving upward and both are in neutral region expecting technical correction towards downward.

The market is moving upward but is now expecting technical correction towards downward.

**Recommendation:** The prices will open steady and will trade on lower side with range bound movements in between. Short selling seems to be profitable.



### COMMENTARY

## DOMESTIC MARKET

### Soy meal

The improvement in the soy meal prices at the major domestic spot markets continued today also. In Maharashtra the prices witnessed significant improvement. The demand is good at present. The higher prices of cotton cake also supported the soy meal prices. At the NCDEX also the prices saw strong sentiment in case of August contract. However, in July contract the prices indicated some weakness. But this may be due to the vayda cut on the day after tomorrow. Overall, the improvement is likely to continue.

Plant delivery quotes of Soy seeds remained in the range of Rs 1325 per qtl in Indore while soymeal in physical market has been offered at Rs 9300 - 9700 per MT, as per quality. FOR quotes remained at Rs 10000 - 10100 per MT in Kandla in jute bags, FAS has been put at \$ 232 - 235 per MT.

India's soymeal exports totaled **115,750** tons in June 2005 compared with 94,500 tons in June 2004.

#### DOC rates at different centers

Places	Ex-factory rates (Rs/ton)
Indore	9300 - 9700
Satna/Morena	9200
Javra/ Mandsore	9300
Nanded	9100
Nagpur (42-43%)	8800-9200
Latur	9100
Sangli	9600
Dhulia/Jalna	9300/9500
Kota	9400

### Soy meal vessel report (18.07.05)

'Ise' has berthed at Kandla Port and continues to load 13,500 MT of SBM to Japan. JM Baxi agents is handling the vessel.

Jamnagar Port is loading 8,000 MT of SBM to Bangkok on the vessel 'Thor Sky'. JM Baxi agents is handling the vessel.

Loading of 2,300 MT of SBM is expected at Mumbai Port on the vessel 'Indruwa Valley'. Sai Freight agents will be handling the vessel.

#### NCDEX Soy meal Futures price (18<sup>th</sup> July)

	Prev Close Price	High Price	Low Price	Close Price	Change
July	9230.00	9280.00	9250.00	9250.00	+20.00
Aug	9424.00	9450.00	9351.00	9440.00	+16.00

### Rape/ Mustard meal

Following the strong sentiment in the soy meal market the rape meal prices also maintained the improvement. The fundamentals are strong at present that are supporting the prices. Chance of a significant decline is not likely presently.

In Shivpuri/ Morena, rates remained at Rs 4600 per MT; Kota & Barah at Rs. 4500 per MT.

Central Organisation For Oil Industry And Trade (COOIT), 1st Advance estimates for the year 2004-2005 has put the Rapeseed/Mustard crop production along with Kharif Toria (1.8 lakh tonnes) to 72.0 lakh tonnes in 2005.

India exported **53,975** tons of rapemeal in June 2005 as compared to 45,575 in June 2004.

### Groundnut meal

Continuing the firmness that is being seen for the last few days the prices of the groundnut meal prices today also went up in the major markets. The flood situation, low crop forecast and improved demand- all are price supportive at present. Thus, the strength is likely to continue.

GN extraction in Junagarh, Rajkot has been quoted at Rs 6500 for 40% protein and at Dhulia market it was quoted at Rs. 8100 for 42 per cent protein while at the Nanded market it was quoted at 8100 for 45 % protein.

Central Organisation for Oil Industry and Trade (COOIT), 1st Advance Rabi Estimates for the 2004-2005 has put the Rabi GN crop at 17 lakh tonnes, same as last year.

India exported around **8,900 MT** groundnutmeal in June 2005 as compared to 30,475 MT in June 2004.

## INTERNATIONAL MARKET

### CBOT Soymeal

The Chicago Board of Trade (CBOT) remained closed on Saturday and Sunday.

#### CBOT Soymeal Futures as on 15<sup>th</sup> July 2005 (Cents/pound)

Months	Previous Settle	Open	High	Low	Change	Close
Jul '05	223.3	227.0	232.8	223.4	3.4	226.7
Aug'05	223.7	224.0	229.5	220.8	2.8	226.5

CBOT remained closed on Saturday and Sunday

## NEWS ANALYSIS

### USDA's Export Sales Highlights (July 1-7, 2005)

**Soybean Cake and Meal:** Net sales of 79,500 MT were more than double the previous week, but 16 percent under the prior 4-week average. The primary buyers were Mexico (57,100 MT), Canada (17,400 MT), Panama (4,200 MT), and Honduras (3,000 MT). Reductions were reported for Guatemala (4,000 MT). Exports of 97,100 MT were 29 percent below the previous week and 12 percent under the prior 4-week average. The primary destinations were Mexico (49,500 MT), Canada (19,700 MT), Egypt (8,300 MT), and Japan (7,800 MT).

## WEATHER WATCH: (18.07.05)

### Forecast for next 24 hours

**North:** Rain/thundershowers likely at many places over Uttaranchal and west Uttar Pradesh; at a few places in the east Uttar Pradesh and isolated in the rest region.

**East:** Rain/thundershowers likely at many places over northeastern states and sub-himalayan West Bengal & Sikkim and at a few places in the rest of the region outside Chhattisgarh, Jharkhand, gangetic West Bengal and Orissa where it may be at isolated places.

**South:** Rain/thundershowers likely at a many places in coastal Karnataka and Kerala; at a few places in interior Karnataka and isolated in the rest region.

**West:** Rain/thundershowers likely at many places over Konkan & Goa, east Rajasthan and west Madhya Pradesh; at a few places in the rest region outside west Rajasthan, Gujarat state, Vidarbha and Marathawada where it may be isolated. Further decrease in rainfall over west Madhya Pradesh and east Rajasthan by 20th July.

### Export of Oilmeal

## COMMODITY WISE

India's oil meal exports of April - June '05 (compared to comparative period of previous year 2004-05)

Quantity in metric tonnes

Month	S.B. EXT	R.S. EXT	G.N. EXT	R.B. EXT	CST EXT	TOTAL
April 2005	99,250 (366,625)	90,900 (96,000)	12,950 (14,800)	---	17,800 (---	220,900 (477,425)
May 2005	156,100 (278,300)	69,650 (100,875)	3,025 (44,750)	6,875 (---	50,200 (---	285,850 (423,925)
June 2005	115,750 (94,500)	53,975 (45,575)	8,900 (30,475)	12,675 (5,800)	20,225 (6,200)	211,525 (182,550)
TOTAL	371,100 (739,425)	214,525 (242,450)	24,875 (90,025)	19,550 (5,800)	88,225 (6,200)	718,275 (1,083,900)
2004-05	1,861,325	588,805	121,475	43,056	70,750	2,685,411
2003-04	2,683,675	447,050	126,750	---	65,550	3,323,025
2002-03	1,333,318	455,533	15,225	---	92,445	1,896,521
2001-02	2,509,207	313,012	101,001	---	97,557	3,020,777
2000-01	2,182,142	62,968	18,609	---	10,992	2,336,638
1999-00(F.Y)	2,249,505	79,874	1,808	---	93,365	2,428,470

S.B.- Soybean Extns., R.S.- Rapeseed Extns., G.N.- Groundnut Extns., CST - Castoseed Extns, R.B.- Ricebran Extns  
Source: SEA Data Bank

## PORTWISE

MONTH	BEDI	MUMBAI	BHAV-NAGAR	KANDLA	VIZAG	KAKI-NADA	MAGD-ALLA	MUNDRA	TOTAL
April 2005	35,175 (61,525)	43,250 (102,175)	---	126,625 (235,500)	15,850 (24,125)	---	---	---	220,900 (477,425)
May 2005	10,500 (115,600)	48,325 (61,250)	---	188,975 (155,950)	30,425 (56,400)	6,875 (9,000)	750 (---	---	285,850 (423,925)
June 2005	8,600 (39,300)	45,625 (70,925)	---	120,650 (59,475)	29,900 (---	6,750 (12,850)	---	---	211,525 (182,550)
TOTAL	45,675 (177,125)	91,575 (163,425)	---	315,600 (391,450)	46,275 (80,525)	6,875 (16,500)	750 (---	---	506,750 (901,350)

## Outlook for subsequent two days

Ongoing rainfall activity over northeastern states and sub-himalayan West Bengal & Sikkim is likely to continue. Ongoing rainfall activity over peninsula India is likely to continue and extends further to central India.

## Warning

Heavy to very heavy rainfall likely at a few places over sub-himalayan West Bengal & Sikkim and northeastern states. Isolated heavy rainfall also likely over Uttaranchal, west Uttar Pradesh and coastal Karnataka.

## Forex Rates (18.07.05)

Country/ Continent	Currency	Value in Rupees
USA	Dollar	43.54
European Union	Euro	52.56

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